



January 15, 2014

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The Honorable Dianne Feinstein  
331 Hart Senate Office Building  
Washington, DC 20510

Dear Senator Feinstein:

As the Senate prepares for the possible consideration of the *Homeowner Flood Insurance Affordability Act (S 1846)*, I am writing on behalf of the California State Association of Counties (CSAC) to request your support for the bill. As you know, the legislation would delay certain impending insurance rate increases under the National Flood Insurance Program (NFIP).

In 2012, Congress approved the *Biggert-Waters Flood Insurance Reform Act (BW-12)* in an effort to shore up the financially fragile NFIP. Unfortunately, BW-12 has resulted in several unintended consequences, including the dramatic increase in the cost of flood insurance for many homeowners and businesses. California's counties have concerns regarding the impact that rising insurance rates will have on local housing markets, including negative impacts on property values and tax rates, as well as future economic development plans.

Under S 1846, the Federal Emergency Management Agency (FEMA) would be required to submit to Congress a draft framework that addresses - via programmatic and regulatory changes - the affordability of flood insurance. The legislation also would delay insurance premium increases on subsidized residential properties for roughly four years, thus providing Congress with an opportunity to consider the recommendations of the FEMA study while developing reasonable NFIP rates and flood risk mitigation strategies. It should be noted that the bill would not block rate increases for most business properties, secondary homes, or repeat flood properties.

CSAC supports a fiscally responsible and sustainable NFIP that provides economically reasonable rate structures and sound mitigation measures. Again, we urge your support for S 1846, and look forward to continuing to work with you on this important issue. If you have any questions or need any additional information, please feel free to contact CSAC's Washington representative, Joe Krahn, at 202-898-1444 (jk@wafed.com).

Sincerely,

A handwritten signature in blue ink that reads "Matthew Z. Cate".

Matt Cate  
CSAC Executive Director

cc: Senator Barbara Boxer  
Members of the California Congressional Delegation