

# NAR Principles for Flood Insurance Reform

December 8, 2022

The National Flood Insurance Program (NFIP) is essential to completing half-a-million property sales each year according to NAR research. However, the NFIP as currently structured is unsustainable for policyholders and taxpayers alike. For these reasons, NAR supports a strengthened NFIP coupled with a robust private market to offer consumer choices and maintain access to flood insurance.

NAR believes that:

- NFIP reauthorization should be long term.
- To keep rates affordable, the federal government should offer pre-disaster risk mitigation options – including guaranteed loans, grants and buyouts for property owners to build stronger or relocate to higher ground.
- Private flood insurance barriers should be removed so consumers can choose lower cost options that meet federal coverage requirements.
- Premiums should continue to align with the specific flood risk of each building while gradually phasing in full-risk rates for older properties.
- Flood mapping should be modernized and completed throughout the nation.
- Real estate disclosures should be improved at the state level but buyers and renters should have direct access to NFIP claims and disaster aid data.
- The Office of the Flood Insurance Advocate should be fully supported in order to directly assist policyholders with flood insurance-related disputes.

