Major Win for Counties: Flood Insurance Bill Clears Congress, Heads to President’s Desk

The National Association of Counties (NACo) today applauded the U.S. Senate for passing legislation that addresses concerns about rising flood insurance premiums across America. The Homeowner Flood Insurance Affordability Act of 2014 (H.R. 3370) passed the Senate by a vote of 72-22. The bill now moves to the President’s desk for his signature.

H.R. 3370 is in response to the Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12), signed into law in July of 2012, which aimed to make FEMA’s National Flood Insurance Program (NFIP) more financially stable by reflecting true flood risks in communities. NACo and county leaders raised concerns that implementation of BW-12 resulted in some unintended consequences, including rapidly increasing flood insurance premiums in local communities.

According to the Government Accountability Office, properties in 2,930 counties had subsidized policies as of June 2012. Many low-lying areas contain lower income and/or middle income resident and business properties, which cannot absorb high insurance premiums.

“County officials across the country, both coastal and inland, have been alarmed that their homeowners and businesses are facing drastically increasing annual flood insurance premiums due to BW-12,” said NACo Executive Director Matt Chase. “Fixing this problem has been a top priority for NACo and we thank House and Senate leadership and members in both chambers who have worked tirelessly to achieve this bipartisan compromise.”

NACo supports a sustainable, fiscally responsible NFIP that protects the businesses and homeowners who built according to code and have followed all applicable laws. NACo also
supports reinstating the grandfathering of properties (not policies) that were built to code, have maintained insurance or have not repeatedly flooded and the implementation of rate structures that reflect an economically reasonable rate.

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The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo assists America’s 3,069 counties in pursuing excellence in public service to produce healthy, vibrant, safe and resilient counties. NACo promotes sound public policies, fosters county solutions and innovation, promotes intergovernmental and public-private collaboration and provides value-added services to save counties and taxpayers money. More information at: [www.naco.org](http://www.naco.org).