

Insurance Committee Report
Midyear Meetings, Washington DC

May 14, 15, 2017

The Insurance Committee's flood insurance task force met on Monday, May 14, to review the House talking points prior to the regular insurance committee held Tuesday May 15. The intent was to make a recommendation to the committee to forward on to the general board of directors for possible action. We discussed the following:

- We met with two private flood insurance writers and heard their take on including them in the next reauthorization of the NFIP. The general feeling was that private carriers should have a place in the NFIP reauthorization. They claimed that they weren't interested in "cherry picking" only the best risks, but rather they were interested in some of the higher risk areas, because they could leverage them out against other risks. In essence with the spreading of risk the high-risk policies would be the largest profit policies.
- We talked about the need to include mitigation efforts in the plan, and that there should be grants or support of mitigating before a flood event as well as mitigating after a flood. The task force thought that mitigation was a large part of the future of flood insurance.
- The task force also strongly recommended that flood mapping needed to be brought up to the current technology in elevation determination. Currently FEMA is relying on satellite imagery that is very outdated. We recommend that they move to LIDAR imagery which is far more accurate.
- We also talked about the need for a more accurate and diverse rate schedule. Currently studies show that the clear majority of those purchasing flood insurance are being over charged.
- We advocated for the continued support of the policy holder advocate program which was initiated two years ago.

The Insurance Committee then met on Tuesday May 15, 2017. We discussed the all hazard insurance work being done by that task force and expect to hear from them in November. We talk briefly as well about health care, personal liability,

and casualty insurance. The largest part of the meeting was then spent on the flood insurance issues.

Scott Lauser gave a report of the efforts of the North Dakota legislature in the past session. He talked about the proposed interim study of doing LIDAR mapping throughout North Dakota, to be used to establish rate maps to be used by FEMA. He said that it would follow the efforts currently being done in North Carolina.

We also had a presentation by the NAR lobbyists that are carrying the flood insurance issues to capitol hill. They said that we do have a seat at the table and that the House committee members do want to hear what we have to say.

We did agree that we are about 85% pleased with the current talking points. We approved the report out of the task force to go forward as talking points. We did make a report to the Executive Committee of our position. We thought it was not quite time to prepare a formal position statement.

We agreed that the flood insurance task force would be meeting by conference call or webinar as the House committee continued it's work.

The meeting was adjourned after the flood insurance summary.

This has been a real opportunity for me to be involved in this process at such a ground level basis. Thanks to NDAR for giving me this privilege.

Greg Larson