



December 18, 2008

The Honorable Nancy Pelosi  
Speaker of the House  
H-232 Capitol Building  
Washington, DC 20515-6501

Dear Speaker Pelosi:

We're writing to you to tell you that we support efforts to make America safer and more secure against natural catastrophes. Our organizations have either joined Americans for Smart Natural Catastrophe Policy or frequently played a role in AFSNCP activities. For a variety of reasons, however, we did not feel we could sign a letter calling for mitigation spending as part of an economic stimulus package. We do, nonetheless, wish to add our voice to the loud chorus that makes it clear that mitigation works. The letter from our allies in the AFSNCP coalition aptly summarizes what the best research on mitigation has shown:

Hazard mitigation programs are well-established as a cost – effective means to reduce the impact of natural disasters. For example, in 2007, the Congressional Budget Office found that projects funded through the Pre-Disaster Mitigation program between 2004 and June 2007 resulted in a reduction of future disaster spending of approximately \$3 for every \$1 spent on these projects. Similarly, in 2005, a Congressionally-mandated study by the Multihazard Mitigation Council (an advisory body of the National Institute of Building Sciences) concluded that cost-effective mitigation saves an average of four dollars for every dollar spent. The vast majority of properties flooded in 1993 were acquired or relocated. As a result, individual assistance to residents in the 13 Missouri communities fell from \$33.2 million in 1993 to \$2.1 million in 2008. In comparison, the total cost of purchasing these homes amounted to \$37 million, meaning that the reduction in individual assistance from one event offset 85% of the cost to acquire the properties.

The single most effective means of mitigation, we believe, is not any program but, rather, a framework that makes possible consistent risk-based insurance rates that raise prices for people who live in dangerous areas and lower them for people who live in safe areas. Whatever the case, mitigation—by private and public means—deserves your support.

Yours truly,

Eli Lehrer  
Senior Fellow  
The Competitive Enterprise Institute

Thomas Schatz  
President  
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David Jenkins  
Director of Government Affairs  
Republicans for Environmental Protection