



2019 IREM® In-District Meetings Issues
Briefing Paper

Reauthorization and Reform of the National Flood Insurance Program (NFIP)

Congressional Action Needed

Long-term reauthorization of the NFIP and to develop a plan for reform.

Issue Background

Flood insurance is required for a mortgage in more than 20,000 communities nationwide. While there is a growing private market for flood insurance, millions of small business and homeowners currently depend on the federal program to protect their property against flooding, the most costly and common natural disaster in the United States. Without the NFIP, more property owners could become uninsured and turn to the Federal government for taxpayer-funded disaster relief and rebuilding assistance after major floods.

Congressional Actions to Date

On June 3rd, Congress passed a bill extending NFIP until September 30th. It was the 12th short-term extension of the program since NFIP's last long-term authorization expired on September 30th, 2017. The effort to pass another long-term extension has faced opposition among lawmakers who question its costs and efficiency.

What to Tell Your Representatives and Senators

Lapses in the availability of insurance create chaos in real estate markets.

Reforms (such as updated and modernized flood maps and incentives for private insurance markets) are important, but the existing program needs to be extended in the meantime.

IREM Position

The Institute of Real Estate Management is very concerned about the availability and affordability of property insurance. When property owners cannot obtain insurance, the entire real estate market is at risk. A healthy real estate economy is vital to our national interest. We urge Congress to develop a solution to this problem.

NFIP – Reauthorization and Reform

- NFIP reauthorization should be long term.
- Flood mapping should be done at higher resolutions with a streamlined and less expensive appeal process.
- Premiums should be more accurately priced to the property-specific risk, but any rate increases should be gradual and phased in over many years.
- Private flood insurance options should be encouraged where cost-effective, provided that NFIP remains a viable option for property owners.

Opposing Views

Some believe the National Flood Insurance Program is pushing out private insurers and underpricing risk.

Article from the Insurance Journal:

<https://www.insurancejournal.com/news/national/2017/11/15/471159.htm>, which addresses some of the good aspects of the bill; however, also addresses flaws in the legislation.

Additional Information

Federal Emergency Management Agency (FEMA) NFIP Summary of Coverage for Commercial Property

<https://www.fema.gov/media-library/assets/documents/34505>

IREM Coalition letter on flood insurance

<http://www.rer.org/WorkArea/DownloadAsset.aspx?id=16272>

Assistance Animals

Action Needed

Request the Department of Housing and Urban Development (HUD) issue guidance pertaining to assistance animals.

Issue Background

A service animal is any dog (or miniature horse) that is individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability.

Assistance Animals (also known as Emotional Support Animals) are not considered service animals. These support animals provide companionship, relieve loneliness, and sometimes help with depression, anxiety, and certain phobias, but do not have special training to perform tasks that assist people with disabilities

Housing

The Fair Housing Act (FHA) protects a person with a disability from discrimination in obtaining housing. Under this law, a landlord or homeowner's association must provide reasonable accommodation to people with disabilities so that they have an equal opportunity to enjoy and use a dwelling. An assistance animal may qualify as a reasonable accommodation.

A landlord or homeowner's association may not ask a housing applicant about the existence, nature, and extent of his or her disability.

However, an individual with a disability who requests a reasonable accommodation may be asked to provide documentation so the property manager may properly review the accommodation request. They can ask a person to certify, in writing:

- (1) that the tenant is a person with a disability;
- (2) the need for the animal to assist the person with that specific disability; and
- (3) that the animal actually assists the person with a disability.

What to Tell Your Representatives and Senators

Ask your federal legislators to contact HUD and request that the Department issue their guidance on this important issue.

IREM Position

IREM invites guidance from the government on the issue of companion animals, sometimes referred to as emotional support animals, with respect to the Fair Housing Act (FHA). Unlike service animals, which are regulated by the Americans with Disabilities Act (ADA), companion animals receive no specialized training and are typically for individuals with mental disabilities or those in need of emotional support.

IREM supports the rights of persons with disabilities to request reasonable accommodation so they may have equal opportunity to housing. In recent years, resident requests for reasonable accommodation for companion animals have increased significantly. The lack of specific guidelines with respect to confirming the legitimate requirement for a companion animal has created the opportunity for abuse. IREM therefore invites the U.S. Department of Housing and Urban Development to revise its regulations and provide guidance regarding companion animals to minimize potential abuse.

Additional information

Service and Emotional Support Animals: Clearing Up the Confusion

<https://www.law.com/thelegalintelligencer/2019/06/17/service-and-emotional-support-animals-clearing-up-the-confusion/>

An 'Emotional-Support Dog' Attacked Him on a Flight. He's Suing Delta and the Owner

<https://www.washingtonpost.com/transportation/2019/05/29/an-emotional-support-dog-attacked-him-flight-hes-suing-delta-owner/>

Disservice Done by Fake Service Animals

<https://www.seacoastonline.com/news/20190616/disservice-done-by-fake-service-animals>