



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 25, 2012
(Senate)

STATEMENT OF ADMINISTRATION POLICY

S. 1940 – Flood Insurance Reform and Modernization Act of 2011

(Sen. Johnson, D-SD)

The Administration supports Senate passage of S. 1940 to reauthorize the National Flood Insurance Program (NFIP). By requiring the Federal Emergency Management Agency to move to full risk-based premium rates for certain properties, the bill would strengthen the NFIP's financial position and increase its ability to fund future claims. The bill would also reduce flood risk and increase the resiliency of communities to flooding.

The Administration is pleased that the bill supports transitioning to actuarially sound rates to enable policyholders and communities to adjust to risk-based premiums. In addition, the Administration supports the bill's measures to strengthen and streamline mitigation programs.

As the bill moves through the legislative process, the Administration looks forward to working with the Congress on additional reforms to strengthen the NFIP and help economically distressed homeowners in a manner that is consistent with the President's Budget.

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