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Dear Representative:

The National Association of REALTORS® 1.2 million members urge you to support **H.R. 3823: The Disaster Tax Relief and Airport Extension Act**, when the House considers it later this week. The bill includes the Flood Insurance Market Parity and Modernization Act (HR 1422; Ross (R-FL), Castor (D-FL)), which passed the House 419-0 last year. REALTORS® strongly support these provisions, which will encourage the further development of a private market that often offers better coverage at lower cost than the National Flood Insurance Program (NFIP).

The 2017 hurricane season has not reached the midpoint. Already named storms Harvey, Irma and Maria have highlighted that most property owners do not have flood insurance, especially where not required for a mortgage. According to [an independent actuarial analysis by Milliman](#), most property owners are not buying NFIP coverage largely because the program charges rates that exceed the flood risk for these properties. By opening the door to the private market, [Milliman found](#) that 77 percent of Florida, 69 percent of Louisiana and 92 percent of Texas homeowners could obtain less expensive flood insurance than through the NFIP. All Members should share the goal of increasing flood insurance take up rates, especially on private policies that will shield taxpayers from further NFIP losses.

HR 3823 would expand flood insurance access by requiring that lenders accept private flood insurance that meets the minimum coverage requirements of federal law and the consumer protections of state law. This continuous coverage provision is essential in that it will allow homeowners to move back and forth between the NFIP and private insurance without NFIP rate penalties. The bill preserves and strengthens the program as a viable choice for property owners in the event that private insurance contracts or becomes more expensive. The bill will not reduce the authority of Fannie Mae or Freddie Mac to consider the financial strength of private insurance companies.

While REALTORS® agree that Congress must keep working on a broader set of NFIP reforms, the current lack of consensus on those reforms should not keep this relatively modest measure from moving forward. REALTORS® urge passage of H.R. 3823: The Disaster Tax Relief and Airport Extension Act to take this first step towards improving the flood insurance marketplace.

Sincerely,

A handwritten signature in blue ink that reads 'William E. Brown'.

William E. Brown
2017 President, National Association of REALTORS®



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