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NATIONAL FLOOD INSURANCE PROGRAM

Actions to Address Repetitive Loss Properties

Statement of William O. Jenkins, Jr., Director
Homeland Security & Justice Issues

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Highlights

Highlights of GAO-04-401T, a testimony before the Subcommittee on Economic Policy, Senate Committee on Banking, Housing, and Urban Affairs, U.S. Senate

Why GAO Did This Study

Floods have been, and continue to be, the most destructive natural hazard in terms of damage and economic loss to the nation. From fiscal year 1992 through fiscal year 2002, about 900 lives were lost due to flooding and flood damages totaled about $55 billion. Some properties have been repeatedly flooded and the subject of federal flood insurance claims. The Federal Emergency Management Agency (FEMA) within the Department of Homeland Security is responsible for assisting state and local governments, private entities, and individuals to prepare for, mitigate, respond to, and recover from natural disasters, including floods. The National Flood Insurance Program (NFIP) is the primary vehicle for FEMA's efforts to mitigate the impact of floods.

The Senate Subcommittee on Economic Policy, Committee on Banking, Housing, and Urban Affairs, asked GAO to discuss (1) FEMA's approach to flood mitigation, (2) the effect of repetitive loss properties on the NFIP, and (3) recent actions taken or proposed to address the impact of repetitive loss properties on the NFIP.

www.gao.gov/cgi-bin/getrpt?GAO-04-401T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact William O. Jenkins at (202) 512-8777 or jenkinsw@gao.gov.

What GAO Found

FEMA has taken a multifaceted approach to mitigating, or minimizing the life and property losses and disaster assistance costs that result from flooding. Through the National Flood Insurance Program, FEMA develops and updates flood maps that identify flood prone areas and makes insurance available for communities that agree to adopt and enforce building standards based upon these maps. Since its inception in 1968, the National Flood Insurance Program has paid $12 billion in insurance claims to owners of flood-damage properties that have been funded primarily by policyholders' premiums that otherwise would have been paid through taxpayer-funded disaster relief or borne by home and business owners themselves. Through a variety of grant programs, FEMA also provides funding for mitigation planning activities and projects before and after floods occur.

Repetitive loss properties represent a significant portion of annual flood insurance program claims. About 1 percent of the 4.4 million properties currently insured by the program are considered to be repetitive loss properties—properties for which policyholders have made two or more $1,000 flood claims. However, about 38 percent of all program claim costs have been the result of repetitive loss properties, at a cost of about $4.6 billion since 1978.

Recent federal actions to reduce program losses related to repetitive loss properties include FEMA's strategy to target severe repetitive loss properties for mitigation and congressional proposals to phase out coverage or begin charging full and actuarially based rates for repetitive loss property owners who refuse to accept FEMA's offer to purchase or mitigate the effect of floods on these buildings. FEMA's strategy and the congressional proposals appear to have the potential to reduce the number and vulnerability of repetitive loss properties and, thereby, the potential to help reduce the number of flood insurance claims.

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to participate in today's hearing to discuss the National Flood Insurance Program and the effect on the program of repetitive loss properties—properties with two or more losses greater than $1,000 in a 10-year period. Floods have been, and continue to be, the most destructive natural hazard in terms of economic loss to the nation, as well as the cause of hundreds of deaths in communities across the nation. During the 10 years from fiscal year 1992 through fiscal year 2001, flooding resulted in about $55 billion in damages and about 900 deaths. During that period, the federal government paid about $7.7 billion in federal flood insurance claims financed primarily through policyholder premiums paid into the National Flood Insurance Fund.

The Federal Emergency Management Agency (FEMA) within the Department of Homeland Security (DHS) is the primary federal agency responsible for assisting state and local governments, private entities, and individuals to prepare for, mitigate,[1] respond to, and recover from natural disasters, including floods. FEMA's National Flood Insurance Program has served as a key component of the agency's efforts to minimize or mitigate the damage and financial impact of floods on the public, as well as to limit

[1] Mitigation is defined by FEMA as sustained action that reduces or eliminates long-term risk to people and property from hazards and their effects.

federal expenditures needed after floods occur. The program has been credited by the administration with saving $1 billion annually by improving floodplain management and setting building standards—such as one to elevate structures—that have minimized flood damages. However, in the past, we have identified a number of concerns about the program's financial viability, including how repetitive loss properties have contributed to the program's long-term losses. Recent actions have been taken or proposed by the administration and Members of Congress to address the challenge posed by repetitive loss properties.

My testimony today is based primarily on our past work. I will provide a perspective on (1) FEMA's approach to mitigating flood-related losses through the flood insurance program and other grant programs, (2) the effect of repetitive loss properties on the flood insurance program, and (3) recent actions taken or proposed to address the impact of repetitive loss properties on the program by FEMA and the Congress.

In summary:

- FEMA has taken a multifaceted approach to mitigating flood-related losses. Through the flood insurance program, FEMA identifies and maps flood prone communities and makes insurance available to property owners in communities that agree to adopt and enforce building standards to mitigate the impact of floods. FEMA also provides funding for mitigation planning activities and projects before and after floods occur through various mitigation grant programs.

- Repetitive loss properties represent a significant portion of annual flood insurance claims. While repetitive loss properties represent only about 1 percent of the current 4.4 million properties insured by the program, they have accounted for about 38 percent of all program claim costs historically and are projected by FEMA to cost about $200 million annually. Since 1978, the total cost of these repetitive loss properties to the program has been about $4.6 billion.

- Recent federal actions to reduce program claims related to repetitive loss properties include FEMA's strategy to target the most frequent and costly repetitive loss properties for mitigation and congressional proposals to phase out coverage or begin charging full and actuarially based rates for repetitive loss property owners who refuse to accept FEMA's offer to purchase or mitigate the affected buildings. These actions have the potential to reduce future program losses and improve the financial condition of the program.

Background

Floods continue to be the most destructive natural hazard in terms of damage and economic loss to the nation. Property damage from flooding now totals over $1 billion each year in the United States and floods occur within all 50 states. Nearly 9 of every 10 presidential disaster declarations result from natural phenomena in which flooding was a major component. Most communities in the United States can experience some kind of flooding after spring rains, heavy thunderstorms, or winter snow thaws. Not only do floods cause damage and loss, they can be deadly—flooding caused the deaths of about 900 people from fiscal year 1992 through fiscal year 2001. Tropical Storm Allison, which struck the Gulf Coast in June 2001, demonstrated the economic and social impact flooding can have, causing billions of dollars in damages and 41 deaths. As a result of the storm, FEMA paid out over $1 billion in insurance claims, the largest amount paid for a single event since 1978 when FEMA began to collect summary statistics on flood claims. More recently, Hurricane Isabel ravaged the Mid-Atlantic states in September 2003. Through November 30, 2003, FEMA had paid over $160 million in flood insurance claims and estimates that ultimately, flood insurance claim payments resulting from Isabel will be about $450 million. At least 40 deaths have been attributed to the storm.

Floods can be slow or fast rising but generally develop over a period of days. Flash flood waters move at very fast speeds and can roll boulders, tear out trees, destroy buildings, and obliterate bridges. Walls of water can reach heights of 10 to 20 feet and generally are accompanied by a deadly cargo of debris. Flood damage causes both direct and indirect costs. Direct costs reflect immediate losses and repair costs as well as short-term costs such as flood fighting, temporary housing, and administrative assistance. By contrast, indirect costs are incurred in an extended time period following a flood and include loss of business and personal income (including permanent loss of employment), reduction in property values, increased insurance costs, loss of tax revenue, psychological trauma, and disturbance to ecosystems. In 1968, in recognition of the increasing amount of flood damage, the lack of readily available insurance for property owners, and the cost to the taxpayer for flood-related disaster relief, the Congress passed the National Flood Insurance Act (Pub. L. No. 90-448) that created the National Flood Insurance Program.

FEMA Has Sought to Minimize Flood-Related Losses Through the National Flood Insurance Program and Various Mitigation Grant Programs

Through the National Flood Insurance Program, FEMA has sought to minimize flood-related property losses by making flood insurance available on reasonable terms and encouraging its purchase by people who need flood insurance protection—particularly those living in flood prone areas. The program identifies flood prone areas in the country, makes flood insurance available to property owners in communities that participate in the program,[2] and requires floodplain building standards to mitigate flood hazards. FEMA also seeks to mitigate flood hazards through a variety of mitigation grant programs.

Under the flood insurance program, FEMA prepares flood insurance rate maps to delineate flood prone areas including special flood hazard areas—also known as 100-year floodplains[3]—where enhanced building standards and insurance requirements apply. Currently, FEMA is in the initial stages of a billion dollar effort to update the nation's flood maps. The Map Modernization program is intended to improve the accuracy of flood maps, put the maps in digital format to improve their accessibility, and provide the basis for assessing the impact of other hazards in support of DHS's efforts to protect the nation from both man-made and natural disasters. For example, the maps could be used to assess the impact of toxic

[2]Nearly 20,000 communities across the United States currently participate in the program, including Puerto Rico and the Virgin Islands.

[3]These areas have a 1 percent or greater chance of experiencing flooding in any given year.

chemical spills on local waterways. At the request of the Chairman of the House Financial Services Subcommittee on Housing and Community Opportunity, we have been reviewing the Map Modernization program and plan to report on FEMA's program strategy and the status of the program later this spring.

Flood maps provide the basis for establishing floodplain building standards that participating communities must adopt and enforce as part of the program. For a community to participate in the program, any structures built within a special flood hazard area after the flood map was completed must be built according to the program's building standards that are aimed at minimizing flood losses. A key component of the program's building standards that must be followed by participating communities is a requirement that the lowest floor of the structure be elevated to or above the base flood level—the highest elevation at which there is a 1-percent chance of flooding in a given year. The administration has estimated that the program's standards for new construction save about $1 billion annually in flood damage avoided. According to FEMA, buildings constructed in compliance with these standards suffer approximately 80 percent less damage annually than those not built according to these standards.

Flood maps also provide the basis for setting insurance rates and identifying properties whose owners are required to purchase flood insurance. When the program was created, the purchase of flood insurance was voluntary. To increase the impact of the program, the Congress amended the original law in 1973 to require the purchase of flood insurance in certain circumstances. Flood insurance is required for structures in special flood hazard areas of communities participating in the program if (1) any federal loans or grants were used to acquire or build the structures or (2) the structures are secured by mortgage loans made by lending institutions that are regulated by the federal government.[4] The National Flood Insurance Reform Act of 1994 that further amended the program also reinforced the objective of using insurance as the preferred mechanism for disaster assistance. The act expanded the role of federal agency lenders and regulators in enforcing the mandatory flood insurance purchase requirements. It also prohibited further flood disaster assistance for any property where flood insurance was not maintained even though it was mandated as a condition for receiving prior disaster assistance. Currently, the program provides insurance for approximately 4.4 million policyholders in the nearly 20,000 communities that participate in the program. The program has paid about $12 billion in insurance claims,

[4]Owners of properties with no mortgages or properties with mortgages held by unregulated lenders were not, and still are not, required to purchase flood insurance, even if the

primarily from policyholder premiums that otherwise would have been paid through taxpayer-funded disaster relief or borne by home and business owners themselves.

FEMA also has a variety of grant programs designed to mitigate the effects of natural hazards, including flooding, on people and property. From October 1989 through July 2003, FEMA funded approximately 3,900 flood mitigation projects worth about $2 billion through the flood insurance program and a variety of other grant programs. Through these projects, FEMA mitigated over 29,000 properties. FEMA's Flood Mitigation Assistance Program is funded through the flood insurance program and is designed to reduce claims under the program. Grants provided to states and communities are to be used for flood related mitigation activities such as elevation, acquisition, and relocation of buildings insured by the flood insurance program. In implementing this program, FEMA has encouraged states to prioritize project grant applications that include repetitive loss properties. In addition, FEMA provides funding for mitigation planning activities and projects before and after floods occur, respectively through the Pre-Disaster Mitigation Program and the Hazard Mitigation Grant Program. In implementing the Pre-Disaster Mitigation Program for 2003, FEMA specifically targeted projects designed to mitigate repetitive loss

properties are in special flood hazard areas.

properties. Through the Hazard Mitigation Grant Program, FEMA estimates that it has mitigated over 2,500 repetitive loss properties through acquisitions, elevations, and other flood protection measures.

Payments for Repetitive Losses Contribute to Program Financial Concerns

The flood insurance program has raised financial concerns because, over the years, it has lost money and at times has had to borrow funds from the U.S. Treasury. One of the primary reasons—payments for repetitive loss properties—has been consistently identified in our past work and by FEMA. About 49,000—approximately 1 percent of the 4.4 million buildings currently insured under the program—have been flooded on more than one occasion during a 10-year period and have received flood insurance payments of $1,000 or more for each claim. These repetitive loss properties are problematic not only because of their vulnerability to flooding but also because of the costs of repeatedly repairing flood damages. For example, a 1998 study by the National Wildlife Federation noted that nearly 1 out of every 10 repetitive loss homes has had cumulative flood loss claims that exceeded the value of the house.

According to FEMA, repetitive loss properties have accounted for about 38 percent of all program claim costs historically and are projected by FEMA to cost about $200 million annually. Since 1978, the total cost of these repetitive loss properties to the program has been about $4.6 billion.

Nearly half of all nationwide repetitive loss property insurance payments had been made in Louisiana, Florida and Texas. For example, in Texas, since 1978 there have been approximately 45,000 flood claims totaling over $1 billion for repetitive damage. These 3 states, plus 12 others, have accounted for nearly 90 percent of the total payments made for repetitive loss properties.

FEMA has Developed a Strategy and Members of Congress Have Proposed Changes to Address Repetitive Losses

FEMA has developed a strategy to reduce the number of properties repeatedly flooded that, like congressional proposals, seeks to target repetitive loss properties with the greatest losses. FEMA's strategy identifies the highest priority properties, for example those with four or more losses, that would benefit from mitigation activities designed to remove them altogether from the floodplains, elevate them above the reach of floodwaters, or apply other measures that would significantly reduce their exposure to flood risk. According to FEMA, it has paid out close to $1 billion dollars in flood insurance claims over the last 21 years for these properties. As of November 30, 2003 FEMA had identified approximately 11,000 currently insured repetitive loss properties in this target group. FEMA has set up a special direct facility for servicing these properties and provides information about these property to state and local floodplain management officials. States or communities may sponsor projects to mitigate flood losses to these properties or may be able to provide property owners technical assistance on mitigation options. To facilitate grant-funded mitigation activities[5] for this target group, FEMA also initiated a pilot program to allow states and communities (where these properties are located) to use simplified methodology and software to establish the cost-effectiveness of proposed projects when applying for grants to mitigate these repetitive loss properties.

Members of Congress have also recognized the financial burden repetitive loss properties place on the program and have proposed changing premium rates for properties with the greatest losses. Two bills introduced in 2003—H.R. 253 and H.R. 670—proposed amending the National Flood Insurance Act of 1968, to, among other things, change the premiums for repetitive loss properties. Under the proposed bills, premiums charged for such properties would reflect actuarially based rates[6] if the property owner has refused a buyout, elevation, or other flood mitigation measure from the flood insurance program or FEMA. H.R. 253, as passed by the House, included a pilot program to allow FEMA to use flood insurance program funds to target "severe" repetitive loss properties for mitigation.

[5]This pilot applies to all FEMA mitigation grant programs including the Hazard Mitigation Grant, the Flood Mitigation Assistance, the Pre-Disaster Mitigation, and Supplemental Mitigation Grants.

[6]Actuarially based rates would reflect the average expected flood losses over the long-run. Many flood insurance program policies are subsidized and therefore lower than actuarially based rates because the Congress authorized the program to make subsidized insurance rates available to owners of structures built before a community's flood map was prepared.

Specifically, FEMA could use up to $40 million each year for the next 5 years for mitigation directed at these properties. For property owners who refuse FEMA's mitigation offers, their premium rates would be increased by 50 percent if they subsequently made a claim to the program exceeding $1,500.[7] In the past, we have noted that increasing policyholder premiums could cause some of the policyholders to cancel their flood insurance.[8] H.R. 253 includes a provision that provides FEMA the flexibility of increasing the deductible, which would result in a lower premium rate, for policies where property owners refuse mitigation offers and make subsequent claims exceeding $1,500. This may provide property owners who refuse mitigation offers a means for maintaining their flood insurance without a significant increase in their premium rate.

While we have not fully analyzed the potential results of FEMA's repetitive loss strategy and mitigation actions proposed by H.R. 253, based on a preliminary assessment, they appear to have the potential to reduce the number and/or vulnerability of repetitive loss properties and, thereby, the potential to help improve the program's financial condition. By making near term investments targeted to the most costly properties to insure,

[7]Property owners could not be charged premium rates greater than the actuarial rates for their area.

[8]U.S General Accounting Office, *Flood Insurance: Challenges Facing the National Flood Insurance Program*, GAO-03-606T (Washington , D.C.: Apr. 1, 2003).

FEMA should be able to reduce annual expenditures for these properties in the long term by reducing the national inventory of repetitive loss properties.

According to FEMA, there are a total of about 100,000 repetitive loss properties accounting for $4.6 billion in losses since 1978. Of these properties, FEMA reports that there are about 49,000 properties that are currently insured that have accounted for about $2.6 billion in losses since 1978. Of these currently insured properties, about 6,000 repetitive loss properties that have accounted for about $792 million in losses since 1978 could be considered for mitigation efforts funded through the pilot program proposed by H.R. 253. In accordance with the bill's proposed criteria, each of these properties either had 4 or more separate claims each exceeding $5,000 with cumulative claims exceeding $20,000 or had at least 2 separate claims with cumulative losses exceeding the value of the property. The remaining 43,000 currently insured repetitive loss properties, accounting for $1.8 billion in losses since 1978, do not meet the criteria for the proposed pilot program. Of these properties that would not be eligible for the pilot program, about 26,000 properties, accounting for about $1.6 billion in losses since 1978, had cumulative losses greater than $20,000, but either (1) less than 4 claims had been filed or (2) each claim did not meet the $5,000 threshold. (For state by state details on the total number of repetitive loss properties, the number of currently insured repetitive loss properties, the number of currently insured repetitive loss properties that meet the criteria proposed in the H.R. 253 pilot program, and the number of currently insured repetitive loss properties that do not meet the criteria, see appendix 1, tables 1, 2, 3, and 4, respectively.)

As with all federal initiatives, the success of FEMA ‘s efforts in implementing a repetitive loss strategy and any future legislated program directives will be most effectively determined by using outcome-based, rather than output-based performance measures. Such outcome-based measures could allow FEMA to assess the impact of savings to the National Flood Insurance Program resulting from its mitigation of repetitive loss properties.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions that you or other members of the Subcommittee may have.

Contact Information

For further information on this testimony, please contact William O. Jenkins at (202) 512-8777. Individuals making key contributions to this testimony include Chris Keisling, Kirk Kiester, and Meg Ullengren.

Appendix 1: Data on Repetitive Loss Properties For the Period January 1, 1978 through November 30, 2003

This appendix contains data we obtained from FEMA's National Flood Insurance Program Bureau & Statistical Agent on repetitive loss properties and the flood insurance losses associated with those properties. To assess the reliability of this data, we interviewed agency officials knowledgeable about the data and the system development manager responsible for maintaining the data and the systems. We determined that the data were sufficiently reliable for identifying repetitive loss properties and illustrating the potential impact of the pilot program proposed by H.R. 253 on these properties.

Table 1: Total Number of Repetitive Loss Properties As Defined by FEMA and the Total Losses Incurred by These Properties

State or Territory	Number of repetitive loss properties	Dollar amount of losses for repetitive loss properties
Alabama	1,835	$83,691,091
Alaska	19	468,843
Arizona	175	4,884,758
Arkansas	321	11,941,534
California	2,628	124,044,903
Colorado	36	748,159
Connecticut	1,054	44,163,664
Delaware	281	12,615,552
District of Columbia	10	585,392
Florida	9,019	421,344,255
Georgia	855	41,425,873
Guam	12	385,619
Hawaii	144	9,546,830
Idaho	14	579,663
Illinois	1,762	54,387,720
Indiana	616	18,583,212
Iowa	503	18,829,467
Kansas	323	17,044,737
Kentucky	1,117	55,283,294
Louisiana	20,534	810,411,024
Maine	125	5,946,516
Maryland	508	23,776,971
Massachusetts	2,140	88,096,542
Michigan	351	9,186,190
Minnesota	353	11,223,627

State or Territory	Number of repetitive loss properties	Dollar amount of losses for repetitive loss properties
Mississippi	3,281	127,911,429
Missouri	3,953	190,678,940
Montana	35	706,576
Nebraska	300	7,855,929
Nevada	21	1,699,859
New Hampshire	91	2,489,816
New Jersey	6,126	265,701,909
New Mexico	12	430,851
New York	6,988	195,600,245
North Carolina	5,767	268,496,176
North Dakota	111	5,194,653
Ohio	1,003	33,594,150
Oklahoma	757	33,569,657
Oregon	251	13,325,203
Pennsylvania	2,670	134,421,074
Puerto Rico	1,838	45,025,945
Rhode Island	167	9,869,855
South Carolina	1,248	68,927,019
South Dakota	69	2,140,281
Tennessee	641	24,452,981
Texas	15,777	1,039,278,392
Utah	5	174,244
Vermont	46	1,412,547
Virgin Islands	181	17,088,798
Virginia	1,676	87,661,854
Washington	604	31,294,466
West Virginia	1,707	65,014,451
Wisconsin	350	10,698,243
Wyoming	5	$157,285
Total	**100,415**	**$4,554,068,263**

Source: FEMA

Note: This table contains data from January 1,1978 to November 30, 2003. Repetitive loss properties are defined by FEMA as properties that have been flooded on more than one occasion during a 10-year period and have received flood insurance payments of $1,000 or more for each claim.

Table 2: Total Number of Currently Insured Repetitive Loss Properties As Defined by FEMA and the Total Losses Incurred by These Properties

State or Territory	Number of repetitive loss properties currently insured	Dollar amount of losses for insured repetitive loss properties
Alabama	1,113	$54,763,624
Alaska	9	250,401
Arizona	34	979,728
Arkansas	98	5,214,244
California	1,315	70,297,658
Colorado	15	288,285
Connecticut	551	25,762,758
Delaware	166	9,093,706
District of Columbia	2	262,095
Florida	5,844	285,678,979
Georgia	449	24,230,607
Guam	9	326,419
Hawaii	63	5,698,632
Idaho	5	269,659
Illinois	602	23,203,936
Indiana	262	9,337,064
Iowa	233	10,310,670
Kansas	86	7,472,586
Kentucky	559	33,985,283
Louisiana	11,211	519,823,924
Maine	60	3,389,180
Maryland	285	15,190,465
Massachusetts	1,433	62,583,805
Michigan	79	4,171,667
Minnesota	148	5,682,443
Mississippi	1,248	64,364,366
Missouri	935	67,498,430
Montana	7	179,171
Nebraska	52	1,477,567
Nevada	11	838,471
New Hampshire	38	1,580,076
New Jersey	3,584	166,181,042
New Mexico	6	147,581

State or Territory	Number of repetitive loss properties currently insured	Dollar amount of losses for insured repetitive loss properties
New York	2,741	98,779,008
North Carolina	4,132	182,941,805
North Dakota	25	959,524
Ohio	428	19,956,150
Oklahoma	238	14,035,032
Oregon	148	8,885,004
Pennsylvania	1,111	71,048,345
Puerto Rico	340	15,165,298
Rhode Island	76	5,067,871
South Carolina	608	32,024,539
South Dakota	23	974,108
Tennessee	328	16,149,183
Texas	6,118	529,656,763
Utah	2	141,441
Vermont	21	826,362
Virgin Islands	72	7,640,852
Virginia	1,001	50,679,980
Washington	296	18,570,981
West Virginia	769	34,191,301
Wisconsin	208	6,629,724
Wyoming	2	$33,971
Total	**49,199**	**$2,594,891,765**

Source: FEMA

Note: This table contains data from January 1,1978 to November 30, 2003. Repetitive loss properties are defined by FEMA as properties that have been flooded on more than one occasion during a 10-year period and have received flood insurance payments of $1,000 or more for each claim.

Table 3: Total Number of Insured Repetitive Loss Properties That Meet H.R. 253 Severe Repetitive Loss Criteria and Total Losses Incurred by These Properties

	Current repetitive loss inventory		Severe repetitive loss properties as defined by H.R. 253			
State or Territory	Number of insured repetitive loss properties	Dollar amount of losses for insured properties	Number of insured properties with 4 or more losses at least $5000 each	Dollar amount of losses for insured properties with 4 or more losses at least $5000 Each	Number of properties with total losses greater than value of property	Dollar amount of losses with total losses greater than value of property
Alabama	1,113	$54,763,624	54	$6,463,851	28	$2,420,400
Alaska	9	250,401	0	0	0	0
Arizona	34	979,728	0	0	5	175,759
Arkansas	98	5,214,244	12	2,708,354	0	0
California	1,315	70,297,658	98	12,693,031	75	5,295,799
Colorado	15	288,285	0	0	0	0
Connecticut	551	25,762,758	52	5,849,156	18	1,717,645
Delaware	166	9,093,706	14	3,671,582	1	85,990
District of Columbia	2	262,095	1	256,863	0	0
Florida	5,844	285,678,979	295	44,395,241	129	12,033,520
Georgia	449	24,230,607	17	2,184,752	27	2,912,849
Guam	9	326,419	0	0	0	0
Hawaii	63	5,698,632	6	864,053	5	498,404
Idaho	5	269,659	1	118,865	0	0
Illinois	602	23,203,936	61	6,352,145	30	2,206,544
Indiana	262	9,337,064	26	2,172,406	3	303,788
Iowa	233	10,310,670	4	852,684	9	1,110,514
Kansas	86	7,472,586	9	3,030,265	3	537,385
Kentucky	559	33,985,283	90	13,413,166	27	1,951,404
Louisiana	11,211	519,823,924	1,543	160,049,021	266	17,791,274
Maine	60	3,389,180	5	607,713	0	0
Maryland	285	15,190,465	11	2,147,524	8	363,953
Massachusetts	1,433	62,583,805	97	14,326,550	40	3,408,243
Michigan	79	4,171,667	3	346,050	2	112,444
Minnesota	148	5,682,443	5	854,774	2	94,625
Mississippi	1,248	64,364,366	160	17,479,826	77	5,561,038
Missouri	935	67,498,430	166	29,470,155	91	6,025,294
Montana	7	179,171	0	0	0	0
Nebraska	52	1,477,567	1	87,986	7	355,886

State or Territory	Current repetitive loss inventory: Number of insured repetitive loss properties	Current repetitive loss inventory: Dollar amount of losses for insured properties	Severe repetitive loss properties as defined by H.R. 253: Number of insured properties with 4 or more losses at least $5000 each	Dollar amount of losses for insured properties with 4 or more losses at least $5000 Each	Number of properties with total losses greater than value of property	Dollar amount of losses with total losses greater than value of property
Nevada	11	838,471	1	112,460	0	0
New Hampshire	38	1,580,076	1	133,837	1	21,387
New Jersey	3,584	166,181,042	375	54,663,072	67	3,665,284
New Mexico	6	147,581	0	0	0	0
New York	2,741	98,779,008	141	19,508,163	61	5,541,717
North Carolina	4,132	182,941,805	198	24,459,561	80	12,572,011
North Dakota	25	959,524	1	80,867	0	0
Ohio	428	19,956,150	28	5,421,096	14	706,233
Oklahoma	238	14,035,032	38	5,740,230	12	948,477
Oregon	148	8,885,004	7	2,448,373	13	659,110
Pennsylvania	1,111	71,048,345	85	14,820,666	34	3,390,302
Puerto Rico	340	15,165,298	22	4,009,676	9	364,354
Rhode Island	76	5,067,871	9	3,026,107	1	40,949
South Carolina	608	32,024,539	24	2,862,488	23	2,165,272
South Dakota	23	974,108	1	261,320	1	35,974
Tennessee	328	16,149,183	26	4,771,974	7	250,766
Texas	6,118	529,656,763	790	143,758,753	309	49,428,892
Utah	2	141,441	0	0	0	0
Vermont	21	826,362	1	339,126	0	0
Virgin Islands	72	7,640,852	8	2,464,950	3	1,118,466
Virginia	1,001	50,679,980	37	12,213,811	35	3,387,211
Washington	296	18,570,981	15	2,312,703	19	1,631,997
West Virginia	769	34,191,301	33	4,709,416	43	2,752,297
Wisconsin	208	6,629,724	5	271,132	1	62,000
Wyoming	2	$33,971	0	$0	0	$0
Total	**49,199**	**$2,594,891,765**	**4,577**	**$638,785,796**	**1,586**	**$153,705,454**

Source: FEMA

Note: This table contains data from January 1,1978 to November 30, 2003. Repetitive loss properties are defined by FEMA as properties that have been flooded on more than one occasion during a 10-year period and have received flood insurance payments of $1,000 or more for each claim.

Table 4: Total Number of Currently Insured Repetitive Loss Properties That Have Incurred Cumulative Losses of $20,000 or More that Do Not Meet H.R. 253 Criteria for Number of Claims or Dollar Threshold for Each Claim

	Current repetitive loss inventory		Repetitive loss properties that do not meet the H.R. 253 severe repetitive loss criteria			
State or Territory	Number of insured properties	Dollar amount losses for insured properties	Number of properties that do not meet criteria	Dollar amount of losses associated with properties that do not meet criteria	Number of properties with total losses greater than $20,000	Dollar amount of losses associated with properties with total losses greater than $20,000
Alabama	1,113	$54,763,624	1,031	$45,879,373	577	$41,002,431
Alaska	9	250,401	9	250,401	6	217,462
Arizona	34	979,728	29	803,969	17	673,947
Arkansas	98	5,214,244	86	2,505,889	48	2,077,821
California	1,315	70,297,658	1,142	52,308,828	784	48,289,264
Colorado	15	288,285	15	288,285	3	168,579
Connecticut	551	25,762,758	481	18,195,957	262	15,885,273
Delaware	166	9,093,706	151	5,336,134	92	4,764,542
District of Columbia	2	262,095	1	5,232	0	0
Florida	5,844	285,678,979	5,420	229,250,219	3,369	207,264,222
Georgia	449	24,230,607	405	19,133,006	250	17,529,405
Guam	9	326,419	9	326,419	6	273,023
Hawaii	63	5,698,632	52	4,336,175	35	4,149,489
Idaho	5	269,659	4	150,793	3	138,055
Illinois	602	23,203,936	511	14,645,247	267	12,149,830
Indiana	262	9,337,064	233	6,860,870	129	5,765,705
Iowa	233	10,310,670	220	8,347,472	109	7,230,051
Kansas	86	7,472,586	74	3,904,936	46	3,537,037
Kentucky	559	33,985,283	442	18,620,713	281	16,763,540
Louisiana	11,211	519,823,924	9,402	341,983,629	6,083	305,738,350
Maine	60	3,389,180	55	2,781,467	27	2,466,802
Maryland	285	15,190,465	266	12,678,989	164	11,477,404
Massachusetts	1,433	62,583,805	1,296	44,849,012	682	38,094,864
Michigan	79	4,171,667	74	3,713,172	25	3,261,848
Minnesota	148	5,682,443	141	4,733,044	70	4,031,174
Mississippi	1,248	64,364,366	1,011	41,323,502	654	37,515,205
Missouri	935	67,498,430	678	32,002,980	480	29,695,281
Montana	7	179,171	7	179,171	4	158,929
Nebraska	52	1,477,567	44	1,033,695	22	781,283

State or Territory	Current repetitive loss inventory: Number of insured properties	Current repetitive loss inventory: Dollar amount losses for insured properties	Repetitive loss properties that do not meet the H.R. 253 severe repetitive loss criteria: Number of properties that do not meet criteria	Dollar amount of losses associated with properties that do not meet criteria	Number of properties with total losses greater than $20,000	Dollar amount of losses associated with properties with total losses greater than $20,000
Nevada	11	838,471	10	726,011	7	672,932
New Hampshire	38	1,580,076	36	1,424,853	17	1,228,814
New Jersey	3,584	166,181,042	3,142	107,852,685	1,727	92,623,411
New Mexico	6	147,581	6	147,581	4	128,129
New York	2,741	98,779,008	2,539	73,729,128	1,208	59,794,017
North Carolina	4,132	182,941,805	3,854	145,910,234	2,185	127,723,081
North Dakota	25	959,524	24	878,657	11	706,938
Ohio	428	19,956,150	386	13,828,821	199	11,787,561
Oklahoma	238	14,035,032	188	7,346,325	127	6,682,135
Oregon	148	8,885,004	128	5,777,521	89	5,339,042
Pennsylvania	1,111	71,048,345	992	52,837,377	586	48,543,126
Puerto Rico	340	15,165,298	309	10,791,268	145	8,819,234
Rhode Island	76	5,067,871	66	2,000,816	33	1,605,087
South Carolina	608	32,024,539	561	26,996,780	344	24,708,390
South Dakota	23	974,108	21	676,814	11	541,731
Tennessee	328	16,149,183	295	11,126,444	152	9,398,369
Texas	6,118	529,656,763	5,019	336,469,118	3,797	322,573,631
Utah	2	141,441	2	141,441	1	125,828
Vermont	21	826,362	20	487,235	7	345,848
Virgin Islands	72	7,640,852	61	4,057,436	50	3,953,055
Virginia	1,001	50,679,980	929	35,078,959	513	30,519,416
Washington	296	18,570,981	262	14,626,281	161	13,539,129
West Virginia	769	34,191,301	693	26,729,587	364	23,249,323
Wisconsin	208	6,629,724	202	6,296,592	54	4,792,561
Wyoming	2	$33,971	2	$33,971	1	$24,605
Total	**49,199**	**$2,594,891,765**	**43,036**	**$1,802,400,514**	**26,288**	**$1,620,526,209**

Source: FEMA

Note: This table contains data from January 1,1978 to November 30, 2003. Repetitive loss properties are defined by FEMA as properties that have been flooded on more than one occasion during a 10-year period and have received flood insurance payments of $1,000 or more for each claim.

Related GAO Products

Flood Insurance: Challenges Facing the National Flood Insurance Program. GAO-03-606T. Washington, D.C.: April 1, 2003.

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