

# CRS Redesign




Public Meeting | August 21, 2024



# FEMA

# Technical Housekeeping

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- **Recording** – This public meeting is being recorded. A transcript of this public meeting will become part of the public record. Continued participation on this public meeting constitutes your consent that your name may appear on the official transcript for the record.
- **Captioning** – Live captions are available for this event. Click **Show Captions**  or visit 1CapApp, using link in the chat
- **American Sign Language** – American Sign Language interpretation is available for this event. Click **Interpretations**  then **American Sign Language**.
- **Spanish** – Live spoken language interpretation in Spanish is available for this event. Click **Interpretations**  then **Spanish**.
- **Q&A** – Use the Q&A window to reach out for help with technical difficulties.
- **Chat** – Moderators will use chat to send broadcast messages to all participants.
- **Audio** – Participant microphones are muted by default. When we get to the verbal comment portion of the agenda, individual speakers will be enabled to speak for a limited amount of time and will have to bring themselves off mute to be heard. If you have trouble connecting to the Zoom app, you may dial in by phone. However, due to technical limitations, you may not be able to speak if joining by phone.

# Agenda

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- Opening Remarks
- Overview of National Flood Insurance Program – Community Rating System (CRS)
- Overview of CRS Redesign
- How to Provide Feedback on CRS
  - Instructions for Submitting Written Comments
  - Verbal Comments
- Closing Remarks



# Today's Presenters

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**Eric Letvin**

FEMA

**Deputy Assistant Administrator  
for Hazard Mitigation**



**Shilpa Mulik**

FEMA

**Floodplain Management Division,  
CRS Redesign Program Manager**



**FEMA**



An aerial photograph of a coastal town, likely in New England, featuring a harbor filled with numerous sailboats and yachts. The town is built on a hillside, with a prominent church steeple visible on the right. The entire image is overlaid with a semi-transparent blue gradient. The text "Opening Remarks" is centered in the left half of the image in a white, sans-serif font.

# Opening Remarks



An aerial photograph of a coastal town, likely in New England, featuring a harbor filled with numerous sailboats and yachts. The town is built on a hillside, with a prominent white church steeple visible on the right. The surrounding area is densely forested with green trees. The entire image is overlaid with a semi-transparent blue filter.

# National Flood Insurance Program Community Rating System – Overview

# What is the Community Rating System (CRS)?

## Overview

CRS is an incentive program that recognizes and rewards community floodplain management practices that exceed the minimum requirements of the National Flood Insurance Program (NFIP).

## Authorization

First authorized by Congress in 1994

## CRS Program Goals

- ❖ Reduce and avoid flood damage to insurable property
- ❖ Strengthen and support the insurance aspects of the National Flood Insurance Program
- ❖ Foster comprehensive floodplain management

## How Communities Earn Benefits

- Community activity categories:
- ❖ Public Information (7 activities)
  - ❖ Mapping & Regulations (5 activities)
  - ❖ Flood Damage Reduction (4 activities)
  - ❖ Warning & Response (3 activities)

## Flood Insurance Benefits

- ❖ CRS Discounts currently range from 5% to 45% and are calculated based on a community's credit points obtained through various flood risk management activities.



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An aerial photograph of a coastal town, likely in New England, featuring a harbor filled with numerous sailboats and yachts. The town is built on a hillside, with a mix of residential houses and larger commercial buildings. A prominent church with a tall steeple is visible on the right side. The surrounding area is densely forested with green trees. The entire image is overlaid with a semi-transparent blue filter.

# CRS Redesign – Overview



# CRS Redesign Overview

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CRS Redesign is a multi-year effort intended to take a **comprehensive look** at the CRS program, exploring both **incremental improvements** and **bold shifts in approach**. Launched in 2022, the project aims to revamp the CRS programmatic framework, potentially including revisions to the rating system's scoring and operational elements.

CRS Redesign is FEMA's way of analyzing and potentially making changes to the CRS program. This effort encourages the public to provide input on the proposed program redesign.

**FEMA needs  
your feedback!**



**FEMA**

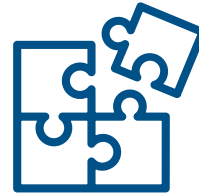
# Why CRS Redesign?

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## Public and External Feedback

Stakeholder feedback indicated a desire for updates to the CRS program



## Alignment with Changes in FEMA

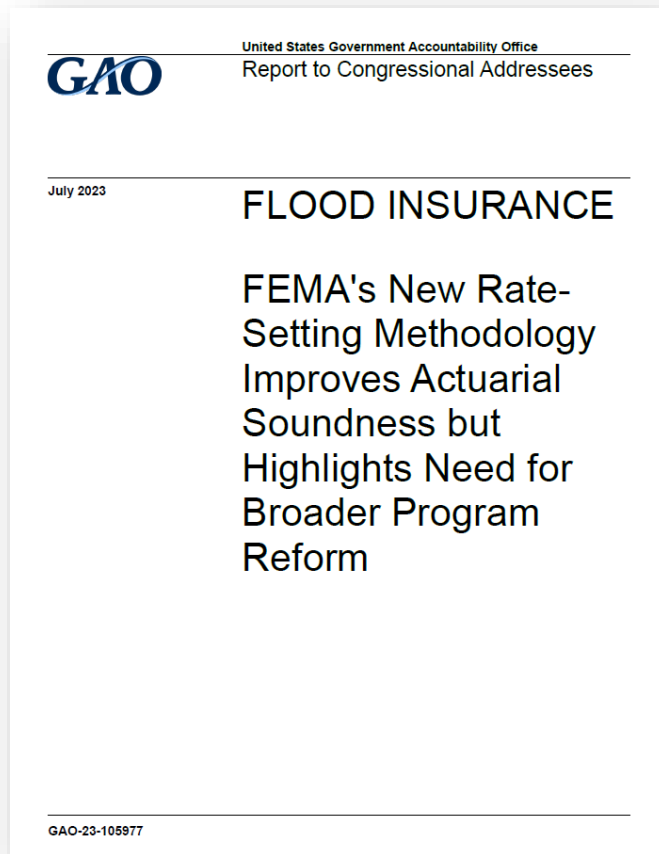
CRS needs to align with larger transformations within FEMA and the NFIP in regards to equity and climate resilience



## Oversight Agency Feedback

GAO issued a report providing two recommendations for adjusting CRS activities to reflect actual flood risk reduction

# GAO Recommendations



## GAO Report: GAO-23-105977

❖ Available at: <https://www.gao.gov/products/GAO-23-105977>

### Recommendation #1

❖ Adjust CRS by calculating a community's rating based only on community activities that reduce flood risk and by incorporating discounts into the full-risk premium based on the actuarial evaluation of risk reduction.

### Recommendation #2

❖ Evaluate other means for incentivizing desirable community activities that cannot be actuarially justified but are currently a basis for discounts in CRS.

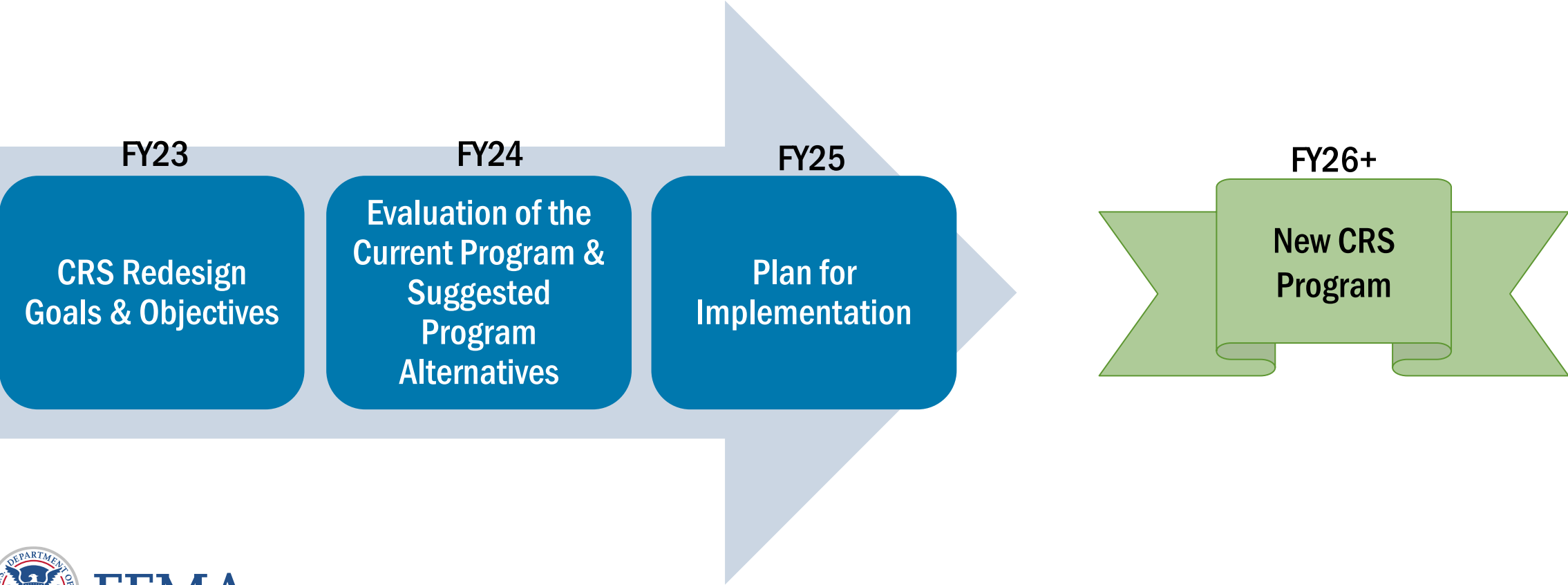


**FEMA**



# FEMA is following a deliberate and analytical process to redesign CRS.

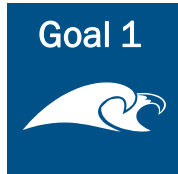
CRS Redesign is a **multi-year, intentional process**. FEMA is taking the time necessary to ensure the future CRS program is designed based on **rigorous data, evidence, and public input**.



Note: Future timeframes are illustrative and subject to change.

# Goals of the Redesigned CRS Program

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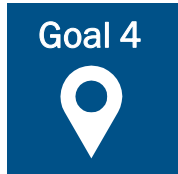
**Incentivize communities to take measurable actions and make sustained progress that reduce current and future flood risk**



**Embed equity as a foundation of the CRS program**



**Incentivize communities to promote property owners to purchase flood insurance to reduce their financial risk due to flood**



**Deliver a participant-centered and modernized program**

An aerial photograph of a coastal town, likely Newport, Rhode Island, featuring a harbor filled with numerous sailboats. The town is built on a hillside, with a prominent white steeple visible on the right. The entire image is overlaid with a semi-transparent blue gradient. The text "How to Provide Feedback on CRS" is centered in white, bold, sans-serif font.

# How to Provide Feedback on CRS



# Based on previous stakeholder feedback, FEMA is considering alternative ways the CRS program could be designed.

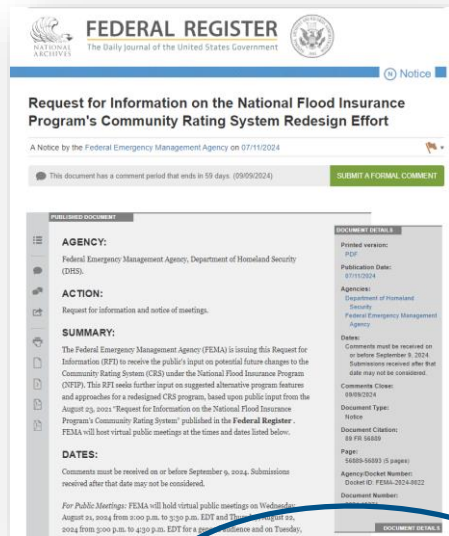
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Stakeholder engagement questions will provide FEMA with further public input on the following potential CRS program features, which are based on previously suggested alternatives to the CRS program:

- ❖ Automatic Enrollment
- ❖ Premium Surcharges
- ❖ Risk-Based Premiums & CRS Discounts
- ❖ Exchanging Individual Benefits for Community Benefits
- ❖ Enhanced Technical Assistance
- ❖ Simplification of CRS
- ❖ Multi-Jurisdiction CRS Participation



# Give FEMA your input on suggested CRS program alternatives



FEMA posted a Request for Information (RFI) in the Federal Register on suggested alternatives for CRS.

- ❖ Available at: <https://www.federalregister.gov/d/2024-15271>
- ❖ Docket ID: FEMA-2024-0022
- ❖ Public Comment Period (60 days): July 11, 2024 – September 9, 2024

## How to Give Input

- ❖ Submit written comments through Federal eRulemaking Portal\*: <https://www.regulations.gov/docket/FEMA-2024-0022>
  - Make sure to include Docket ID: FEMA-2024-0022
- ❖ Provide verbal comments at a public meeting (visit [FEMA.gov/events](https://www.fema.gov/events) for more info):
  - 2 p.m. ET on Wednesday, Aug. 21
  - 3 p.m. ET on Thursday, Aug. 22
  - 3 p.m. ET on Tuesday, Aug. 27 (Tribal Nation focused)



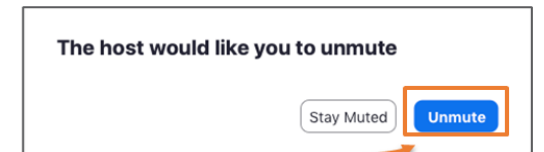
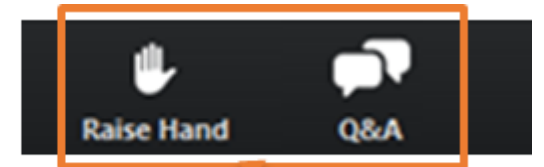
**FEMA**

Note: This Request for Information and comment period is not rulemaking and the Federal eRulemaking Portal is being used only as a mechanism to receive comments

Federal Emergency Management Agency

# Instructions for Verbal Commenters

- ❖ Participants are asked to provide verbal comments for the record
- ❖ Those who indicated interest in providing verbal comments during registration will be offered the opportunity to speak first
  - Each person speaking will be given a limited amount of time to speak
  - If time allows and all registered speakers finish providing verbal comments, participants who have not yet spoken may indicate an interest in speaking by clicking **Raise Hand** and submitting a note to moderators in the Q&A window
- ❖ When it is your turn to provide comment:
  - Please select **Raise Hand** to notify the hosts you are ready to speak.
  - Select Unmute when prompted by the hosts.
  - Hosts will place you back on mute when you have finished speaking at the end of your allotted time.





# Thanks!

Remember to submit written comments for the Federal Register Notice  
via the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov).

Use Docket ID: FEMA-2024-0022

Comment Period closes: September 9, 2024

Please send questions to  
[FEMA-CRS-Redesign@fema.dhs.gov](mailto:FEMA-CRS-Redesign@fema.dhs.gov)



# FEMA