

News from

Congressman Christopher Carney

Representing Northeast and Central Pennsylvania

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CARNEY STATEMENT FOR NATIONAL FLOOD INSURANCE PROGRAM HEARING

Washington, D.C.--Congressman Christopher P. Carney, Chairman of the House Homeland Security Subcommittee on Management, Investigations and Oversight, issued the following opening statement for the House Homeland Security Committee and House Financial Services Joint Hearing on the National Flood Insurance Program:

"I'd like to thank Chairman Frank and Chairman Watt for holding a joint hearing with my subcommittee regarding the National Flood Insurance Program.

"In the wake of any catastrophe - whether natural disaster or terrorist attack - government and the private sector have to do their part for the country to recover. If either fails to fulfill its responsibilities, recovery will at best be delayed and at worst be impossible.

"Nearly two years after Katrina and Rita struck the Gulf Coast, we're still trying to understand why this public/private partnership broke and what it's going to take to fix it.

"In my own district, which is more than 1200 miles from New Orleans, my neighbors have had their own struggles with flooding. In fact, some of my constituents are still living in FEMA trailers nearly a year after 2006's flooding. The NFIP and FEMA's other flood-related programs need to work better.

"We must find a happy medium, and that medium must include proper oversight.

"I'm troubled, as I'm sure most of us here today are, by the news that private insurance companies may have manipulated FEMA to pay out claims for which FEMA should not be responsible. It's just despicable.

"I recently took a trip down to the Gulf Coast to see how the recovery was going. The people down there aren't looking for a hand out; they're just looking for a hand up. They just want to rebuild and get on with their lives. And I hear the same sentiments from my neighbors who are still waiting for their claims to be paid.

"That said, when insurance is using every legal loophole and tactic possible to avoid paying out on a claim they should be responsible for, the system's broken. As far as I'm concerned, if

that system's broken, it's a disservice to not only to the citizens who've come to rely on it, but also to country as a whole.

"I know that Chairman Thompson and Ranking Member Rogers also have a lot to say so I won't take up much more time. I just want to emphasize that this is only the beginning of a new chapter in the oversight of the NFIP.

"I am looking forward to continued cooperation from the Financial Services Committee when it comes to examining the insurance meltdown that resulted from the 2005 hurricane season. Hopefully, any changes that we can help bring about will mitigate problems we've seen elsewhere across the country with NFIP payments."

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