

The Honorable Harry Reid
Majority Leader
United States Senate
S-221 The Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
S-230 The Capitol
Washington, DC 20510

October 16, 2013

Dear Majority Leader Reid and Minority Leader McConnell:

The National Association of Mutual Insurance Companies, the largest property/casualty insurance association in the United States with 1,400 member companies serving more than 135 million policyholders, strongly supports the reforms enacted last year to strengthen the National Flood Insurance Program. More than 25 percent of the insurance companies that participate in the NFIP's "Write-Your-Own" program are NAMIC members, and we strongly oppose any efforts to delay implementation of these much-needed reforms.

With the NFIP billions of dollars in debt to the taxpayers, you and your colleagues in both the Senate and the House of Representatives acted last year to put the NFIP on a more fiscally responsible and sustainable course by passing the Biggert-Waters Act. These reforms were passed with overwhelming bipartisan support and will reduce the need for costly, taxpayer-funded bailouts in the future.

The NFIP must charge rates that reflect the true cost of providing flood insurance coverage, and the government should not continue to mask the risks of living in a flood-prone area by delaying these much-needed reforms. Prior to the passage of Biggert-Waters, the NFIP's unsustainable rates all but ensured the program would remain in debt to the Treasury and would be incapable of meeting its obligations to policyholders after a major flood. The reforms passed last year represent a crucial first step toward fiscal stability for the NFIP, and any implementation delays or rate rollbacks would threaten to undo the progress made through Biggert-Waters.

NAMIC continues to support providing assistance on a means-tested basis for those who truly cannot afford the increased rates, and we are also actively engaged in efforts to reduce the threat of flooding by promoting and incentivizing pre-disaster mitigation. However, we remain in full support of reforms to the NFIP made by the Biggert-Waters Act and oppose any efforts to delay or rollback pieces of the legislation.

Sincerely,

Jimi Grande
Senior Vice President, Federal and Political Affairs
National Association of Mutual Insurance Companies