



Jim Nussle  
President & CEO

Phone: 202-508-6745  
jnussle@cuna.coop

99 M Street SE  
Suite 300  
Washington, DC 20003-3799

May 2, 2023

The Honorable Sherrod Brown  
Chairman  
Committee on Banking, Housing, and  
Urban Affairs  
United States Senate  
Washington, DC 20510

The Honorable Tim Scott  
Ranking Member  
Committee on Banking, Housing, and  
Urban Affairs  
United States Senate  
Washington, DC 20510

Dear Chairman Brown and Ranking Member Scott:

On behalf of the Credit Union National Association (CUNA), I am writing regarding the hearing titled, *Reauthorization of the National Flood Insurance Program: Improving Community Resilience*. CUNA represents America's credit unions and their more than 135 million members.

Many credit unions offer mortgages to members around the country, including in areas covered by flood insurance requirements, and CUNA strongly supports your efforts to pass long-term reauthorization of the National Flood Insurance Program (NFIP). We also recognize that continuing reforms may be necessary to improve the actuarial footing of the NFIP and to ensure stability in the housing market in affected areas. At the same time, it is vital that flood insurance premiums remain affordable so that families in parts of the country where flood insurance is required are not shut out of the opportunity to own a home.

Beyond the necessary long-term reauthorization of the NFIP, CUNA encourages the Committee to focus on solutions that ensure the cost of flood insurance premiums are rooted in the actual flooding risk of the property, including the improvement, expansion and modernization of floodplain mapping; the refunding of premiums paid on properties inadvertently included in special flood hazard areas; and the reduction of premiums based on the implementation of flood mitigation steps.

CUNA strongly supports improvements to ensure flood insurance premiums are affordable, especially as the NFIP moves towards full implementation of Risk Rating 2.0. means-based discount programs on flood insurance should be carefully designed to avoid creating perverse incentives for further concentration of low-income and affordable housing in flood-prone areas. Less expensive housing is often older, located in flood zones where property itself is less expensive, and built with substandard materials that cannot withstand extreme weather.<sup>1</sup> The number of affordable housing units in the United States exposed to extreme coastal water levels and therefore at risk of flooding is projected to triple by 2050.<sup>2</sup> We encourage the Committee to take necessary steps to avoid further exacerbation of this problem. Congress should consider requiring reporting at the conclusion of the reauthorization

---

<sup>1</sup> Teresa Wiltz, *Climate Change Is Making the Affordable Housing Crunch Worse*, PEW Stateline (August 30, 2019), available at <https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2019/08/30/climate-change-is-making-the-affordable-housing-crunch-worse>.

<sup>2</sup> M K Buchanan et al, *Sea Level Rise and Coastal Flooding Threaten Affordable Housing*, Environmental Research Letters 15 (2020), available at <https://iopscience.iop.org/article/10.1088/1748-9326/abb266/pdf>.

period to identify whether means-based discounts are facilitating increased concentration of low-income borrowers and affordable housing in flood hazard areas, and whether mitigation of these properties is being appropriately performed.

A strong, sustainable, and affordable NFIP will serve the best interests of our nation's housing market for years to come, and we commend your work to reauthorize this vital program in a fiscally responsible way. On behalf of America's credit unions and their 135 million members, thank you for holding this important hearing.

Sincerely,



Jim Nussle  
President & CEO