



April 13, 2026

Assemblymember Pamela Hunter
LOB 646
Albany, NY 12248

Dear Speaker Pro-Tem Hunter:

The National Flood Association (NFA) is a national, non-profit trade association representing a broad group of National Flood Insurance Program (NFIP) and flood risk management stakeholders. The NFA's goals are to promote the NFIP and Private Flood Insurance Markets, help facilitate cross-industry work groups in collaborating with industry trades and associations, and help coordinate a unified voice when addressing legislative, regulatory, and other policy issues.

The NFA has monitored the development of recent legislation that impacts the flood insurance required by lenders, specifically your Assembly Bill AB8030. Based on the input from a number of NFA stakeholders we appreciate the opportunity to submit this letter for consideration as you evaluate common sense adjustments that continue to align with the legislation's intent.

The attached new legislation addresses concerns our members have raised that leverage our experience in this field and working with similar efforts in other states. Specifically, the attached markup:

- 1) Addresses concerns around how Home Equity Lines are treated that will allow for a better customer experience
- 2) Ensures that your efforts do not inadvertently conflict with federal regulation
- 3) Creates a requirement for a standard disclosure that assists in uniformity of delivery across institutions
- 4) Allows lenders to better address concerns with commercial customers that have multiple structures used as collateral for the same loan.

Thank you for your continued efforts to find solutions that address these challenges while keeping the core intent of your original legislation. The NFA believes that as New York moves forward, addressing the concerns and comments outlined in this letter will help the industry effectively assess the changes needed to support the requirement and develop compliant processes. The NFA remains available to discuss this letter with you or otherwise address questions or concerns from your staff. Please direct any feedback or response to me and to NFA's President, Robert Cole, at coler@nationalriskbrokerage.com.

Sincerely,

A handwritten signature in black ink that reads 'Leila A. Taha'.

Leila A. Taha, Executive Director
National Flood Association
leila.taha@nfaflood.com

STATE OF NEW YORK

8030

2025-2026 Regular Sessions

IN ASSEMBLY

April 22, 2025

Introduced by M. of A. HUNTER -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property law, in relation to limits on amount of flood insurance required by a mortgagee

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 283 of the real property law, as amended by chapter 64 of the laws of 2025, is amended to read as follows:

§ 283. Limits on amount of flood insurance required by mortgagee. **1.** No mortgagee shall require a mortgagor to whom the mortgagee makes, increases, extends, or renews any loan or line of credit secured by improved residential real property to purchase or pay for flood insurance on such residential real property: (1) at a coverage amount that exceeds the lesser of the replacement value of the **improvement on the** residential real property or the outstanding principal mortgage balance as of the beginning of the year for which the policy shall be in effect; or (2) that includes coverage for contents. **In the case of an open-end line of credit, "principal" shall include the full line of credit amount regardless of the amount that has been drawn on the line of credit.** In each instance where a mortgagee requires a mortgagor to purchase or pay for flood insurance on such residential real property, the mortgagee shall provide notice to the mortgagor at the time the mortgagee is notified of the need to purchase or pay for flood insurance that states the following in clear and conspicuous print: 'The flood insurance we are requiring you to purchase may not be sufficient to pay for many needed repairs after a flood and may not compensate you for your losses in the property due to the flood. If you wish to protect your home or investment, you may wish to purchase more flood insurance than the amount we are requiring you to buy.'

2. Any entity subject to the requirements of subdivision one of this

section and subject to the National Flood Insurance Act (42 U.S.C. §

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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4001 et. seq.) and implementing regulations issued by Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, or the Farm Credit Administration, as applicable, shall not be in violation of subdivision one of this section when it requires flood insurance in minimum required amount or for contents under the National Flood Insurance Act and applicable regulations.

3. The New York Department of Financial Services shall promulgate regulations establishing a standard notice to the Mortgagor in compliance with section 1 of this act.

4. For purposes of this act, residential real property shall have the meaning as set forth in section 461(5), New York Real Property Law.

5. This section shall not apply to residential real property that is used for collateral on a loan along with additional residential real property or properties.

§ 2. This act shall take effect on the same date and in the same 10 manner as section 1 of chapter 64 of the laws of 2025, takes effect.