

April 21, 2016

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
1233 Longworth House Office Building
Washington, DC 20515

Dear Speaker Ryan,

We are writing to urge you to schedule a vote on the Flood Insurance Market Parity and Modernization Act. As you know, this bipartisan bill unanimously passed the House Financial Services Committee last month, and would encourage a more robust private flood insurance marketplace, which would give Americans affected by floods each year better coverage options. It would also help protect taxpayers by stabilizing the federal flood insurance program's finances for the future.

The National Flood Insurance Program (NFIP), which provides coverage for more than 5 million Americans, is more than \$23 billion in debt and struggling to keep up with new claims. Up for reauthorization in 2017, this program urgently needs reforms to prevent it from becoming a further burden on taxpayers. The Flood Insurance Market Parity and Modernization Act is a step in the right direction.

The bill clarifies that mandatory purchase requirements may be met with private market flood insurance that meets state law, which would benefit policyholders and ease the NFIP's debt load. Currently, outdated regulations have made the NFIP the only flood insurance option for most property owners. But with increased competition we will see more competitive rates and better coverage choices for consumers. Several states have already taken action to encourage more private insurance options, and it is time to do the same on the federal level.

The development of a private flood insurance marketplace is one of several reforms that would strengthen the NFIP and ensure its viability. In 2017, the program should be reauthorized and reformed to remove any uncertainty about its dependability. Congress must act to avoid a series of short-term extensions and shut downs that will only create uncertainty in real estate and related markets.

The federal government also needs to make resiliency and mitigation efforts a greater priority, both in and out of NFIP. Strengthening infrastructure and helping homeowners take preventative measures will minimize the damage when storms hit and reduce the costs of post-disaster recovery. In addition, flood maps should be updated using modern technology to give consumers a clear picture of their susceptibility to flooding. Accurate maps would also ensure that flood insurance rates reflect the true risk that a property faces requiring fewer homeowners to file expensive appeals.

The Flood Insurance Market Parity and Modernization Act will benefit millions of Americans by giving them more choices and better options for flood insurance while shielding taxpayers from the burden of assuming the NFIP's debts. We hope you will encourage your colleagues to support this important legislation, and we look forward to working together with you to further strengthen and modernize our nation's disaster policies.

Sincerely,

SmarterSafer.org & National Association of REALTORS®