

## **Legislation Delays Flood Insurance Rate Increases - 10/31/2013**

The following is a statement by National Association of Realtors® President Gary Thomas:

“The bipartisan ‘Homeowner Flood Insurance Affordability Act’ introduced October 29, 2013 in the Senate by Sens. Robert Mendendez, D-N.J.; Johnny Isakson, R-Ga.; and Mary Landrieu, D-La., and in the House by Reps. Michael Grimm, R-N.Y., and Maxine Waters, D-Calif., will help millions of homeowners who are facing sudden and extreme increases in flood insurance premiums, which are an unintended consequence of legislation to reform the National Flood Insurance Program.

“The bill takes the crucial first step toward delaying further implementation of some rate increases in the Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12). This will allow the Federal Emergency Management Agency to complete an affordability study that was mandated by BW-12; propose targeted regulations to address any affordability issues found in the study; and give Congress adequate time to review those regulations.

“NAR is grateful that Congress provided a 5-year reauthorization of the NFIP through BW-12, which ended program shutdowns that cost up to 40,000 home sales each month. NAR strongly supported the long-term reauthorization of the program to provide certainty in real estate markets where flood insurance is required to obtain a mortgage.

“Unfortunately, implementation of the new rate structures in BW-12 has caused serious confusion and hardship for some property owners. FEMA’s continued delays and missed deadlines, in combination with the legally required transition to true-risk rates, has been a recipe for disaster.

“NAR supports the ‘Homeowner Flood Insurance Affordability Act,’ and urge its immediate consideration. We look forward to continuing our work with Congress to protect homeowners and taxpayers and create a responsible and sustainable flood program.”