



July 31, 2023

The Honorable Administrator Deanne Criswell
Federal Emergency Management Administration (FEMA)
500 C Street SW,
Washington, DC 20024

Re: Docket ID: FEMA 2023 0000 Request for Information Regarding the Community Disaster Resilience Zones and the National Risk Index

Dear Administrator Criswell:

On behalf of the National Association of Insurance Commissioners (NAIC)¹, we write today in response to the Request for Information FEMA–2023–0000 (RFI) regarding the Community Disaster Resilience Zones Act of 2022, including updates to the methodology and data used for the National Risk Index, published in the May 26, 2023 issue of the Federal Register. At the outset, we strongly encourage FEMA to coordinate closely with the NAIC as you continue this process.

As the primary regulators of the insurance sector, state insurance regulators are on the frontlines of natural catastrophe preparedness and response, protecting policyholders and maintaining well-functioning insurance markets. State insurance regulators, through the NAIC, have had a climate-specific working group for more than a decade, which evolved into our Climate and Resiliency Task Force that serves as the coordinating NAIC body for discussion and engagement on climate-related risk and resiliency issues. This Task Force builds on existing efforts to address the economic consequences of natural disasters, including efforts to mitigate their toll. While the potential role of the climate in influencing the frequency and severity of natural disasters has received more specific attention over the last decade, our work is built on decades of expertise and experience in managing the economic fallout of these disasters.

The Community Disaster Resilience Zones Act of 2022 complements various ongoing initiatives within the NAIC aimed at fostering well-informed risk assessment of natural hazards, educating consumers about the risks associated with those hazards, providing guidance on reducing exposure to said hazards, and improving the resilience of low-to-moderate income communities, in part through grant subsidies. Codifying the FEMA National Risk Index would benefit the NAIC's efforts to inform consumers about the risk natural hazards pose by ensuring sufficient funding for future iterations and maintaining the public risk assessment mapping tool.

¹ As part of our state-based system of insurance regulation in the United States, the NAIC provides expertise, data, and analysis for insurance commissioners to effectively regulate the industry and protect consumers. The U.S. standard-setting organization is governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer reviews, and coordinate regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. For more information, visit www.naic.org.

Third, the National Risk Index resilience factors could benefit from the inclusion of FEMA’s nationwide building code adoption tracking data. Including information regarding the current building code adoption status for state, local, tribal, and territorial governments across approximately 22,000 jurisdictions throughout the country would support FEMA’s initiative to promote uniform and current building code adoption.

if impacted by a natural peril, would be looking to FEMA for individual assistance and leveraging social support services to recover from the loss. Partnering to recognize where these coverage gaps exist would support a well-informed decision-making process for designating the Community Disaster Resilience Zones.

Finally, while the Infrastructure Investment and Jobs Act provided significant funding aimed at improving the resilience of America's infrastructure, it falls short of addressing the societal impacts of natural hazards and the devastation for residents, particularly those low-to-moderate income individuals and socially vulnerable populations. FEMA should leverage state insurance regulators and the NAIC in support of identifying those projects most likely to improve outcomes for low-to-moderate income individuals, thereby keeping people in their homes and businesses open, and reducing the need for public assistance in the aftermath of natural hazards. We look forward to building on our partnership with FEMA, formalized in 2019 through a memorandum of understanding, to share insights and collaborate on critical aspects of consumer safety and education.

Coordination amongst multiple stakeholders is crucial to align objectives and improve outcomes in a more inclusive holistic approach that reduces overall risk and improves community resilience. The NAIC stands ready to work with FEMA to serve the community.

Thank you for the opportunity to comment.

Sincerely,



Chlora Lindley-Myers
NAIC President
Director
Missouri Department of Commerce and Insurance



Andrew N. Mais (He/Him/His)
NAIC President-Elect
Commissioner
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