
May 22, 2018

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20510

Re: National Flood Insurance Program Reauthorization

Dear Speaker Ryan, Minority Leader Pelosi, Leader McConnell, and Minority Leader Schumer:

On behalf of the National Association of Insurance Commissioners (NAIC)¹, we write to urge prompt action on a long-term reauthorization and reform of the National Flood Insurance Program (NFIP) before it expires on July 31st.

expeditiously to finalize a reauthorization bill. A continuation of temporary extensions will

days after purchase. With the hurricane season starting soon, a long-term extension will help provide certainty for property owners in their efforts to prepare for flood disasters. State insurance regulators stand ready to assist you in tackling the challenges of NFIP reauthorization and reform.

We also encourage Congress to utilize NFIP reauthorization as an opportunity to facilitate greater growth in the private flood insurance market to help provide consumers with additional choices for flood insurance products. We urge the inclusion of the Flood Insurance Market Parity and Modernization Act (H.R. 1422/S. 563) in any final



also encourage FEMA to share its NFIP data with state insurance regulators and insurers to provide meaningful statistical information to help the private market be able to accurately assess flood risks.

It is also imperative that reauthorization legislation include measures to encourage investment in prevention and preparedness to help minimize the impact of flood damage and economic loss. We support the inclusion of mitigation discounts, such as premium discounts or insurance rate reductions to persons who build, rebuild, or retrofit their properties to better resist flood events, and allowing individuals to set aside funds in a tax-preferred savings account for disaster mitigation and recovery expenses. We also appreciate legislative efforts to develop strategies to help reduce the number and vulnerability of repetitive loss properties. These actions along with building and maintaining structures that incorporate mitigation strategies have the potential to reduce future program losses and improve the financial condition of the program.

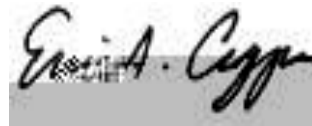
Finally, we support legislative reforms to ensure accurate flood mapping. FEMA needs to provide increased transparency regarding its decision making processes for developing and updating its flood maps and its approach to rate making so that policyholders understand their current flood risk. Any reauthorization legislation should include strategies to increase flood insurance take up rates, including facilitating opportunities to educate consumers about flood insurance policy options, and encouraging the purchase of flood insurance for those outside of special flood hazard areas.

We look forward to working with you to ensure prompt passage of long-term flood insurance reauthorization and reform legislation.

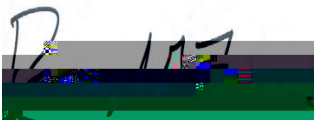
Sincerely,



Julie Mix McPeak
NAIC President
Commissioner
Tennessee Department of
Commerce & Insurance



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NAIC President-Elect
Superintendent
Maine Bureau of Insurance



Raymond G. Farmer
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