



An Open Letter to the Tennessee Congressional Delegation:

IT'S TIME TO ACT ON THE NATIONAL FLOOD INSURANCE PROGRAM!

Floods are the number-one disaster in the United States in terms of lives lost and property damaged. Many Tennesseans have experienced their devastating effects. Thankfully, there is the National Flood Insurance Plan (NFIP) for support. Sadly, the NFIP is in drastic need of revision, but Congress is choosing to let it decline in effectiveness, yet grow in expense. It is time to act.

The NFIP celebrated its 50th birthday in 2018. Until 2005 it was basically self-sustaining. Claims were covered using insurance premiums collected by the program or by occasionally borrowing (*and repaying*) funds from the Treasury Department. However, Hurricanes Katrina, Rita, Wilma, Sandy, Matthew, Michael and others presented such losses that the program is now some \$25 billion in debt.

There are simple, commonsense, bipartisan proposals that could fix the issues that are causing the problems, but serious attention from Congress is lacking. In fact, over the past 20 years, the NFIP has been due for re-authorization 41 times, and 38 times it has been simply extended without any of the needed reforms. It has even been allowed to lapse a few times. When that happens, estimates from the National Association of REALTORS[®] are that 1,300 home closings a day — 40,000 per month — are negatively impacted.

The NFIP was most recently extended at the end of July through the end of November. It expires — again — at 11:59 p.m. on Fri., Nov. 30. Congress has had time to address the issues and create a renewal of 7-10 years, which would be appropriate to the purpose of the plan.

It is easy to imagine that, rather than getting this issue addressed, elected officials will say they were distracted by the election process and simply create another short-term extension. It is time for that cycle to stop and real answers be created so the NFIP can be more effective at providing the support it is intended to provide.

On your own behalf, or on behalf of a fellow Tennessean, we urge you to let those who represent you and our state in Washington know that you expect this issue to be resolved. Now.

You can easily contact your federal elected officials through www.usa.gov/elected-officials.

Retta Gardner, President/Tennessee Mortgage Bankers Association
Kathy Tucker, President/Tennessee REALTORS[®]

Tennessee REALTORS® is the voice for real estate in Tennessee, representing 29,000+ members statewide.

Tennessee Mortgage Bankers Association, founded in 1960, was organized to promote ethical, efficient, and professional business practices in mortgage financing, benefiting businesses and individuals seeking mortgage loans. It is an affiliate of the national [Mortgage Bankers Association](#) and includes five active chapters in Tennessee, located in Memphis, Nashville, Chattanooga, Knoxville and Tri-Cities.

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