

June 27, 2018

Honorable Mike Crapo, Chairman  
Senate Committee on Banking, Housing, and Urban Affairs  
Washington, DC 20510



Honorable Sherrod Brown, Ranking Member  
Senate Committee on Banking, Housing, and Urban Affairs  
Washington, DC 20510

Dear Chairman Crapo and Ranking Member Brown:

The National Flood Association (NFA) thanks you for the opportunity to provide input to the Senate Banking Committee as the Committee continues its work on the National Flood Insurance Program (NFIP). This year marks 50 years of the NFIP and we encourage the Committee to take action this anniversary year to sustain, strengthen, and support this critical program. The need for your attention and action is made more urgent by the imminent lapse of this program on July 31 during hurricane season.

The NFA includes dozens of companies, with thousands of employees, serving millions of customers, representing various industries such as flood determinations, private and federal flood insurance, financial services, real estate, banks and other lending institutions, claims adjusting, engineering, technology, risk modeling, mapping, reinsurance, and management consulting. With our diverse membership, the NFA brings a unique perspective on the NFIP and the value the program brings to the nation by offering and encouraging quality flood insurance coverage at affordable rates, by educating property owners about the hazards of flood, and by guiding community development in ways which mitigate future risks through adoption and enforcement of sound ordinances.

July 31 is in the middle of this year's hurricane season for which experts predict above average activity. We urge you to take immediate action to extend the NFIP to provide stability for the housing market and assurances for the millions of its policyholders. With an extension of the NFIP, we expect the Committee to continue its work on needed reforms to the program. We look forward to working with the Committee on the following key issues that will promote the long term success of the program:

- NFIP should be reauthorized for at least 5 years as part of reform legislation
- FEMA flood mapping program should be supported through appropriate levels of funding
- Mitigation efforts at all levels should be supported to promote more resilient communities
- Banks and lending institutions should be permitted to satisfy the mandatory purchase requirement with private flood insurance options under established lending practices and applicable state law

As described herein, smart reforms to the NFIP are needed. However, we would encourage Congress to be measured in its approach, recognizing the recent and ongoing improvements that FEMA and the NFIP are making in terms of mapping, rating, claims, Write Your Own Arrangement and program simplification. We would like to see FEMA and the NFIP provided the time and the resources to continue on this course without unintended consequences that may come from dramatic reforms.

We thank you and your Committee Members for your important work in this regard and for allowing us the opportunity to provide our recommendations to help guide the work.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leila Taha'.

Leila Taha, President  
National Flood Association