



NATIONAL ASSOCIATION OF REALTORS®

*The Voice For Real Estate®*

500 New Jersey Avenue, N.W.  
Washington, DC 20001-2020  
202.383.1194 Fax 202.383.7580  
www.realtors.org/governmentaffairs

Richard F. Gaylord  
CIPS, CRB, CRS, GRI  
President

Dale A. Stinton  
CAE, CPA, CMA, RCE  
EVP/CEO

GOVERNMENT AFFAIRS  
Jerry Giovaniello, Senior Vice President  
Walter J. Witek, Jr., Vice President  
Gary Weaver, Vice President

January 22, 2008

The Honorable Spencer Bachus  
Committee on Financial Services  
2246 Rayburn House Office Building  
Washington, DC 20515

Dear Representative Bachus:

On Wednesday, January 23, the House of Representatives is scheduled to vote on H.R. 3959, a bill to phase out National Flood Insurance Program (NFIP) subsidies on primary residences sold for not less than \$600,000 after the date of enactment. The National Association of REALTORS® (NAR) strongly opposes this bill.

REALTORS® strongly support the reforms to the National Flood Insurance Program (NFIP) included in H.R. 3121 (passed by the House on September 27, 2007). That legislation is needed to strengthen the NFIP, which provides essential protection against losses due to flooding for residents in more than 20,000 communities nationwide.

REALTORS® also believe it is important to increase participation in the NFIP. H.R. 3959, however, would make it more difficult for owners of a segment of pre-FIRM properties to participate by increasing the already high costs of purchasing and maintaining flood insurance.

REALTORS® oppose the elimination of all subsidies for pre-FIRM properties in the NFIP especially at a time when it is clear that greater participation is needed and the nation's housing markets are in turmoil. H.R. 3959 would not only increase the already high cost of participation for owners of homes that were built at a time when the risks of flood damage were unknown, but also have unintended housing market consequences and hamper efforts to increase participation in the NFIP. Therefore, on behalf of its more than 1.3 million members, NAR is urging Members to vote against H.R. 3959.

Sincerely,

Richard F. Gaylord, CIPS, CRB, CRS, GRI  
2008 President, National Association of REALTORS®

