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September 6, 2017

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Paul D. Ryan
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan, and Democratic Leader Pelosi:

The devastating impact of Hurricane Harvey should heighten the urgency of timely reauthorization of the National Flood Insurance Program (NFIP). Affordable and readily available flood insurance is vital for many communities, along the coasts as well as inland rivers, and for those who live and work in areas impacted by disasters such as Hurricane Harvey. The NFIP provides critical support to community banks by providing such insurance for both residential and commercial properties securing both consumer and business loans. Timely reauthorization of the program will avoid any disruption of the markets.

Important work has already been done by members of both parties in the House and Senate to explore possible reforms to the NFIP. ICBA encourages Congress to build on that work to put the NFIP on sound financial footing for the long term while ensuring that coverage remains available, through the NFIP and in the private market, at affordable rates. In this regard, ICBA supports the "Private Flood Insurance Market Development Act" (H.R. 1422), introduced by Representatives Dennis Ross and Kathy Castor, and the Senate companion bill, the "Flood Insurance Market Parity and Modernization Act" (S. 563), introduced by Senators Dean Heller and Jon Tester. These bills would clarify that private flood insurance policies satisfy mandatory purchase requirements, and give consumers choice and greater access to private flood insurance.

To ensure that coverage is comprehensive and will allow communities to recover from disasters as quickly as possible, ICBA opposes efforts to remove the mandatory purchase requirement for commercial properties. We fear this change would put community banks at a disadvantage relative to larger banks and unnecessarily put commercial properties at risk. We believe that Harvey has amply demonstrated the importance of ensuring coverage for commercial properties.

The Nation's Voice for Community Banks.®

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ICBA encourages Congress to continue working to resolve any outstanding issues with NFIP reauthorization. Long-term reauthorization will bring needed certainty and stability to the market. However, with program expiration rapidly approaching, ICBA urges Congress to enact a short-term reauthorization to keep the program functioning so that loans can close and homeowners can recover until a longer-term reauthorization can be achieved. The devastation in Houston is a stark illustration of the imperative of avoiding any lapse in the NFIP.

Thank you again for your consideration. ICBA looks forward to working with the Senate Banking Committee, the Financial Services Committee, and Congress on both immediate, short-term as well as long-term reauthorization of the NFIP.

Sincerely,

/s/

Camden R. Fine
President & CEO

CC: Members of the Senate Banking Committee
Members of the House Committee on Financial Services

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