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October 10, 2013

W. Craig Fugate  
Administrator  
Federal Emergency Management Agency  
500 C Street S.W.  
Washington, DC 20472

Dear Administrator Fugate:

On behalf of the more than one million members of the National Association of REALTORS® (NAR), I write to express the membership's deep concerns with drastic increases in flood insurance premiums as a result of implementation of the Biggert-Waters Flood Insurance Reform Act of 2012 (BW12), which instituted significant reforms to the National Flood Insurance Program (NFIP). Reports from REALTORS® nationwide indicate double-digit premium increases, decreasing property values and stalled markets due to increasing premiums and regulatory uncertainty.

NAR recently convened a high-level group of REALTORS® from across the country to assess the impact of recent changes that have increased insurance premiums for property owners. As a result of this work, NAR recommends that FEMA take the following interim measures to ensure that the NFIP continues on a path towards financial solvency and actuarial responsibility, without destroying the nascent real estate recovery:

- Delay implementation of premium increases until the Affordability Study mandated by BW12 is completed and reviewed by Congress as was directed by BW12;
- As directed by BW12, issue proposed regulations related to reimbursement of appeals and installment payments;
- Work to improve and publicize the Community Rating Service (CRS) so that the program is used by more communities to lower premiums;
- Streamline and improve the process for obtaining Elevation Certificates;
- Improve and publicize education and information resources for the real estate, lender, development and insurance industries;
- Improve and publicize consumer education on the impacts of BW12 and the ongoing flood mapping process; and
- Designate a FEMA "Ombudsman" or a point-of-contact for BW12 implementation and mapping issues and concerns.

In addition, due to the unprecedented scope of these premium increases, NAR strongly recommends that FEMA convene a **Biggert-Waters Implementation Summit** to assess the impacts of these premium increases on property owners, including those due to map updates. The purpose of this Summit will be to discuss ways FEMA may delay implementation of the premium increases, ways to help property owners and communities lower their rates, and how the real estate industry can partner with FEMA on these efforts.

Sincerely,

Gary Thomas  
2013 President, National Association of REALTORS®



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