FLOOD INSURANCE UPDATE FOR NMHC FALL BOARD OF DIRECTORS AND ADVISORY COMMITTEE MEETING

Kevin Donnelly, VP of Government Affairs

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Reauthorizing the national flood insurance program

• Current Federal Law Requires Flood Coverage for Federally Backed Loans & Projects
  ❑ Fannie, Freddie, FHA Multifamily, VA, USDA, LIHTC, HOME, CDBG

• Two Options Exist for Coverage: NFIP or Private Market
  ❑ Yet, little to no affordable, private market exists
  ❑ Most, especially smaller, Apartment firms rely on the NFIP to ensure financing.

• The current constructs of the NFIP and its limitations can serve as a challenge.
Reauthorizing the national flood insurance program

• The NFIP is Not Without its Challenges
  - $24.6 billion in debt
  - Inaccurate Flood Maps
  - Poor Take-Up Rates

• 3 month extension of the NFIP just passed as part of Harvey Relief—program expires December 8\textsuperscript{th}.
  - NMHC has long called for a long-term reauthorization of at least 5 years.
  - Congress now goes back to the drawing board to pass a long-term bill.
NMHC Priorities for NFIP Reauthorization

• Improve FEMA Maps
• Prioritize multifamily mitigation efforts at FEMA
• Establish Business Interruption coverage
• Allow Umbrella Coverage for multiple structures on a property
• Align Multifamily & Single-family claim reimbursements
• Expand availability of the private flood insurance market
THANK YOU

- NMHC is well positioned to work with Congress and the Administration.
- We cover all key issues from soup to nuts.
- We have strong relationships with members on both sides of the aisle.

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