



January 13, 2016

The Honorable Blaine Luetkemeyer  
Chairman  
Subcommittee on Housing and Insurance  
House Financial Services Committee  
2440 Rayburn House Office Building  
Washington, DC 20515

The Honorable Emanuel Cleaver II  
Ranking Member  
Subcommittee on Housing and Insurance  
House Financial Services Committee  
2335 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Luetkemeyer and Ranking Member Cleaver:

The National Multifamily Housing Council (NMHC) and National Apartment Association (NAA) applaud the Subcommittee for calling a hearing on “How to Create a More Robust and Private Flood Insurance Marketplace.” We appreciate your efforts to explore ways to expand access to flood insurance coverage beyond the National Flood Insurance Program (NFIP) in an attempt to reduce taxpayer liability and provide affordable coverage options to property owners where none currently exist.

For more than 20 years, NMHC and NAA have partnered in a joint legislative program to provide a single voice for America's apartment industry. Our combined memberships are engaged in all aspects of the apartment industry, including ownership, development, management and finance. NMHC represents the principal officers of the apartment industry's largest and most prominent firms. As a federation of nearly 170 state and local affiliates, NAA is comprised of over 69,000 members representing more than 8.1 million apartment homes throughout the United States and Canada.

The NFIP has approximately 5.3 million policies in almost 22,000 communities across the country. The program provides an insurance market alternative to disaster relief funded continually by taxpayers. The NFIP ensures that affordable flood insurance is available at all times, in all market conditions for every at-risk rental property. These include more than just high rise multifamily properties in urban centers along the East and West coasts of our country but extend across every state to include low-rise structures and even single family rental homes. Ensuring that all types of rental property continue to have access to affordable, quality flood insurance through the NFIP is a top priority for our membership to not only protect their property investment but to help manage the increasing costs of providing housing.

While we strongly support the continued role of the NFIP, our industry acknowledges that the program does not come without its challenges and we agree that further reforms are necessary to protect the long-term financial viability of the program. Therefore, we support the Subcommittees work to foster a more robust private flood insurance marketplace that could lessen the fiscal pressure on the NFIP. Further, NMHC/NAA applauds the efforts of Representatives Dennis Ross and Patrick Murphy in introducing H.R. 2901, the Flood Insurance Market Parity and Modernization Act. This critical piece of legislation would expand coverage options for at-risk property owners by clarifying that flood insurance offered by private carriers outside of the NFIP meets the mandatory purchase requirements in place today. Of particular note is the bill's language that ensures both private and NFIP coverage satisfies the federal government's requirement of “continuous coverage” and protects policyholders from seeing rate hikes should they wish to return to the NFIP coverage at a later date. We support the bill as introduced and appreciate the continued bipartisan work being done to strengthen the legislation

even further. NMHC/NAA support increasing property owner's access to alternative options of coverage outside of the NFIP as a way to increase market competition and make coverage more affordable for multifamily firms across the nation.

We thank you for the opportunity to present the views of the multifamily industry as you look to expand consumer access to affordable flood insurance coverage and work towards reauthorizing and reforming the NFIP. The NFIP serves an important purpose and is a valued and necessary risk management tool for apartment owners and managers. We believe the private sector can share in that role to a larger degree and we stand ready to support the efforts of Congress to make that happen while ensuring the long-term viability of the NFIP.

Sincerely,



Douglas M. Bibby  
President  
National Multifamily Housing Council



Douglas S. Culkin, CAE  
President & CEO  
National Apartment Association