

December 20, 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 December 20 expiration. We appreciate that the previously released Continuing Resolution (CR) extended NFIP authorities through the duration of the proposed CR, however if the CR is not able to be acted upon prior to Friday evening, we would ask that you consider other means of extending the NFIP outside of the government funding legislation.

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 31 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 22,000 communities across the United States including those still recovering from devastating storms such as Hurricanes Helene and Milton.

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 lender-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, create additional challenges for small businesses, unnecessarily further increase the cost of homeownership, and must be avoided.

Should there be a lapse in government funding, we urge you to immediately pass the "NFIP Extension Act of 2024" that has been introduced in that House and Senate. This bill would extend the NFIP until September 30, 2025 to align with the end of this fiscal year. Extending the NFIP would ensure this vital program does not lapse or create additional challenges for residential and commercial property owners, buyers, managers, 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 Property Casualty Insurance Association
The Council of Insurance Agents and Brokers
CRE Finance Council
Independent Insurance Agents & Brokers of America
Mortgage Bankers Association

National Apartment Association
National Association of Home Builders
National Association of Mutual Insurance Companies
National Multifamily Housing Council
The Real Estate Roundtable
Reinsurance Association of America