



**STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR**

**JOSH STEIN
GOVERNOR**

November 14, 2025

The Honorable French Hill
Chairman
House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
House Financial Services Committee
4340 O'Neill House Office Building
Washington, DC 20515

Dear Chairman Hill and Ranking Member Waters:

We write to urge you to advance H.R. 3161, the Preventing Environmental Hazards Act of 2025, led by Representatives Greg Murphy and Chellie Pingree, and cosponsored by members of North Carolina's congressional delegation on both sides of the aisle. This bipartisan bill would allow National Flood Insurance Program (NFIP) payments before an imminent collapse caused by shoreline erosion—so homeowners can demolish or relocate condemned structures before they fall into the ocean, scatter debris, and endanger people and sensitive coastal resources.

Since 2020, 27 oceanfront houses have collapsed into the ocean on North Carolina's Outer Banks, including 16 houses just since this September. When these houses collapse, they are not just a tragedy for the homeowner. The destroyed houses also spread pollution and debris for miles and repeatedly result in the closure of once pristine National Seashores and other beaches for public safety. Federal and state taxpayer dollars are then used to clean up the aftermath. Since September this year, the Cape Hatteras National Seashore has had to haul more than 400 truckloads of debris from fallen houses. There are already hundreds of threatened oceanfront structures located along sections of eroding beaches in coastal North Carolina and elsewhere in the country. Local and federal partners have documented the growing frequency and scale of these debris fields following collapses in Rodanthe and Buxton, underscoring the need for proactive relocation or removal rather than after-the-fact cleanup.

In August 2024, the National Parks Service (NPS) and North Carolina Department of Environmental Quality (NCDEQ) released a joint report – Managing Threatened Oceanfront Structures: Ideas from an Interagency Work Group in August 2024. This report was the result of collaboration between local governments and state and federal agencies and laid out important short- and long-term ideas to improve management of threatened oceanfront structures.

A key idea from the joint NPS and NCDEQ report was to explore options for the NFIP to offer coverage that enables the removal or relocation of coastal structures that are imminently threatened by erosion

before their inevitable collapse. Federal NFIP pre-collapse authority would reduce hazards, protect visitors and wildlife, and save taxpayer dollars on emergency response and cleanup. As currently structured, the NFIP provides a perverse incentive to homeowners, where it can be in their financial interest to avoid taking proactive action to protect their own property and their community.

H.R. 3161 authorizes the NFIP to offer this pre-collapse coverage with prudent guardrails, leverages state or local condemnation and certification for imminent collapse, and ensures fiscal discipline through coverage limits and termination of future aid on the parcel. It aligns with the Committee's jurisdiction over insurance and disaster-risk policy and reflects lessons learned on our coast and others.

We respectfully urge the Committee to advance H.R. 3161. The State stands ready to work with you, other Committee Members, and Federal Emergency Management Agency to ensure effective implementation that protects coastal communities, taxpayers, and our treasured Outer Banks.

Thank you for your leadership and consideration.

Sincerely,

A handwritten signature in black ink, reading "Josh Stein". The signature is fluid and cursive, with the first name "Josh" and last name "Stein" clearly legible.

Josh Stein
Governor of North Carolina

A handwritten signature in black ink, reading "Mike Causey". The signature is fluid and cursive, with the first name "Mike" and last name "Causey" clearly legible.

Mike Causey
North Carolina Commissioner of Insurance

Cc: Representatives Greg Murphy, Chellie Pingree, David Rouzer, Don Davis, and Rob Wittman