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TESTIMONY

No More Hikes: Small Business Survival Amidst Unaffordable Flood Insurance Rate Increases

Before the

Senate Committee on Small Business & Entrepreneurship

By

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Chair
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Introduction

The Association of State Floodplain Managers (ASFPM) is pleased to participate in this hearing about the National Flood Insurance Program and its ability to meet the needs of homeowners and small businesses that are subject to flooding. We appreciate the opportunity to discuss our views and recommendations for the future of the program and for improved community resilience and flood insurance affordability. We thank you, Chairman Vitter, Ranking Member Shaheen and members of the Committee for your interest in this important subject.

The ASFPM and its 36 Chapters represent over 17,000 state and local officials as well as other professionals engaged in all aspects of floodplain management and flood hazard mitigation including management of local floodplain ordinances, flood risk mapping, engineering, planning, community development, hydrology, forecasting, emergency response, water resources development and flood insurance. All ASFPM members are concerned with reducing our nation's flood-related losses. For more information on the Association, its 14 policy committees and 36 State Chapters, our website is: www.floods.org.

The National Flood Insurance Program (NFIP) was created by statute in 1968 to accomplish several objectives: to ensure the availability of flood insurance so that owners of property in at-risk locations pay for insurance to make them more "whole" after a disaster than would relying on disaster relief; to save American taxpayers the costs associated with at-risk properties and to put in place local ordinances governing land use and construction in order to reduce flood losses over time. Since 1994, Congress modified the NFIP to add objectives to mitigate older, at-risk buildings and to comprehensively identify and assess flood risk areas across the country. This is a multi-faceted, multiple objective program – a four legged stool as it is often called.

As flood losses increase, the nation will continue to need a robust, fiscally strong National Flood Insurance Program to comprehensively reduce flood risk. We must understand that the NFIP is far more than an insurance program. It is the nation's primary tool to identify and map flood hazard areas, assess flood risk, implement strong land use and building standards to prevent future disaster losses, and undertake mitigation to reduce damage to older at-risk buildings, in addition to providing flood insurance. For example, the adoption of floodplain management standards by more than 22,000 NFIP participating communities results in $1.7 billion in flood losses avoided according to FEMA data. The mitigation programs within the NFIP, Increased Cost of Compliance (ICC) and Flood Mitigation Assistance (FMA) have mitigated, on average, 1,850 buildings annually between 2010 and 2014.

A Pivotal Time for the NFIP – Current Status

The program is nearly 50 years old. Reform legislation in 2012 and 2014, resulted in 80 new sections of law that are not yet fully implemented. The program will need to be reauthorized in 2017. Meanwhile, legislation to further promote the growth of a private market for flood insurance is making its way through the Congress. That legislation could have some serious unintended consequences for the NFIP. ASFPM hopes that Congress will be thoughtful about reforms that might be considered in 2017 as we do not yet fully know the program outcomes that will result from the previous two reform bills.

The NFIP has adapted to changing needs and technologies and has been generally self-supporting throughout its life. However, due to the catastrophic floods of 2004, 2005 and 2012, the program does currently owe the US Treasury $23 billion. This was not unexpected, as the NFIP was directed to subsidize a significant portion of it book of business, and the program did not purchase reinsurance to handle the catastrophic events.

Congressional efforts in 2012 to stabilize the finances of the program by removing subsidies resulted in serious affordability issues and led to dramatic premium increases for some policyholders. The Homeowners Flood Insurance Affordability Act (HFIAA) of 2014 attempted to address the affordability issues by spreading out the increases over a longer period of time and eliminating a provision that premiums for primary homes would increase to full actuarial rates if the property was sold. Despite the longer glide path for increases, rates will again reach very high levels in another three or four years and a long-term solution to affordability beyond the longer phase-in was not included in either Biggert-Waters (BW-12) or HFIAA. Also, to meet House PAYGO rules, there was a need to impose large surcharges on non-primary residences, on small businesses and on other non-residential structures. Premium increases and the surcharges have led to a notable reduction in policies in force declining from a high of 5.5 million to about 5.1 million today. FEMA anticipates further decline due to these reasons and to movement toward private market policies. What is less clear, though, is the impact of private policies in expanding the overall policy base versus simply taking policies from the NFIP.

Flood risk maps exist for about 1/3 of the nation, but are often many decades old, or were updated before the current standards to redraw boundaries based on more accurate study data and topography. And many areas have never been mapped so there is no identification of areas at risk and communities have no maps or data to guide development to be safe from flooding. In areas with old FEMA maps, or maps that have not been updated with accurate boundaries and flood elevation data, landowners – including businesses - are often shown “in” the floodplain and required to purchase flood insurance when they are actually at a higher elevation. They incur extra costs to prove they are “out” of the floodplain based on more accurate elevations and flood elevations through the Letter of Map Amendment process. Landowners are understandably angry when they have to spend the time and money to go through the Letter of Map Amendment (LOMA) process. FEMA should only be issuing new maps that have all the mapped flood risk areas based on supporting flood data and that use the best available elevation data for boundaries. Mapping projects that have been funded more recently meet those standards, and will reduce the number of landowners being told they must buy flood insurance when they are clearly high. The NFIP policy fees and direct allocations for mapping are used to update and correct the FEMA maps. Funding allocations that are closer to the $400 million per year authorized in the 2012 reform act, will help to get more accurate maps prepared sooner for more parts of the county. But the funding from the policy fees is also an important part of the funding for map updates and corrections, so less NFIP policies means less funding for updated maps.

Repetitive loss claims unnecessarily drain the National Flood Insurance Fund and today, there are at least 160,000 repetitive loss properties. Hazard mitigation efforts, while important, have been insufficient to reduce flood damage to older structures and ultimately reduce the overall number repetitive loss properties. Current mitigation programs within the NFIP are underfunded and not reducing the overall number of repetitive losses in the country. Messaging about flood risk outside of identified floodplains (Special Flood Hazard Areas) results in the “in” or “out” mentality, which has significantly understated risks in those areas, hindering expansion of the policyholder base and protection for property owners. FEMA states that 40% of flood-related losses occur outside of mapped floodplains.

With NFIP premiums moving toward becoming actuarially sound, it becomes more feasible for private insurers to offer competing products. Private insurance companies are increasingly offering flood insurance. Last month, a presentation by an insurance industry analyst showed that in the last two years, the number of companies offering private flood insurance has tripled, and flood insurance is being made available for not only lower risk properties, but for some higher risk properties too – especially those where FEMA’s rating system is imprecise and private insurers can offer an actuarially rated product somewhat cheaper. Because private flood policies are written under current law which requires a private policy to be equivalent to the NFIP (at least for the purposes of mandatory purchase), these policies <u>do</u> contain provisions similar to Increased Cost of Compliance. Private insurers are also experimenting with additional coverages that reflect the desires of consumers. These additional coverages may be especially interesting to small businesses. <u>The bottom line is today, there is an emerging but vigorous private market that is interested and able to write primary, or “first dollar,” flood policies</u>.

Today, private policies do not include policy fees to pay for floodplain management and mapping activities instead depending on the tools and data funded by NFIP policy holders and taxpayers. NFIP policies do include policy fees. As the private market grows and revenue from premiums and fees for the NFIP is reduced, will the NFIP be able to sustain those functions – which also benefit the private insurers as well as the taxpayers? We are already seeing the reduction in the numbers of flood insurance policies affecting resources available for mapping and floodplain management.

The Push for Expansion of a Private Flood Insurance Market

ASFPM has long supported private sector involvement in writing flood insurance and recognizes the valuable contributions that private sector currently brings to the table: The excess and surplus market for flood is entirely private as is much of the large commercial and industrial flood insurance market, and the Write-Your-Own (WYO) program leverages the capability of private insurers to better implement the NFIP. However, as the private market considers expanding into the traditional territory of the NFIP – primarily residential, first-dollar flood market -there are new implications to the NFIP as a whole that must be considered. As it exists today, the growth of the private market writing primary flood insurance policies is largely being done in pragmatic and fair way. The one exception to this is that private insurance companies benefit from the flood risk maps and local floodplain management ordinance monitoring and technical assistance that are funded through the policy fee associated with NFIP policies. The ASFPM suggests that an **equivalent policy fee be associated with private market policies** to contribute to ongoing support for these functions that private insurers have acknowledged to be very important.

We also understand the interest in development of more private flood insurance options and we note that some parties would desire to see the NFIP go away in its entirety or become the insurer of last resort (a residual insurer). ASFPM believes that any future legislative reforms that involve expanding the private flood insurance market should be guided by three principles: understanding of and minimizing impacts on the other elements of the NFIP that result in comprehensive flood risk reduction, ensuring that there is true fairness and parity between NFIP and private policies (in other words that changes do not subsidize the private flood policies at the expense of the NFIP and taxpayers), and minimizing impacts to the taxpayer which also means examining how private flood insurance options interplay with both lending and disaster assistance policies.

It is critically important to maintain the basic structure and availability of the NFIP. There are important reasons for this. There will, no doubt, be many structures and properties for which the private sector will not wish to offer insurance. Further, federal flood insurance must be available when private market calculations or losses lead them to pull out of certain areas. ASFPM believes that whatever direction private flood insurance takes in the future, a strong and viable NFIP must be available as well.

As private flood insurance becomes more widely and easily available, provisions must be made to ensure that such policies can only be made available to meet the mandatory purchase requirement if the community participates in the NFIP. Why? For thousands of communities in the NFIP, the primary reason for joining the program is the availability of flood insurance to meet the mandatory purchase requirement. As a requirement of joining, communities agree to adopt and enforce local floodplain management standards. As a result, floodplain management standards are the most widely adopted in the United States – exceeding the coverage of building codes, subdivision regulations, and zoning. The adoption and enforcement of these codes, in turn, reduces future flood risk to the individual, businesses, communities and taxpayers. Our members know that once you remove the incentive for joining (flood insurance availability) thousands of communities will likely rescind their codes, drop out of the NFIP, and rely on the private policies to meet needs of property owners. While it is true there are other disincentives for dropping out of the NFIP such as the unavailability of some forms of disaster assistance, these disincentives are ridiculously weak and ineffective. **Thus as a condition for any further private sector expansion, we suggest that private market policies to meet the mandatory purchase requirement only be sold in NFIP participating communities.**

A key question that Congress should address in 2017 is what is the long term role of the NFIP? Will the NFIP only insure properties that the private sector doesn't want to insure – thereby becoming the insurer of last resort? Would that situation be sustainable for continuing to have an NFIP? How would our national efforts to reduce flood losses be affected by loss of the NFIP and its floodplain management and flood risk mapping functions? Will the federal taxpayer have to pick up more costs through the disaster program if property owners buy high deductible policies and do not have enough insurance to rebuild their homes and businesses? We are at a tipping point and before any further legislation promoting greater availability of private flood insurance advances, these questions should be debated and settled.

Legislation to Promote Growth of Private Flood Insurance

Legislation to facilitate the growth of a private market for flood insurance was rushed through the House of Representatives and is now awaiting consideration in the Senate. Insurance industry representatives and other proponents like to say that the measures (S. 1679 and H.R. 2901) only implement what was intended in recent NFIP reforms. Many note that private companies could offer less expensive insurance while others say that private insurance would reduce taxpayer exposure by avoiding future debt for the NFIP.

Concerns have begun to crop up from ASFPM members and other organizations. The House bill passed using a procedure reserved for noncontroversial legislation before some of these questions arose. We have explored these concerns with insurance experts (including former state insurance commissioners), lenders, reinsurers and mortgage servicers in an effort to understand the potential problematic impacts. One highly regarded insurance expert said that the legislation would "absolutely gut the NFIP." It is clear to us that this legislation does not reflect a holistic consideration of the multiple key aspects of the NFIP, but only addresses the one aspect, insurance.

Issues Addressed by the Legislation

There are two main issues that have been raised by the insurance industry that are addressed. One is determining where the responsibility lies for determining what is an acceptable private sector policy to meet the NFIP's mandatory purchase requirement? Currently, the responsibility rests with federal banking regulators, but they have never really stepped up to the task. To complicate the problem, FEMA attorneys decided in 2013 that it was not in their authority to provide guidance in this regard. (We disagree—while they cannot regulate, they can provide guidance; after all they are the flood insurance experts.) Also in 2013, all of the federal lending regulators issued a joint advance notice of proposed rulemaking establishing requirements regarding acceptance of private flood insurance coverage. A final rule was never promulgated. The pending legislation steps into the breach by assigning the task to State Insurance Commissioners.

The other issue is that there has not been portability between federal and private flood insurance. Currently, policies are not counted as providing continuous coverage if a policyholder switches between NFIP and private policies. The legislation states that private policies would be deemed substantially equivalent to NFIP policies would count as continuous coverage.

Problems Created by the Legislation

Unfortunately, there appear to be other problems and significant unintended consequences that could result from the legislation in addition to the two issues identified earlier. Those two were: 1) the lack of a policy fee on private policies equivalent to the NFIP policy fee to support the floodplain management and mapping activities, and 2) the lack of a provision to assure that private policies would only be sold in NFIP participating communities to avoid communities dropping out of the program, thereby losing the floodplain management functions which promote reduction of flood-related losses.

One of the most significant problems is the elimination of any requirement that a private policy must be at least as broad as an NFIP policy. Instead it replaces it with a mechanism that forces lenders to accept private policies by any insurance company that is not otherwise prohibited from doing business in the state and would be subject to yet-to-be defined state regulations. However, based on conversations with former state insurance commissioners and consistent with principles of state insurance regulation, especially of non-admitted/surplus lines of insurance, these regulations can be expected to be minimal, focusing primarily on ensuring that the insurance company is financially stable. Policies written under these lines are not protected by the state guarantee fund (should the company go out of business), and state regulators <u>do not</u> regulate deductibles, forms, or exclusions from these policies. Thus, policies deemed acceptable by states could be clearly substandard to NFIP policies under the proposed legislation. If this leads to policies with excessively high deductibles (but low annual premiums so the insured thinks they are getting a bargain), high dollar threshold exclusions or coverage exclusions, then it increases the likelihood of the insured needing additional disaster assistance and/or, in the case of GSEs or federal lenders, the insured walking away leaving the responsibility of the loss ultimately to the taxpayer (see issue below on the GSE/federal lender issue).

Another problem would be the lack of provisions for compliance with local codes during disaster recovery. Increased Cost of Compliance (ICC) coverage was added to the NFIP in the 1994 NFIP reauthorization legislation because local officials had difficulty dealing with the substantial damage designations because there were no resources to help property owners cover the costs of bringing structures into compliance with local codes. The reason that private policies today have ICC is because again, under current law, a private flood policy must be as broad as an NFIP policy. Under the proposed bill, all notion of equivalency with a NFIP policy is eliminated. An additional similar problem exists with the Flood Mitigation Assistance (FMA) program. While the proposed legislation could result in a private policy meeting the flood insurance coverage requirements to be eligible for FMA, there is no requirement under a private flood policy to contribute to this important hazard mitigation program. Is it fair for NFIP policy holders to subsidize flood hazard mitigation for those with private flood policies since FMA funds come from premium dollars?

Another problem is that Government Sponsored Enterprises (GSEs – i.e., Fannie Mae and Freddie Mac) and federal agencies that make direct loans (like the Small Business Administration and the Veterans Administration) are forced to accept private policies that may be substandard as compared to an NFIP policy. They may not apply their own risk management standards for acceptable policies, and cannot evaluate a private company's claims paying ability, and requires that any standards set by the GSEs and federal lenders cannot be in conflict with state laws. It is our understanding that the Consumer Mortgage Coalition is submitting testimony for the record associated with this hearing to more fully explain this concern. ASFPM views these provisions as also increasing taxpayer liability. Is it wise for taxpayer backed entities like GSEs or federal agencies who make direct loans to be subject to state laws which could establish new caps and limits on them? For example, the Small Business Administration (SBA) requires flood insurance for loans to property owners suffering flood losses even if they are outside of a mapped floodplain. House Bill 678 in Connecticut introduced in January 2015 proposed that mortgage lenders shall not require flood insurance unless a property is located in a FEMA mapped SFHA. If the Connecticut bill were to become law, SBA would no longer have the discretion to require flood insurance in anything but a FEMA high hazard zone (because HR 2901 clearly disallows any standard conflicting with the laws of the states). We believe that Federal lenders and GSEs should have the full ability to make risk management decisions on behalf of the US taxpayers unencumbered by state insurance laws.

Another fiscal solvency and taxpayer liability concern is that the NFIP can't pick and choose which buildings to insure, as long as a community participates in the NFIP, its citizens can buy federal flood insurance. Private insurance companies don't work the same—they'll be able to cherry pick the "best" risk (i.e., most profitable) policies out of the NFIP. That leaves the NFIP with the highest risk properties. The Government Accountability Office reported in 2004 that although repetitive loss properties accounted for 1 percent of NFIP policies, they represented 38 percent of the claims paid. How many of repetitive loss (much less severe repetitive loss) properties will be picked up by private flood insurers? How about Severe Repetitive Loss properties? If the NFIP ultimately becomes the insurer of last resort, it will guarantee that the NFIP will have to be bailed out by taxpayers much more often because it will have less capacity to absorb large claim events (due to a smaller pool of the highest risk properties). Also, it is likely that dependence on disaster assistance will increase because property owners will opt for substandard private policies that ultimately won't cover their losses after disasters.

Reauthorization and Reform of the NFIP

Recognizing the need for further reforms to address challenges and improve the effectiveness, fairness and affordability of the NFIP, the ASFPM has developed a number of recommended principles and priorities to guide reauthorization.

As flood losses increase, the nation will continue to need a robust, fiscally strong National Flood Insurance Program (NFIP) to reduce flood risk. The NFIP is far more than an insurance program. It is the nation's primary tool to identify and map flood hazard areas, assess flood risk, implement strong land use and building standards to prevent future disasters, and undertake mitigation to reduce damage to older at-risk buildings, in addition to providing flood insurance. ASFPM has established the following principles for reauthorization of the NFIP in 2017:

1) Reauthorize, fund and enhance the National Flood Mapping Program (NFMP). Authorized by the 2012 reform act at $400 million annually, the NFMP is still desperately needed to map approximately 3 million miles of unidentified flood hazard areas, identify dam failure zones and maintain the existing inventory of 1.2 million miles of flood studies.
2) Forgive the $23 billion debt. The NFIP, as designed by Congress, was never intended to fully repay claims from catastrophic events. Full repayment of interest and principal – especially as interest rates rise - undermines the financial stability of the NFIP and will be impossible to accomplish.
3) Ensure a system where a strong NFIP co-exists with private sector flood policies. Require private flood providers to share in costs to maintain flood mapping and floodplain management efforts. Ensure changes to facilitate private flood policies do not harm other elements of the NFIP: mapping, mitigation, and floodplain management.
4) Address NFIP affordability issues that will re-emerge in the next 3-5 years. While ASFPM supports the continuation of the current glide path towards actuarial rates to facilitate accurate risk messaging and promote mitigation, flood insurance affordability was largely ignored in previous two reform bills and must be addressed now. Affordability subsidies should support mitigation, rather than subsidize insurance premiums only. We note that the Congressionally mandated studies on flood insurance affordability have been completed and look forward to FEMA's completion of the affordability framework. Also, there are several innovative ideas on flood insurance affordability that deserve consideration such as those proposed by the Wharton School which links a subsidy voucher with a mitigation loan to reduce risk and lower flood insurance premiums.
5) Support and strengthen the mitigation elements of the NFIP, especially Increased Cost of Compliance.
6) Strengthen compliance with mandatory insurance provisions of the NFIP. Two areas are particularly problematic – owners maintaining flood insurance policies as a condition of loans after the first few years and owners maintaining policies after receiving disaster assistance and/or after the 3-year group flood insurance policy expires.

ASFPM has developed a detailed list of priorities for NFIP reform that are attached to this testimony.

In Conclusion

Floods are this nation's most frequent and costly natural disasters. The recovery from major flood disasters often takes years and affects not only homeowners, but businesses, houses of worship, schools, non-profit organizations and, overall, local economies and its social resilience. Flood insurance does far more to support rapid recovery for citizens and businesses than disaster assistance. The insurance claims provide a reliable source of funds and NFIP policies also provide significant funds for compliance with local codes. Small businesses, which are the economic engines for most communities, need immediate access to funds for repairs, for replacement of inventory and/or equipment, as well as for mitigation of future disaster losses. Analysts report that of small businesses affected by floods that cannot re-open within 1 month, 50% will never re-open.

It is important that future reforms recognize, preserve and enhance the value of the four legged stool that is the NFIP (insurance, mapping, floodplain management and hazard mitigation) while supporting a smooth, complementary relationship with a private market for flood insurance. ASFPM believes that this co-existence is possible. ASFPM is strongly opposed to schemes that relegate the NFIP to a residual market or a market of last resort. In fact, Congress rejected this approach when making reforms under BW-12 which did stipulate several conditions for private flood policies. It is under these conditions today, that a new private flood market for writing primary flood policies is thriving.

The Association of State Floodplain Managers appreciates this opportunity to share our observations and recommendations with this Committee. For any questions, please contact Chad Berginnis, ASFPM Executive Director at cberginnis@floods.org (608 828-3000), Ceil Strauss, ASFPM Chair at Ceil.Strauss@state.mn.us (651 259-5713) or Merrie Inderfurth, ASFPM Washington Liaison at merrie.inderfurth@gmail.com (703 732-6070).

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ASFPM Detailed Priorities for NFIP Reauthorization and Reform

June 17, 2016

- **Reauthorize, fund and enhance the National Flood Mapping Program**
  - Support the Congressional group's request to provide authorization up to $1.5 billion annually to expedite the completion of flood mapping for every community in the United States
  - Reiterate support for mapping future conditions as called for in BW 2012
  - Create new flood zones to better reflect risk (such as those for residual risk areas)
  - Prioritize high quality topography to accurately depict flood hazard areas
  - Prohibit/eliminate the LOMR-F and associated floodway creep
  - Require all A-Zones to be model based
  - Prohibit digital conversion of flood maps unless new engineering is done

- **Ensure parity between private sector flood insurance and the NFIP**
  - Require equivalency fee (equal to federal policy fee) on all first dollar private flood insurance policies to help pay for flood mapping and floodplain management
  - Allow lenders, not require them, to accept private policies
  - Ensure that consumers know limits and other differences between private flood insurance policies and NFIP policies
  - Require that private, first dollar flood policies have comparable coverages, including a provision to pay for mitigation such as ICC
  - Ensure federal lenders and GSEs have flexibility to make their own risk management determinations, and are not forced to accept any policy approved by state insurance regulations
  - Ensure that the NFIP does not become only the insurance program of last resort / residual program so it only has the highest risk policies in its portfolio.
  - Provided that private flood policies have comparable coverages, provide for seamless portability between NFIP and private policies to satisfy requirements of continuous coverage

- **Address affordability**
  - Implement a comprehensive affordability framework
  - Eliminate policy surcharge imposed by the HFIAA 2014 legislation
  - Subsidize mitigation, not insurance, to promote safety and affordability
  - Explore providing low cost mitigation loans under the umbrella of the Flood Mitigation Assistance program. The loans could be paid for by FMA. The property owner would repay the loan upon sale of the property

ASFPM Detailed Priorities for NFIP Reauthorization and Reform (cont'd)

- **Support and enhance Increased Cost of Compliance**
  - If policy surcharge remains, use the proceeds of the surcharges imposed by the HFIAA 2014 legislation to support Increased Cost of Compliance (ICC) to boost mitigation and reduce losses to the Fund
  - Require FEMA to fully implement all aspects of existing ICC statutes within 1 year of 2017 NFIP reform
  - Increase ICC limit to at least $60,000. This could be done in the context of requiring a co-pay percentage for ICC funds over $30,000
  - Allow for ICC claims to be in addition to the maximum claim limit under the standard flood insurance policy
  - Allow ICC to be triggered by non-flood related damage events
  - Expand eligible items to be paid under ICC to be substantially similar to eligible items under the FEMA HMA grants

- **Support pre-disaster mitigation of at-risk structures**
  - Explore requiring annual FMA funding requests to support mitigating 5% of the repetitive loss properties each year
  - Ensure that FMA is also available for high at-risk properties that may not yet have suffered a loss
  - Require FEMA to develop and execute a comprehensive repetitive loss strategy including a requirement to go to full actuarial rates unless mitigation occurs after a certain number of claims

- **Other**
  - Forgive the current debt by recognizing it as emergency disaster expenditures and create an automatic, long-term mechanism within the NFIP that ensures, after a certain threshold of catastrophic events, the debt will be paid by the US Treasury after consideration of the balance of the reserve fund, utilization of reinsurance, and ability of the policy base at that time to repay
  - Improve insurance agent training to include mandatory training and continuing education
  - Consider some limitation on the maximum number of insurance claims per property. This will help limit taxpayer exposure but the limitations should be tied to mandatory mitigation assistance or otherwise face full actuarial rates
  - Consider the requirement that all property owners obtain and maintain flood insurance