

To Secretary Rodríguez,

On this occasion, we recommend the Puerto Rico Department of Housing engage in immediate action with regards to the flood insurance that survivors in Puerto Rico require to receive FEMA individual assistance. The Department of Housing has the responsibility and the capacity to protect these families and communities.

Lack of flood insurance is a serious obstacle for families surviving disasters in accessing FEMA and other assistance funds. In its rules, the Administration establishes an insurance requirement for future damage caused by floods, particularly when the house is located in a flood zone (Special Flood Hazard Area, SFHA). This requirement is applicable to families who applied for and received FEMA assistance to address the effects of flooding. Survivors who do not obtain this insurance may not have access to assistance to repair, replace, and rebuild homes, as well as to cover losses to impacted personal property, in the event of future flood damage.

This flood insurance gap is highly relevant to the case of Puerto Rico. It is estimated that close to 24% of the population of Puerto Rico lives in areas of medium-high or high risk, with flooding as the greatest danger. More than 240,000 homes are in flood zones. In contrast, after Hurricane Fiona, it was estimated that only 0.7% of families had flood insurance. The structural barriers to obtaining insurance are palpable. Ignorance about this requirement is compounded by the costs of premiums that are out of reach for impoverished families, as well as the ownership requirement to obtain coverage. In light of the latter, getting FEMA to recognize that a title is not a requirement for assistance is a half win if insurers require title to extend coverage. These incompatible demands result in requirements contrary to the amendments and clarifications that seek to promote more equity in access to recovery funds.

Parallel to advocacy efforts at the federal level, we are turning to the Department to take affirmative action and promote the purchase of flood insurance. The notice of allocation of CDBG-DR funds promotes the purchase of these insurance covers as an appropriate use.

Ayuda Legal Puerto Rico urges the Department to carry out an evaluation of the costs of these covers and consider collaborations with the municipal governments most susceptible to flood risk. The Group Flood Insurance Program (GFIP), which provides group policies for up to three years, may be a model to look at. Elements such as flood damage, poverty level, number of homes affected by disasters in recent years, and other factors must be considered. This assistance should be extended to both R3 Program participants and others who need help covering the policy. In relation to funds, we urge the Department to examine, for example, the redistribution of funds such as those destined for the Municipal Recovery Planning Program, of which \$43 million of the \$56 million allocated has been obligated.

We insist on getting to the root cause of this issue and addressing it urgently. As usual, we await your response and attention. We are available to meet with your work team to discuss these proposals.