



Date: September 21, 2011

To: Ohio Floodplain Management Association Board

From: Legislative and Policy Committee – Cindy Crecelius (Lead), Duane Matlack, Jim Mickey, Todd Richard, and Christopher Thoms.

Re: Legislative Concerns

National Focus: As the Federal fiscal year comes to a close, it is no surprise that budget for floodplain management programs and activities is a current “hot topic”. NFIP Reform and reauthorization, disaster relief and EPA stormwater rulemaking are some other items of interest.

- **National Flood Insurance Program Reform** – The NFIP is set to expire September 30, 2011. Both the Senate and House have been working on reform legislation. The Senate Banking Committee recently passed a version of reform legislation and the House did earlier this year. Quick action to resolve differences between the House and Senate versions would be needed to accomplish the reform with reauthorization by end of September. The full Senate would need to vote on the Flood Insurance Reform and Reauthorization Act of 2011.

*Some of the major provisions include:

- ✓ Authorizing National Flood Mapping Program at \$400 million.
- ✓ Expand mandatory purchase provision to include state chartered financial institutions.
- ✓ Move many classes of properties currently receiving Pre-FIRM subsidized flood insurance rates toward actuarial, but not primary residences which is important until a mechanism is in place to assist with affordability.
- ✓ Defines residual risk and requires mapping of areas associated with levees and dams. Once mapped nationwide, a mandatory flood insurance purchase requirement will apply.
- ✓ Reauthorizes and streamlines the flood mitigation programs under the National Flood Insurance Act. Flood Mitigation Assistance, Severe Repetitive Loss, and Repetitive Flood Claims programs would be combined into one program reducing disconnects between the programs while maintaining the authorized funding. Also, cost share would be based on the type of property being mitigated (ordinary at-risk, repetitive loss, severe repetitive loss). * Excerpt from ASFPM “Member Alert: Senate Banking Committee Marks Up NFIP Reform Bill.”

ASFPM does not feel it is likely that the legislation will be compromised and passed prior to the September 30 expiration. They have urged Congress to pass a one-year extension and continue earnest progress toward meaningful reform that will establish financial stability, authorize floodplain mapping, and promote wise actions to reduce future flood losses. It is anticipated that there will be a two-month extension passed as part of the Continuing Resolution to fund government agencies until a budget is passed. The target for passing a Senate Bill, reconciling it with House Bill and reauthorizing the NFIP is November 18, 2011.

President Obama publicly supported several of the reform suggestions as part of the deficit-reduction plan. He noted the House proposal to eliminate subsidies, over 5 years, on 30% of NFIP insured properties (non-residential, non-primary residential, residential sold to new owners, and severe repetitive loss properties); premium increases of $\leq 20\%$ a year in the designated categories (see above) until the amount collected covers full-expected cost of insurance; increase of maximum policy coverage for structures and contents; study alternatives to flood insurance that are sustainable and cost-effective.

- **Disaster Relief** – The Senate adopted \$6.9 billion disaster aid measure. \$5.1 billion for FEMA’s Disaster Relief Fund. \$500 mil for immediate use based on a request that went to Capitol Hill in mid-September.
- **EPA Stormwater Rulemaking** – Goal is to strengthen the program to reduce stormwater discharge from new/redeveloped sites. Rules will address performance standards, municipal stormwater facilities and transportation facilities. The rulemaking is open through August of 2012 and comments can be made via the EPA web site www.epa.gov/npdes.
- **Appropriations** – FEMA Pre-disaster Mitigation request was for \$84.9 mil (FY11 was funded at \$49.9 mil), House proposed \$40 mil and Senate \$42.5 mil; Floodplain Mapping request was for \$102.7 mil (FY11 was funded at \$181.6 mil), House proposed \$102.7 mil and Senate \$92.7 mil. US Army Corps of Engineers received requested level funding for National Flood Risk Management Program - \$3 mil, Floodplain Management Services - \$9 mil, and Planning Assistance to States - \$5 mil.

Ohio Focus: The major concern for floodplain management legislation and policy in Ohio continues to be maintaining the delicate balance between managing the flood risk (property and resources) and restoring a sustainable economy at the state and local level. Some “special interests” have proposed legislation and policy directed at improving business and revenue without realizing the floodplain management impact. Manufactured home installation and oil and gas well drilling are two of the more prominent flood risk management challenges.

- **Ohio Manufactured Housing Commission** – Members were in attendance at the Statewide Floodplain Management Conference, Columbus, Ohio July 2011 and identified potential conflicts with current administration of manufactured housing installation procedures and satisfaction of floodplain management regulations. The following two items are from the OMHC Meeting Minutes of August 17, 2011.

Flood Plain Management Seminar:

On July 27 OMHC was asked to provide a breakout session at the Flood Plain Management seminar put on by the Ohio Department of Natural Resources. Dave Long and Janet Williams spoke and Dave actually attended the two day conference. One thing taken away of our speech and the questions we received was there needs to be something more than just a yes or no on our applications on whether the home being set is in the flood area. If we are relying on the homeowner or the installer to answer that question, it is most probably going to be no it is not in a flood plain. It should be one of two proofs. It is either a letter from the flood plain administrator stating it is not in a flood area, or a copy of the permit that was issued from the flood plain administrator. We will be listing on our website here in the near future a link to the ODNR where inspection agencies can check to see who the flood plain administrator is in every area of the State.

ODH Transfer – HB 153:

At the last meeting staff with the Attorney General’s Office was going to explore some ideas with regard to the park transfer. AAG, Walter McNamara spoke and stated that it is not possible to do an MOU with ODH for them to give up their authority. It may be possible to give some aspects up but not the entire program. Janet Williams felt it was not appropriate at this time to go to the Governor’s office to discuss when the States Legislators just six (6) weeks ago decided the parks should remain with ODH. She felt we should take some time and figure out what the right move would be. She also felt that OMHC should foster a good relationship with ODH so when the time is right perhaps we could have a joint memo of support for the transfer from ODH to the OMHC. The Commission would like to see a meeting set up with ODH Director, Gene Phillips and Executive Director, Janet Williams to discuss.

Mavis confirmed with Mary Clifton at ODH that she is the contact person for park plan approvals, expansions and flood plain issues. Any calls relating to park licensing or operation of the park should be directed to LeeAnn Todd-Hoon. Mary asked that we provide callers with their main office number of 614-466-1390.

The OMHC is meeting September 21, 2011 and will discuss how to address the floodplain management administration need.

The following activities have been identified by the Committee to address the OFMA's role in promoting sound and effective floodplain management through policy, training and cooperation. Outreach efforts will be on-going.

- **Identify local floodplain managers who have established a rapport with a legislator. Share the Ohio floodplain management priorities with local floodplain managers via the web site. Become a resource and credible source of floodplain management information for legislators addressing floodplain management issues.**
- **Offer legislators desiring more information on floodplain management concerns and issues one-on-one discussion.**

Committee Follow-up Actions:

- ✓ Monitor national and state legislation with the potential to impact floodplain management priorities.
- ✓ Provide Committee Reports to members via OFMA web site.