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July 13, 2010

Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

Honorable John Boehner
Republican Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi and Leader Boehner:

On behalf of the National Association of Professional Insurance Agents (PIA) and our independent insurance agency owners, we are encouraging swift passage this week of H.R. 5114, the Flood Insurance Reform and Priorities Act of 2010, sponsored by Congresswoman Maxine Waters.

It is imperative for our members and the consumers they serve to have a stable flood insurance program available. H.R. 5114 will reauthorize the National Flood Insurance Program (NFIP) for five years, providing stability to the marketplace and fulfilling its vital role in helping citizens protect themselves from the devastating losses floods can cause.

Flooding events are the most common natural disaster in the United States. Since the NFIP's inception, tens of billions of dollars have been paid out to flood insurance customers, providing protection to the citizens of this nation that often can't be found in the private market.

Quickly passing this essential bill will help ensure that the Senate has ample time to consider it before the NFIP lapses again, currently set for September 30, 2010. Allowing the program to regularly lapse, something that has occurred multiple times this year alone, makes it much more difficult for us to convince those who need flood insurance to buy it, leaving America's homes and businesses uninsured.

Permitting uncertainty regarding the long-term future of a program that enjoys broad bipartisan support has had the unintended consequence of delaying real estate closings at a time when our nation is struggling to build a sustainable economic recovery. This has occurred at the same time that we are dealing with an environmental disaster in the Gulf of Mexico and facing the prospect of an active hurricane season.

H.R. 5114 provides much-needed reforms to the NFIP, including increasing NFIP coverage limits, phasing in actuarial property rates and phasing out premium subsidies for second and vacation homes and making business interruption and additional living expense coverages available at actuarial cost.



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There is broad consensus that the National Flood Insurance Program is a vital component of America's economic prosperity that provides affordable protection to homeowners and business owners. PIA strongly supports the NFIP because it has been protecting us from flood risks since its inception over 40 years ago. We urge you to bring this bill to the floor and that it be passed quickly.

Thank you for your attention to this critical issue. If you need additional assistance from PIA, please contact Mike Becker at 703-518-1365.

Sincerely,

Jon D. Spalding
President

Len Brevik
Executive Vice President

cc: Members, House of Representatives