



**National Association of
Professional Surplus Lines
Offices, Ltd.**

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February 26, 2016

The Honorable Jeb Hensarling
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Blaine Luetkemeyer
U.S. House of Representatives
Washington, D.C. 20510

The Honorable Maxine Waters
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Emanuel Cleaver
U.S. House of Representatives
Washington, D.C. 20510

Dear Chairmen and Ranking Members:

On behalf of its membership, the National Association of Professional Surplus Lines Offices (NAPSLO) is pleased to endorse H.R. 2901, the *Flood Insurance Market Parity and Modernization Act*. NAPSLO appreciates the Committee's leadership and continued efforts to ensure that consumers maintain their access to private flood insurance options, should they choose. NAPSLO encourages the Committee's swift adoption of H.R. 2901 which will ensure those options continue.

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 services providers to the surplus lines market, our membership operates in over 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 value distribution system and U.S. surplus lines market. NAPSLO wholesale broker members are placing an estimated \$32.7 billion in surplus premium and NAPSLO insurance company members are underwriting an estimated \$29.7 billion in surplus lines premium, representing 87% and 79%, respectively, of the U.S. surplus lines market.

The *Flood Insurance Market Parity and Modernization Act of 2015* amends the definition of private flood insurance to ensure surplus lines insurers remain eligible to offer private market solutions and alternatives to consumers in need of unique and complex flood risks. Although surplus lines/nonadmitted insurance companies are currently allowed to provide private flood insurance, the definition of private flood insurance must be revised to make clear that nonadmitted 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 ensure policyholders access to nonadmitted market options.

This bipartisan, bicameral legislation encourages competition, will provide more consumer choice and enables lenders to continue to accept flood insurance policies outside of the National Flood Insurance Program.

NAPSLO again thanks the Committee for its continued work in reforming flood insurance in the United States and commends the introduction of common-sense legislation which preserves the surplus lines market as an important option for consumers.

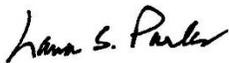
Sincerely,



Gilbert C. Hine
NAPSLO President
McClelland & Hine, Inc.
San Antonio, Texas



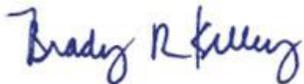
Hank Haldeman
NAPSLO Immediate Past President
The Sullivan Group
Los Angeles, California



Lana S. Parks
Co-Chair, Legislative Committee
The Parks Group
Arlington, Texas



Scott A. Culler
Co-Chair, Legislative Committee
Markel Wholesale
Woodland Hills, California



Brady R. Kelley
NAPSLO Executive Director
Kansas City, Missouri



Keri A. Kish
NAPSLO Director of Government Relations
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