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FOR FURTHER INFORMATION
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RAA COMMENDS PRINCIPLES FOR FLOOD INSURANCE REAUTHORIZATION AND REFORM

Washington, D.C., – Rep. Blaine Luetkemeyer, Chair of the House Financial Services Committee, today released principles intended to guide the debate on reforming the National Flood Insurance Program, which is set to expire on September 30, 2017.

The principles:

- Provide market stability through reauthorization of the NFIP;
- Place the NFIP on sound fiscal footing;
- Provide greater transparency, stronger public/private partnerships, and greater consumer choice to achieve public policy objectives;
- Provide a more open insurance rate-setting process;
- Update and reform mitigation and mapping process.

Imbedded in these principles is the requirement that FEMA actively manage the NFIP risk through the use of reinsurance or capital markets alternatives to diversify risk across multiple markets, thus protecting NFIP and American taxpayers from large losses.

Frank Nutter, president of the Reinsurance Association of America, praised the principles. "These principles recognize the value that reinsurance can play in helping the NFIP to manage its financial risks and protect taxpayers, while looking to enhance the development of the private market.” He noted, “The steps will ease the financial burden for flood risk now borne by the Federal government and ultimately, the American taxpayer. We look forward to working with the next Congress to ensure these principles are a core of the 2017 NFIP reauthorization.”
The Reinsurance Association of America (RAA) is the leading trade association of property and casualty reinsurers doing business in the United States. RAA membership includes reinsurance underwriters and intermediaries licensed in the U.S. and those that conduct business on a cross-border basis. The RAA represents its members before state, federal and international bodies.