

STATEMENT OF THE HONORABLE WM. LACY CLAY
Before the
SUBCOMMITTEE ON HOUSING AND COMMUNITY OPPORTUNITY
“National Flood Insurance Program”

April 1, 2003

Good afternoon Mr. Chairman and Members of the Committee. I am in deep appreciation that the committee will hold hearings on a subject so important to my District and the state of Missouri. My district is an area that is in the watershed of both the Missouri and Mississippi rivers, two of the largest river systems in the United States.

Congress passed the National Flood Insurance Act to identify flood prone areas, make flood insurance available to property owners in communities enrolled in the program, to assist and encourage flood plain management, and ultimately reduce federal spending for disaster assistance.

In 1993, one of the worst years in the history of Midwest floods, my district suffered from floods both in the city and in the county areas. There was no one left untouched by the devastation that took place. It would be horrifying to contemplate what would have happened were not the National Flood Insurance Program not already in place. There is a tremendous need for the reauthorization of this program that is the key to survival of many Missouri businesses and families.

One of the largest issues of this reauthorization is addressing the issue of “repetitive loss properties”, those properties that have experienced two or more losses greater than \$1,000 each within a ten year period. FEMA has identified over 48,000 properties insured under the National Flood Insurance Plan that meet the definition of a repetitive loss property. Of that number over 10,000 have had flood losses that total over \$80 million annually.

Mr. Chairman I look forward to the discussion of these issues today. I ask unanimous consent to submit my statement to the record.