

June 25, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
522 Hart Senate Office Building
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
361-A Russell Senate Office Building
Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell:

We respectfully request the Senate take immediate action and approve H.R. 5569 that passed the House of Representatives yesterday and would reauthorize and extend the National Flood Insurance Program (NFIP) through September 30, 2010.

The flash floods this year that inundated Oklahoma City, ripped through the Southwest and damaged residences from Montana to Tennessee are a grim reminder of the threat posed by flooding. Furthermore, the NFIP is the only protection for Gulf Coast property owners who face the threat of flooding by oil-tainted water as a result of the massive leak in the Gulf of Mexico.

The NFIP protects 5.5 million Americans. Unfortunately, no new policies have been offered to property owners who need coverage since the program expired on May 31, 2010. This is the third time this year Congress has allowed the NFIP to expire. The timing of this latest expiration — a day before the start of the hurricane season on June 1 — could not have been worse for coastal residents and impaired real estate markets.

While we agree with many members of Congress the NFIP is in need of meaningful reform, America's property owners depend on this important federal program administered with the help of the property casualty insurance industry. Since the program expired, those who need insurance can't get it. Those who have it can't increase coverage. And anyone trying to buy property that requires federal flood insurance is out of luck — creating yet another disruption in a struggling real estate market.

Every day of delay in reauthorizing the NFIP contributes to the confusion and risk for families in the real world. The purchase of a new flood insurance policy in general carries a 30-day waiting period before it goes into effect (except for real estate transfers), so even if Congress acts today, a property owner seeking coverage could be without coverage well into July.

A long term extension is vital to provide needed certainty to homeowners and small businesses that depend on the program for flood damage protection, to protect our residential and commercial real estate markets from serious harm during a very difficult economic time, and to provide stability for the companies and agents that sell and administer the NFIP policies to millions of consumers across the country. We respectfully request that you act now and pass H.R. 5569 TODAY – homeowners and businesses across the country simply cannot wait.

Sincerely,

**American Hotel and Lodging Association
American Insurance Association
American Land Title Association
American Resort Development Association
Building Owners and Managers Association
CCIM Institute
The Chamber Southwest LA
Credit Union National Association
Financial Services Roundtable
Greater New Orleans Incorporated**

Independent Community Bankers of America
Independent Insurance Agents and Brokers of America
Institute of Real Estate Management
Mortgage Bankers Association
National Apartment Association
National Association of Federal Credit Unions
National Association of Home Builders
National Association of Realtors
National Multi-Housing Council
National Association of Mutual Insurance Companies
Property Casualty Insurers Association of America