September 16, 2011

Dear Majority Leader Reid and Minority Leader McConnell:

The Association of State Floodplain Managers (ASFPM) represents 14,000 professional floodplain managers throughout the nation. We urge the Senate to quickly consider reauthorization and reform of the National Flood Insurance Program (NFIP). The program is currently over $17 billion in debt and the nation continues to experience large flooding disasters as a result of recent flooding. Without significant reform, we feel strongly the NFIP is not sustainable.

We are pleased that the Senate Banking Committee recently reported out a bill that makes a number of positive reforms to the flood insurance program. The House has already passed their version of NFIP reform. We urge you to work closely with the House so the differences in the House and Senate bills can quickly be resolved. At the same time, we recognize it is unlikely that there will be an agreement on broader reform prior to the NFIP’s expiration on September 30th. If Congress is unable to pass an agreed upon bill by the 30th, the nation will again experience significant disruptions in the housing market and flood victims will experience unnecessary delays in flood claim processing and payments. We urge you to quickly pass a short-term (we prefer one year, but are aware S 1548 is for 3 months) "clean" extension of the NFIP so that the program can continue while the two Chambers work out longer term reauthorization and reform. We do believe a one year extension will contribute to greater certainty that Congress can complete a Reform bill before the program expires, but the key is to not have a program lapse.

The ASFPM is supportive of many provisions in the Senate Banking Committee's Flood Insurance Reform and Reauthorization Act of 2011. The bill contains many provisions that will help to build the financial stability of the program, authorize the flood mapping program and promote wise actions to reduce future losses. ASFPM does have some concern about the effect of a catastrophe reserve fund on premium rates because of expressions about affordability of flood insurance. Overall, this bill makes some important improvements to the National Flood Insurance Program.

While we believe the bill could be strengthened, the Banking Committee has taken a needed step to reforming the nation’s flood insurance program. We urge the full Senate to quickly pass this needed reform to the NFIP so that the House and Senate can begin to resolve the differences and quickly get a bill to the President’s desk.

We look forward to working with you on this issue and thank you for your attention. If you have questions, please contact Larry Larson or Merrie Inderfurth at the Association.

Sincerely,

Sally McConkey, ASFPM Chair

Dedicated to reducing flood risk and losses in the nation.