

September 25, 2024

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC

The Honorable Hakeem Jeffries
Democratic Leader
United States House of Representatives
Washington, DC

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC

Dear Speaker Johnson, Leader Jeffries, Leader Schumer, and Leader McConnell:

The undersigned organizations urge Congress to act quickly to extend the National Flood Insurance Program (NFIP) before its September 30 expiration. We appreciate that Section 137 of the Continuing Resolution (CR) the full House is poised to consider this week extends NFIP authorities through the duration of the proposed CR and into December.

Americans deserve certainty and stability in the flood insurance marketplace so that they can protect their homes, businesses and loved ones. Since 2017, the NFIP's authority has been extended 25 times and allowed to briefly lapse on several occasions. Another lapse of the NFIP will leave millions of Americans at risk and disrupt the purchase of flood insurance in more than 20,000 communities across the United States.

Not only would Americans be unable to purchase new NFIP policies during a lapse in authorization, but property owners and renters currently insured by the NFIP would be unable to renew their policies. Without access to flood insurance, American families must rely on federal disaster aid, which is severely limited, and property buyers could lose financing or be forced to pay fees to hold interest rates, as NAR estimates that lapses threaten 1,300 property sales each day. Some property owners could be subject to force-placed insurance by their mortgage servicers, which is typically more costly than borrower-obtained insurance, resulting in even more cost burdens on American families. The risk of an unnecessary NFIP lapse could further impact affordable housing and create additional challenges for small businesses and must be avoided.

Therefore, we strongly support the immediate extension of the NFIP within Section 137. Extending the NFIP would ensure this vital program does not lapse or create additional challenges for residential and commercial property owners, buyers, managers, renters, and tenants. We commend the House Financial Services and Senate Banking Committees for continuing to work on longer-term NFIP reauthorization and reform measures and look forward to Congress bringing some stability and predictability to this essential program.

Sincerely,

American Land Title Association
American Resort Development Association
CRE Finance Council
ICSC
Mortgage Bankers Association
National Association of Home Builders
National Multifamily Housing Council
National Association of REALTORS®
Nareit
The Real Estate Roundtable

cc: Senators Sherrod Brown and Tim Scott, and Representatives Patrick McHenry and Maxine Waters