



FOR IMMEDIATE RELEASE
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**Commissioner Donelon Participating in National Roundtable
on Flood Insurance Reform**

Insurance Commissioner Jim Donelon will participate in a roundtable discussion on flood insurance tomorrow in Washington, D.C. Commissioner Donelon was invited to participate by the U.S. Government Accountability Office (GAO) which is charged with studying options for privatizing the National Flood Insurance Program (NFIP) under the Biggert-Waters Flood Insurance Reform Act of 2012.

Since flood damage is seldom covered under homeowners policies, purchasing a separate flood insurance policy is vital for homeowners and businesses to protect their property. While the Louisiana Department of Insurance (LDI) can answer basic questions about flood insurance, the Department does not regulate the NFIP, approve its rates or changes, or have any authority over the program. However the LDI monitors how these changes impact policyholders in Louisiana.

“Louisiana residents are deeply concerned about the potential impact of Biggert-Waters on their flood insurance premiums,” said Donelon. “While I am optimistic that Louisiana flood policyholders may receive some relief through congressional action, it is critical that we evaluate longer term options including the potential benefits and challenges of privatization.”

Thursday’s discussion will focus on developing a framework for evaluating options for increasing private sector involvement in flood insurance. Key stakeholders will include representatives from the Federal Emergency Management Association (FEMA), the insurance industry and consumer advocacy groups.

Property owners outside of high-risk flood areas are responsible for 25 percent of NFIP claims in Louisiana. As of May 2013, there were 484,450 flood insurance policies in Louisiana, which is about 9 percent of the total nationally. Since the inception of the NFIP, Louisiana has suffered more than \$16 billion in flood loss payments, more than any other state.

For more information on flood insurance, please visit the NFIP’s website at www.floodsmart.gov or call 1-800-427-2419.