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November 6, 2017

Dear Representative:

The National Association of REALTORS® (NAR) urges passage of H.R. 2874, “The 21<sup>st</sup> Century Flood Reform Act,” including key changes made since the Financial Services Committee mark up. The bill would reauthorize and reform the National Flood Insurance Program (NFIP), and incorporate six other bills that NAR supports.

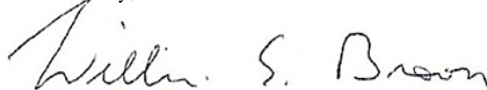
Specifically H.R. 2874 would:

- Reauthorize the NFIP for 5 years;
- Authorize \$1 billion to elevate, buyout or mitigate high risk properties;
- Cap flood insurance premiums at \$10,000 per year for homeowners;
- Double increased cost of compliance coverage and allow access prior to floods;
- Remove hurdles to the private flood insurance market which often offers better coverage at lower cost than the NFIP;
- Provide for community flood maps and streamline the process of appeal;
- Better align NFIP rates to risk particularly for inland and lower value properties;
- Improve the claims process in light of Superstorm Sandy;
- Address the repeatedly flooding properties that account for 2 percent of NFIP policies but 25 percent of the claim payments; and
- Strengthen the overall solvency of the program in the future.

HR 2874 also includes several critical changes since the Financial Services Committee mark up. The bill would strike the provision reported by the Committee to end grandfathering, effectively leaving in place the current practice. It would reduce the annual premium increase for older (pre-flood map) properties from 8 percent to 6.5 percent. It would also expand eligibility for the \$10,000 cap to include households that have certified elevation data from sources that includes, but is not strictly limited to a NFIP elevation certificate

NAR supports H.R. 2874: The 21<sup>st</sup> Century Flood Reform Act as amended, and urges its immediate passage to ensure an on-time, long-term reauthorization of the NFIP before December 8<sup>th</sup> of this year.

Sincerely,



William E. Brown  
2017 President, National Association of REALTORS®

