



National Association of
Professional Surplus Lines
Offices, Ltd.

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The Honorable Dean Heller
United State Senate
324 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Jon Tester
United States Senate
311 Hart Senate Office Building
Washington, D.C. 20510

Senator Heller and Senator Tester:

On behalf of its membership, the National Association of Professional Surplus Lines Offices (NAPSLO) is pleased to support S. 563, the *Flood Insurance Market Parity and Modernization Act of 2017*. NAPSLO appreciates your leadership and continued efforts to ensure that consumers have access to private flood insurance options, should they choose.

NAPSLO is the professional trade association representing the surplus lines industry and the wholesale insurance distribution system. Comprised of approximately 400 wholesale broker member firms, 100 surplus lines insurance companies, and 200 associates and service providers to the surplus lines market, our membership operates in more than 1,500 offices representing tens of thousands of individual brokers, insurance company professionals, underwriters and other insurance professionals worldwide – all of whom are committed to the wholesale distribution system and U.S. surplus lines market.

The *Flood Insurance Market Parity and Modernization Act of 2017* amends the definition of private flood insurance to ensure surplus lines insurers are eligible to offer private market solutions and alternatives to consumers in need of unique and complex flood risks. Although surplus lines insurance companies are currently allowed to provide private flood insurance, the definition of private flood insurance should be revised to remove any uncertainty that surplus lines insurance companies are eligible to provide insurance in the insured's home state, in accordance with the *Nonadmitted and Reinsurance Reform Act of 2010*, and to ensure policyholders access to the surplus lines market alternatives. This clarification will assist banks and lenders in ensuring consumers flood risks are adequately covered.

NAPSLO and its member companies congratulate you on the introduction of common-sense legislation which recognizes the nature of our industry.

Sincerely,

A handwritten signature in blue ink that reads "Brady R. Kelley".

Brady R. Kelley
Executive Director

A handwritten signature in blue ink that reads "Keri A. Kish".

Keri A. Kish
Director of Government Relations

www.napslo.org

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