

United States Senate

WASHINGTON, DC 20510

June 9, 2025

David Richardson
Acting Administrator
Federal Emergency Management Agency (FEMA)
500 C Street S.W.
Washington, D.C. 20472

Dear Acting Administrator Richardson,

We write to draw your urgent attention to the increasingly untenable flood insurance premiums paid by American homeowners as a result of the Biden era policy, Risk Rating 2.0, administered by the Federal Emergency Management Agency (FEMA). We respectfully ask for your leadership to halt further premium increases under Risk Rating 2.0 and implement much needed transparency from FEMA.

On January 20, 2021, President Biden issued Executive Order (EO) 13990, directing every federal agency to target and modify Trump era regulations under the auspice of combating climate change.¹ A few months later, Biden signed EO 14030, requiring agencies to integrate up-to-date flood risk considerations into federal actions.² Collectively, both of these EOs laid the groundwork for FEMA's implementation of a new rating system known as Risk Rating 2.0, which was enacted on October 1, 2021.

Since the Biden Administration's rollout of Risk Rating 2.0, premiums under the National Flood Insurance Program (NFIP) increased in every state.³ By FEMA's own estimates, 77 percent of all NFIP policies now pay more than under the old system.⁴ According to a 2023 Government Accountability Office (GAO) report, premiums on primary residences under Risk Rating 2.0 are subject to a maximum 18 percent increase each year until such premiums reflect "the full risk loss of the insured property," as determined by FEMA.⁵

Families in the following Republican states are especially hard-hit.

¹ Exec. Order No. 13990, 86 FR 7037 (2021).

² Exec. Order No. 14030, 86 FR 27967 (2021).

³ FED. EMERGENCY MGMT. AGENCY, U.S. DEP'T OF HOMELAND SEC., *NFIP's Pricing Approach State Profiles* (2023), <https://www.fema.gov/flood-insurance/risk-rating/profiles>.

⁴ FED. EMERGENCY MGMT. AGENCY, U.S. DEP'T OF HOMELAND SEC., *Risk Rating 2.0 – National Rate Analysis*, https://www.fema.gov/sites/default/files/documents/fema_risk-rating-2.0-national-rate-analysis.pdf.

⁵ U.S. GOV'T ACCOUNTABILITY OFFICE, GAO-23-105977, *Flood Insurance: FEMA's New Rate-Setting Methodology Improves Actuarial Soundness but Highlights Need for Broader Program Reform* 2 (2023).

Louisiana:

- It is estimated that 80 percent of Louisiana NFIP policyholders experienced monthly premium increases in 2025 as a result of Risk Rating 2.0.⁶
- In 2023 alone, the average flood insurance premium in our state jumped by 234 percent, forcing more than 52,000 Louisianans—many of them seniors on fixed incomes—out of the program.⁷
- Coastal parishes, which depend on flood insurance to secure mortgages and rebuild after storms, are now facing premiums that exceed 2 percent of median household income—a threshold that federal guidance deems “cost prohibitive.”⁸

West Virginia:

- It is estimated that 83% of West Virginia NFIP policyholders experienced monthly premium increases in 2025 as a result of Risk Rating 2.0.⁹
- As of August 2023 (the latest available FEMA data), Risk Rating 2.0 would increase annual NFIP premiums for homeowners in West Virginia by ~176%.¹⁰
- Over the last 12 months, ~600 West Virginians have left the NFIP as a result of premium increases.¹¹

Texas:

- It is estimated that 86% of Texas NFIP policyholders experienced monthly premium increases in 2025 as a result of Risk Rating 2.0.¹²
- As of August 2023 (the latest available FEMA data), Risk Rating 2.0 would increase annual NFIP premiums for homeowners in Texas by ~53%.¹³
- Over the last 12 months, ~26,300 Texans have left the NFIP as a result of premium increases.¹⁴

⁶ FED. EMERGENCY MGMT. AGENCY, U.S. DEP’T OF HOMELAND SEC., *Louisiana — Risk Rating 2.0*. (2025) https://www.fema.gov/sites/default/files/documents/fema_louisiana-state-profile_04-2025.pdf.

⁷ CHELSEA BRASTED, AXIOS NEW ORLEANS, *Rates Climbing for Louisiana’s insurer of last resort* (2023), https://www.axios.com/local/new-orleans/2023/09/20/louisiana-flood-insurance-rates_

⁸ DIANE HORN & BAIRD WEBEL, CONG. RESEARCH SERV., R45242, *Private Flood Insurance and the National Flood Insurance Program* 6 (2023).

⁹ FED. EMERGENCY MGMT. AGENCY, U.S. DEP’T OF HOMELAND SEC., *West Virginia — Risk Rating 2.0*. (2025) https://www.fema.gov/sites/default/files/documents/fema_west-virginia-state-profile_04-2025.pdf.

¹⁰ FED. EMERGENCY MGMT. AGENCY, U.S. DEP’T OF HOMELAND SEC., *Cost of Flood Insurance for Single-Family Homes under NFIP’s Pricing Approach* at Ex. 2 (August 31, 2023).

<https://www.fema.gov/flood-insurance/work-with-nfip/risk-rating/single-family-home>.

¹¹ FED. EMERGENCY MGMT. AGENCY, U.S. DEP’T OF HOMELAND SEC., *Policies in Force (PIF): Rolling 12 Months* (April 30, 2025) <https://nfipservices.floodsmart.gov/reports-flood-insurance-data>.

¹² FED. EMERGENCY MGMT. AGENCY, U.S. DEP’T of Homeland Sec., *Texas — Risk Rating 2.0*. (2025) https://www.fema.gov/sites/default/files/documents/fema_texas-state-profile_04-2025.pdf.

¹³ FEMA, *supra* note 10, at Ex. 2.

¹⁴ FEMA, *supra* note 11.

Alabama:

- It is estimated that 79% of Alabama NFIP policyholders experienced monthly premium increases in 2025 as a result of Risk Rating 2.0.¹⁵
- As of August 2023 (the latest available FEMA data), Risk Rating 2.0 would increase annual NFIP premiums for homeowners in Alabama by ~106%.¹⁶
- Over the last 12 months, ~1,200 Alabamians have left the NFIP as a result of premium increases.¹⁷

Mississippi:

- It is estimated that 84% of Mississippi NFIP policyholders experienced monthly premium increases in 2025 as a result of Risk Rating 2.0.¹⁸
- As of August 2023 (the latest available FEMA data), Risk Rating 2.0 would increase annual NFIP premiums for homeowners in Mississippi by ~103%.¹⁹
- Over the last 12 months, ~2,200 Mississippians have left the NFIP as a result of premium increases.²⁰

Rural and low-income homeowners, along with high-risk coastal areas, are being priced out at far higher rates than urban or wealthier communities. In ten states, full risk NFIP premiums today exceed 2 percent of median household income. This undermines home values, depresses property tax revenues, and ultimately inflates federal disaster assistance costs when uninsured homeowners cannot rebuild.²¹

The lack of transparency surrounding Risk Rating 2.0 is beyond troubling. FEMA has never allowed for meaningful public comment nor has it published the underlying data or assumptions used to justify the steep premium increases and refuses to disclose its actuarial model. Without transparency, communities cannot plan mitigation projects, lenders cannot accurately underwrite mortgages, and citizens cannot appeal punitive rate increases. Worse still, rising costs encourage policy lapses—shifting risk back to taxpayers when disasters strike.

The President has long championed policies that reduce federal overreach and protect everyday Americans from burdensome costs. To limit the damage caused by this harmful Biden era policy, we urge you to:

1. Direct FEMA to terminate the Risk Rating 2.0 pricing methodology.
2. Require FEMA to publish all actuarial inputs and outputs of future flood insurance premium increases exceeding the 5% statutory minimum so stakeholders can verify fairness and accuracy.

¹⁵ FED. EMERGENCY MGMT. AGENCY, U.S. DEP'T OF HOMELAND SEC., *Alabama — Risk Rating 2.0*. (2025) https://www.fema.gov/sites/default/files/documents/fema_alabama-state-profile_04-2025.pdf.

¹⁶ FEMA, *supra* note 10, at Ex. 2.

¹⁷ FEMA, *supra* note 11.

¹⁸ FED. EMERGENCY MGMT. AGENCY, U.S. DEP'T OF HOMELAND SEC., *Mississippi — Risk Rating 2.0*. (2025) https://www.fema.gov/sites/default/files/documents/fema_mississippi-state-profile_04-2025.pdf.

¹⁹ FEMA, *supra* note 10, at Ex. 2.

²⁰ FEMA, *supra* note 11.

²¹ See HORN & WEBEL, *supra* note 8.

3. Restore targeted affordability measures for coastal, low income, and historically underinsured communities—ensuring NFIP remains accessible to those who need it most.

Time is of the essence. Each month that Risk Rating 2.0 continues unchecked, more families are forced to abandon their insurance coverage, neighborhoods face economic strain, and entire communities risk collapse after the next disaster. We respectfully urge you to act now—before further harm is done—to protect vulnerable Americans, preserve homeownership, and ensure the NFIP fulfills its mission as Congress intended.

Thank you for your attention to this urgent matter.

Sincerely,



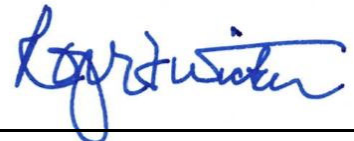
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United States Senator



John Kennedy
United States Senator



Cindy Hyde-Smith
United States Senator



Roger F. Wicker
United States Senator



Shelley Moore Capito
United States Senator



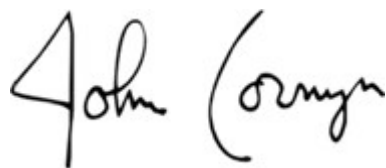
Jim Justice
United States Senator



Katie Boyd Britt
United States Senator



Tommy Tuberville
United States Senator



John Cornyn
United States Senator

CC: Kristi Noem
Secretary of Homeland Security