



February 24, 2009

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Washington, DC 20005
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Senate Banking Committee Chairman Christopher Dodd
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Dodd:

The Natural Catastrophe Policyholders Coalition (NCPC), an alliance representing the interests of commercial and multifamily insurance policyholders joined together to address issues related to the availability and capacity of commercial catastrophic risk insurance, is writing to respectfully underscore the importance of reauthorizing the National Flood Insurance Program (NFIP) in the pending Omnibus Appropriations Bill before the NFIP expires on March 6, 2009. Failure to reauthorize the NFIP by its expiration date would put additional pressure on the already strained commercial and multifamily real estate markets, which are virtually frozen due to the lack of available financing.

The NFIP provides property owners with needed insurance to protect their homes and businesses from losses due to flooding. A top priority for the NCPC is ensuring adequate capacity of catastrophic and flood insurance for commercial, multifamily and residential property owners.

Five and a half million taxpayers depend on the NFIP as their main source of protection against flooding, the most common natural disaster in the United States. Without flood insurance, commercial, multifamily, and residential real estate transactions in flood zones across the country will come to a complete stop, as mortgage loans cannot be secured without this critical protection.

The federal government currently collects more than \$2.85 billion annually from flood insurance policyholders. If Congress fails to reauthorize the NFIP those premiums will be lost and post-disaster relief will be far more expensive. The NFIP is critically important to Americans and the U.S. economy.

We urge Congressional action now to reauthorize this program and avoid the costly consequences that would result from a failure to do so.

Sincerely,

The Natural Catastrophe Policyholders Coalition

American Hotel and
Lodging Association

American Resort Development
Association

Building Owners and
Managers Association

Chamber Southwest Louisiana

Commercial Mortgage
Securities Association

Greater New Orleans, Inc.

International Council of
Shopping Centers

Mortgage Bankers Association

National Apartment
Association

National Association of
Industrial and Office Properties

National Multi Housing
Council