

## **ON POINT:** **NATIONAL FLOOD INSURANCE PROGRAM and** **REAUTHORIZATION**

### **BACKGROUND**

*The National Flood Insurance Program (NFIP) is set to expire in September 2017. Many apartments at-risk of flooding receive their required flood coverage through the program because little-to-no flood insurance market exists outside of the NFIP. The market that does exist, in most cases, is cost prohibitive. This leaves the NFIP and taxpayers on the hook for the vast majority of flood risk across the country.*

*The NFIP is in need of reform to ensure that it remains financially solvent, is able to continue guaranteeing at-risk property owners flood coverage in all market conditions, and can expand coverage options for at-risk property owners through the private market.*

### **KEY TALKING POINTS**

- **Flooding continues to be the most common natural disaster in the United States.** Flooding events happen in every state and territory. No one is truly absent of risk.
- **The NFIP is a critical risk management tool for apartment companies** to not only protect their property investment, but to help manage the increasing costs of providing housing.
- **A more robust private flood insurance marketplace is needed** to lessen the fiscal pressure on the NFIP and provide for more affordable coverage options for multifamily firms across the nation.
- **The apartment industry strongly supports the long-term reauthorization of the NFIP** to ensure that affordable flood insurance continues to be available at all times and in all market conditions for every at-risk rental property.
- **Reforms are needed to ensure the long-term fiscal viability of the NFIP** and that the program can continue to reduce taxpayer funded disaster assistance for flooding events. These reforms include:
  - Increasing the accuracy of the flood maps used to determine risk in the NFIP;
  - Expanding apartment communities' access to current flood mitigation funding and programs; and
  - Growing NFIP coverage to include Business Interruption Coverage for businesses so they can more quickly recover from a major flooding event.

### **SPECIFIC REQUEST**

**Support H.R. 2901 in the House and S.1679 in the Senate, the “Flood Insurance Market Parity and Modernization Act.”** This **bipartisan legislation** would expand coverage options for at-risk property owners by clarifying that insurance from private carriers outside of the NFIP meets existing federal requirements. The bill was introduced by Representatives Dennis Ross (R-FL) and Patrick Murphy (D-FL), as well as Senators Dean Heller (R-NV) and Jon Tester (D-MT).