

Johnson Opening Statement on National Flood Insurance Program Reauthorization

WASHINGTON – Today, Senate Banking Committee Chairman Tim Johnson (D-SD) held a hearing on the reauthorization of the National Flood Insurance Program.

Below is Chairman Johnson's statement as prepared for delivery:

“Today, the Committee meets to examine the reauthorization of the National Flood Insurance Program. Currently, constituents from my home state of South Dakota are dealing with some of the worst flooding that the State has ever seen. When I was back in South Dakota last week, I spent some time talking to homeowners and business owners in the communities that are anticipating some of the worst damage. While they are working hard to minimize harm to people and property, they are understandably concerned about short-term displacement and long-term recovery. I will do my best to see that they, along with our neighbors and fellow Americans who have had their lives turned upside down by devastating storms, are promptly provided with the disaster relief that they need.

“I would like to also applaud Administrator Fugate and his staff at FEMA for how they have responded to the flooding in my state so far. I hope that the quick response that we saw during the recent southern storms continues when addressing the ongoing flooding in South Dakota and around the country.

“The NFIP was created to help communities limit damage and speed recovery from flooding disasters. However, it now faces several challenges to its long-term viability, including an \$18 billion debt to the U.S. Treasury.

“Over the past year, we have also faced several lapses in the NFIP. As many stakeholders have noted, lapses have detrimental effects on both the insurance and housing markets. This program, which provides over \$1.2 trillion in coverage, needs certainty. It is my hope to provide this through a long-term extension.

“As the people of South Dakota and others have seen firsthand, flooding is responsible for more damage and economic loss than any other type of natural disaster. It affects people across the nation, of both parties, which is why I believe that in 2008 the Senate was able to come together across the aisle and pass a bipartisan reauthorization bill by an overwhelming vote of 92-6. Unfortunately, in 2008 we were not able to come to an agreement with the House.

“The recent flooding has made it clear that Congress must reauthorize and reform the NFIP which is set to expire this year on September 30th. As we move ahead, I hope that we can once again come together and pass a bipartisan bill that will build a sustainable future for the program and American citizens.”