



**FLOOD INSURANCE PRODUCERS
NATIONAL COMMITTEE**

Council of Insurance Agents & Brokers
Independent Insurance Agents & Brokers of America
National Association of Professional Insurance Agents

August 26, 2022

VIA – ELECTRONIC MAIL: bryan.falcone@fema.dhs.gov

Mr. Bryan Falcone
Federal Insurance and Mitigation Administration
500 C Street SW
Washington, DC 20472

Re: Request for Information – FEMA Direct to Consumer (D2C) Initiative

Dear Mr. Falcone:

As the Flood Insurance Producers National Committee (FIPNC) we appreciate the opportunity to respond to the Request for Information (RFI) published by the Federal Emergency Management Agency (FEMA) regarding its Direct to Consumer (D2C) Initiative.

By way of background, FIPNC was formed by the Federal Insurance Administrator (Administrator) in 1982 to assist in improving and expanding the National Flood Insurance Program (NFIP), its book of business, and the communities participating in the NFIP. Originally established through the auspices of the major national trade associations for the insurance agents and brokers writing NFIP business, current voting members are the Council of Insurance Agents & Brokers (CIAB), the Independent Insurance Agents & Brokers of America (The Big “I”), and the National Association of Professional Insurance Agents (PIA), with the Association of State Floodplain Managers (ASFPM) serving as a non-voting member. At the creation of FIPNC, insurance agents wrote federal flood insurance directly with NFIP through one vendor – the Write Your Own (WYO) program nor insurance carriers were involved in the program. To this day, FIPNC exists to be a direct and frank communication channel for the Administrator, a role we are honored to play as agents and brokers are the sole sellers of flood insurance under the NFIP.

As evidenced above, we enjoy a historic working relationship with FEMA, but were dismayed not to be included in the initial announcement of the D2C RFI, nor were we provided with any communication prior to the announcement. Over the years, we have worked diligently to be “the voice for agents and brokers” and provide the necessary expertise requested by FEMA, especially during the rollout of Risk Rating 2.0 (RR 2.0). While this RFI is “solely for information gathering purposes...and shall not be construed as a commitment by the Government...” a D2C product will vastly change the relationship between FEMA and independent insurance agents and brokers, and to not be included in the announcement was disheartening and concerning.



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While we are unable to respond as a group to the questions laid out in the RFI because of our anti-trust policy, we want to reiterate our desire to continue to serve in the advisory capacity in which we were created. We advise to engage us in dialogue regarding the specific objectives of the D2C Initiative.

If the objective is to increase policy count, we can share the ideas we utilize every day that would not require the creation of a new product. Across the board, agents will indicate that premium cost is the largest obstacle to purchasing flood insurance, along with paying the premium in an annual, lump sum.

If the objective is to reduce costs by offering a direct product and disintermediating agents, we have data and examples of insurers and state-run organizations that have had similar goals that either pulled back or failed. We advise FEMA to think of the questions agents must answer every day on behalf of their policy holder client, and if those questions could be answered solely by the policy holder. Who would the potential policyholder go to if he/she has questions on the very specific information required to get a flood insurance policy? Would FEMA serve as the agent answering questions on number of stories or first floor height or base flood elevation?

If the objective is reach new consumers who prefer to transact digitally, FEMA could provide a digital tool/widget to agents who could then promote it. FEMA could also reinstate the marketing co-op, which would be designed in a way to promote digital marketing by agents.

As demonstrated, we have ideas and would be pleased to assist FEMA in their D2C Initiative. A collaboration similar to the Joint Solutions Team under RR 2.0 could be created or even several strategy sessions could be held to further investigate the true objective(s) of D2C and what tools may already exist.

Thank you again for the opportunity to comment and we look forward to your response.

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