

## Why GAO Did This Study

Indian tribes' participation in NFIP is extremely low, even though some Indian lands are at high risk of flooding. In response to a Moving Ahead for Progress in the 21st Century Act mandate, GAO examined (1) factors affecting Indian tribes' participation in NFIP, (2) FEMA's efforts to increase tribes' participation in NFIP, and (3) administrative and legislative actions that could increase tribes' participation. GAO reviewed FEMA data on community participation in NFIP and prior GAO reports on flood insurance and Indian tribes, interviewed officials from selected Indian tribes and insurance companies, and collected information from relevant agencies and industry officials.

## What GAO Recommends

GAO recommends that the FEMA Administrator examine ways to make mapping of tribal lands in flood-prone areas a higher priority. FEMA agreed with our recommendation.

# FLOOD INSURANCE

## Participation of Indian Tribes in Federal and Private Programs

### What GAO Found

As of August 2012, just 37 of 566 federally recognized tribes (7 percent) were participating in the National Flood Insurance Program (NFIP), and 3 tribes accounted for more than 70 percent of policies. A number of factors have affected tribes' participation. First, the Federal Emergency Management Agency (FEMA) has not placed a high priority on mapping rural areas, including many Indian lands, for flood risk, and most tribal lands remain unmapped. Without flood hazard maps, tribal communities may be unaware of their flood risk, even in high-risk areas. Partly for this reason, the risk of flooding is perceived as relatively low on many tribal lands. Further, tribes may lack the resources and administrative capacity needed to administer NFIP requirements, and NFIP premiums are often too high for low-income tribal members. Finally, unique tribal issues can make participation difficult. For example, some Indian tribes do not have reservations over which they can enact and enforce the land use ordinances that are required for NFIP participation. Instead, many have lands that were allotted to individuals rather than to a tribal entity, limiting the tribes' jurisdiction.

FEMA has done some outreach to tribes, largely through emergency management and homeland security training for tribal officials, technical assistance to tribes that are preparing their multihazard mitigation plans, and marketing through the NFIP FloodSmart campaign. FEMA officials told us that the courses offered through its Emergency Management Institute helped to educate tribal officials about NFIP and floodplain management and that its curricula included courses for floodplain managers on their roles and responsibilities, flood insurance, and NFIP rules and regulations. One tribal representative told us that he was participating in an ongoing curriculum and several tribes had developed multihazard mitigation plans. Finally, both the Department of Housing and Urban Development and the U.S. Department of Agriculture, Rural Development may provide NFIP information to Indian tribes as they provide assistance in the form of housing and infrastructure grants, loans, and loan guarantees.

Tribal representatives suggested steps that FEMA could take to encourage participation in NFIP—for example, placing a higher priority on mapping Indian lands and increasing FloodSmart marketing to tribal leaders rather than individuals. Given ongoing congressional interest in private sector alternatives to NFIP, GAO also explored whether private alternatives exist that could offer affordable coverage to low-income tribal members—for example, by expanding access to risk-pooling programs that could help insure more tribal households. One such program already insures thousands of Indian properties. Another relatively new product, microinsurance, would involve insurers offering less expensive policies with relatively low coverage limits but coverage for all tribes. FEMA said that its NFIP privatization study mandated by the Biggert-Waters Flood Insurance Reform Act of 2012 would include an assessment of these alternatives.