June 4, 2013

The Honorable Mary Landrieu
United States Senate
703 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Landrieu:

On behalf of the American Bankers Association (ABA) and the American Bankers Insurance Association (ABIA), we are writing to express our support for efforts being undertaken by you and others in Congress to delay the impact of rate increases for grandfathered properties required under the Biggert/Waters Flood Reform Act of 2012 and to gather more information on the impact of the rate increases on affordability.

While our associations remain committed to the goal of moving to full actuarial rates for National Flood Insurance Program coverage, we also recognize the importance of completing the affordability study mandated under Biggert/Waters and ensuring that the transition to actuarial rates be done in a measured way that is sensitive to the economic circumstances of impacted homeowners and small businesses.

A delay in the rate increases for grandfathered properties is appropriate until such time as affordability issues can be more fully understood. Other efforts mandated in Biggert/Waters to move to full actuarial rates should continue.

We appreciate your continued efforts to address this important issue.

Sincerely,

James C. Ballentine
Executive Vice President
Congressional Relations & Political Affairs
American Bankers Association

J. Kevin A. McKechnie
SVP/Director, Office of Insurance Advocacy
American Bankers Insurance Association

Cc: Members of the U.S. Senate