



Consumer Federation of America

1620 I Street, N.W., Suite 200 * Washington, DC 20006

September 23, 2010

The Honorable Christopher J. Dodd
Chairman
Committee on Banking, Housing
and Urban Development
U.S. Senate
Washington, D.C. 20510

The Honorable Richard C. Shelby
Ranking Member
Committee on Banking, Housing
and Urban Development
U.S. Senate
Washington, D.C. 20510

The Honorable Barney Frank
Chairman
Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Spencer Bachus
Ranking Member
Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

Re: Legislation Extending the National Flood Insurance Program Should also Study How to End or Overhaul the Program to Increase Private Market Participation

Dear Chairmen Dodd and Frank and Ranking Members Shelby and Bachus:

The Consumer Federation of America supports the Senate's efforts to extend the National Flood Insurance Program (NFIP) for one year, until September 30, 2011, to provide stability to a program that has been allowed to lapse several times recently. However, neither the Senate legislation (S. 3814) nor NFIP legislation passed earlier this year by the House of Representatives (H.R. 5114) propose the sweeping overhaul needed to fix long-term, structural flaws in the program that are harming consumers and taxpayers. **We urge you to couple the one year extension of the NFIP with a study requirement that examines how to terminate the insurance aspects of the program or how to dramatically revamp it so that private insurers assume a significant amount of flood risk.**

The insurance component of the NFIP has proven to be unworkable because political pressure has kept flood insurance rates in many areas below the real cost of providing the coverage. This has led to chronic taxpayer subsidies of risky coastal development, often by affluent builders and homeowners. The Federal Emergency Management Agency (FEMA) has also completely mismanaged the process of updating flood insurance maps, which has misled many people into concluding that it was safe to buy homes or start businesses in dangerous flood plains. FEMA has also failed to fix the costly

“Write Your Own” (WYO) program, which allows private insurers who assume no flood risk to reap excessive fees for servicing flood policies, especially at times of severe flooding.

As meaningful changes to the NFIP to deal with these systemic problems have not been made, the time has come for Congress to begin the process of evaluating how to end the insurance aspect of the program and allow more effective alternatives to take its place. Such an evaluation could examine a number of factors, including: how to encourage private insurers to take some, and ultimately all, of the existing flood risk covered by the program; how the insurance part of the program could be ended to spur such private risk taking; how low and moderate-income homeowners and renters could be protected from rate shock and provided with a subsidy to help them afford private flood insurance; and, requirements that should be kept in place and improved regarding flood maps and construction in local communities. (See the attached letter for information on what could be studied.)

Unfortunately, neither the Senate nor the House-passed legislation contains such an evaluation. H.R. 5114 would extend the NFIP for more than five years, through the 2015 fiscal year. Although it includes several provisions that help consumers and improve the program, it would also likely aggravate the NFIP’s persistent insolvency and continue to encourage unwise development in coastal areas. S. 5114 does not extend the NFIP for as long as the House bill or require measures that might aggravate existing problems, but it does not address or evaluate these problems or offer sustainable, long-term solutions.

It is time to take a fresh look at the chronically troubled NFIP. I strongly urge you to include a study regarding how to end or overhaul this program so that it treats consumers and taxpayers better as part of any extension legislation that is sent to the President.

Sincerely,



J. Robert Hunter
Director of Insurance
Consumer Federation of America

Cc: Members of the Senate Banking, Housing, and Urban Affairs Committee
Members of the House Financial Services Committee



Consumer Federation of America

July 12, 2010

The Honorable Christopher J. Dodd
Chairman
Committee on Banking, Housing
and Urban Development
U.S. Senate
Washington, D.C. 20510

The Honorable Richard C. Shelby
Ranking Member
Committee on Banking, Housing
and Urban Development
U.S. Senate
Washington, D.C. 20510

The Honorable Barney Frank
Chairman
Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Spencer Bachus
Ranking Member
Financial Services Committee
U.S. House of Representatives
Washington, D.C. 20515

Re: The Provision of Insurance under the National Flood Insurance Program should be Ended or Overhauled to Include Significant Private Market Participation

Dear Chairmen Dodd and Frank and Ranking Members Shelby and Bachus:

Congress acted on June 30th to extend the National Flood Insurance Program (NFIP) for roughly three months, until September 30, 2010. This is the third time in a year the program has been extended after lapsing. The off-again, on-again NFIP is struggling financially and is failing in its mission to achieve safe construction in flood plains and to ensure that flood insurance is actuarially priced to account for the full risk of the coverage that is offered. This has led to Congressional ambivalence about what to do to make the program work better. CFA believes that Congress should end the NFIP after careful planning or restructure it from the ground up by encouraging private insurers to take up a significant amount of flood risk.

The National Flood Insurance Program (NFIP) is in very deep trouble. Most policyholders receive few if any subsidies under the program. Some consumers receive intended subsidies, such as those who own structures built before the flood maps began being issued in 1974. However, many others benefit from unintended taxpayer subsidies that support unwise construction in the nation's flood plains, which is exactly the opposite intent of the NFIP. The policyholders who benefit from these unintended and expensive subsidies include: the owners of structures in areas with flood maps that have not been updated; builders selling homes that appear to be safe from flood under outdated flood maps, but are not; and, those who own

“grandfathered” buildings in higher risk areas who FEMA still allows to pay older, lower rates, contradicting the program’s intent.

Even many consumers served by the program are being hurt. Homeowners who buy new homes in areas that they think are safe from floods are harmed when old maps underestimate risk. Some are misled into believing their homes are safe from floods when they build or buy new homes built to the old map’s 100-year flood estimates that are, in fact, far below the real 100-year elevation. These people are now at risk of being killed or injured if a storm hits, or of having their homes or treasured possessions destroyed.

Other homeowners will look at these inaccurate flood maps and think, “I don’t need insurance, I am way outside the risk area.” But they are really well inside the area of high risk when the maps are old and development, erosion, climate change and other impacts have caused the 100-year flood to rise significantly, as those living on the Gulf found out the hard way during Hurricane Katrina. CFA’s study of Hancock County Mississippi flood maps after Hurricane Katrina hit found that the average map was 20 years old and 10 feet too low in measuring the 100-year flood elevation, as I documented in testimony to the Senate Banking Committee in 2007.¹

I also cited serious problems with the NFIP’s Write Your Own (WYO) program in that testimony. Considerable evidence has demonstrated that private insurers in this program overcharge for administrative and claims settlement duties.² These WYO insurers also have a serious conflict-of-interest when they settle hurricane claims for the program, since they make more money if they determine that losses were caused by flood, rather than wind, damage. This is because taxpayers pay for 100 percent of flood claims under the NFIP, while WYO insurers must pay 100 percent of legitimate wind claims. Many Gulf Coast consumers are still in court dealing with claims that they believe should have been paid under their wind coverage.

SIGNS OF TROUBLE FOR THE NFIP

- ***The NFIP is bankrupt, requiring billions of dollars of taxpayer support.***³ Such a deficit would be acceptable for a short time if the program was doing what Congress intended, by ending unwise construction in the nation’s flood plains and requiring inhabitants of flood plains to bear their own risk through actuarially sound insurance premiums. However, the NFIP is doing the opposite of what Congress intended. These unwise subsidies will likely persist and worsen until the program is ended.
- ***This taxpayer subsidy is not just due to catastrophe losses, but is routine.*** From the beginning of the program to date, the Congressional Budget Office (CBO) has determined that the average annual taxpayer subsidy has been \$1.3 billion for the

¹ An Examination of the National Flood Insurance Program, testimony of J. Robert Hunter, Director of Insurance, CFA before the Committee on Banking, Housing and Urban Affairs of the U. S. Senate, October 2, 2007.

http://www.consumerfed.org/elements/www.consumerfed.org/file/finance/Hunter%27s_Senate_Testimony_Flood_Insurance_10-2-07.pdf

² “Flood Insurance: Opportunities Exist to Improve Oversight of the WYO Program, GAO, August 2009.

³ The deficit is estimated at \$19 billion by CBO at the end of the 2009 Fiscal Year. See “The National Flood Insurance Program: Factors Affecting Actuarial Soundness,” CBO, November 2009.

known/intended portion of the subsidy involving structures that existed before flood maps were developed. What is more shocking is that the NFIP's actuarially rated coverage, which is supposedly self-supporting, has been priced 5 percent too low if paid catastrophic claims are not considered and an astonishing 100 percent too low if they are included.⁴

- ***GAO found that the NFIP is a “high-risk” program for the American people.*** GAO placed the program on that list in 2006 “because of the potential for the program to incur billions of dollars in losses and because the program faces a number of financial and management problems.”⁵ The GAO findings included: the NFIP could not generate enough revenue to repay the billions it had borrowed from taxpayers; the program would not be able to cover catastrophic claims that it paid in the future; oversight of the WYO program was weak, with potential for overpayment and inefficiency; FEMA does not study the program’s expenses to see if WYO insurers are overpaid; the NFIP is actuarially unsound; maps are out of date; FEMA does not understand the long-term impact of planned and ongoing development on projected damage estimates; NFIP debt is likely to grow; and, FEMA has not implemented its own financial control plan.⁶
- ***Congress has allowed the NFIP to lapse several times recently, creating uncertainty and instability in the program.*** As an insurance executive recently put it, “this is now the fourth time Congress will have let this program lapse, and it’s beginning to feel like ‘Groundhog’s Day,’” said Blain Rethmeier, a spokesman for the American Insurance Association.⁷
- ***FEMA is far behind in keeping flood maps up-to-date.*** “FEMA is not reviewing its flood maps every five years as required by law...older maps do not reflect significant changes in local conditions that tend to increase the risk of flooding.”⁸ Coastal erosion, climate change, urbanization, loss of wetlands and other changes tend to make flooding worse. Old maps encourage construction in high-risk areas and subsidize such construction by charging actuarial rates with a hidden subsidy, which is the difference between what the old map would require to be charged and what the charges would be if the map were current. According to the GAO, 50 percent of the maps are over 15 years old and another eight percent are between 10 and 15 years old.⁹
- ***FEMA does not take into account development that is already planned and in the process of being completed when a map is published.*** By the time a map is printed, it is out of date. FEMA’s own research shows the problem. In a test of what planned development would do to projected damages in the pricing model they use, FEMA funded a study that showed that it would raise projected damages by 20 percent in Fort

⁴ Ibid.

⁵ See GAO’s listing of the NFIP problems at:

http://www.gao.gov/highrisk/risks/insurance/national_flood_insurance.php

⁶ Ibid.

⁷ NFIP Lapses Again Due to Senate Inaction, National Underwriter, May 28, 2010.

⁸ “The National Flood Insurance Program: Factors Affecting Actuarial Soundness,” CBO, November 2009.

⁹ “Flood Insurance: FEMA’s Rate Setting Process Warrants Attention,” GAO, October 31, 2008.

Collins, CO, by 100 percent in Du Page County, IL and Macklenberg, NC and by a whopping 1,200 percent in Harris County, TX.¹⁰ Ignoring what is planned means that a greater subsidy is built into the rate development process FEMA uses.

- ***FEMA is running into opposition as it updates its maps because communities are balking at adopting the much higher 100-year storm elevations now required.*** Big increases in elevations are often needed, since FEMA allowed the Flood Insurance Rate Maps (FIRMs) to become so antiquated. FEMA has been too willing to compromise under political pressure from affected communities regarding the restrictions on development that are required. As a result, FIRMs are not being developed that will result in actuarially sound rates and properly elevated homes and businesses, to include all at-risk homes within the designated flood plains.
- ***FEMA administratively “grandfathers” rates from old maps when new maps are developed, which means that there is a hidden subsidy for structures covered by the NFIP under the old map.*** (FEMA allows new rates if the price drops but freezes the rate if the risk increases, as is usually the case.) This subsidy, which is not stipulated in law, means that the number of structures receiving subsidies will grow continuously. Absent a huge infusion of funds from Congress, the NFIP has no chance of paying back the borrowed funds or of building adequate reserves for future catastrophic flooding.
- ***FEMA is not ensuring that communities live up to their land-use commitments,*** the “quid-pro-quo” that Congress mandated for the creation of the entire program. FEMA’s own studies show the problem. It has a goal of visiting communities once every five years to promote, monitor and enforce compliance. The real rate is only once every ten years, however, “and only half of those contacts include a community visit. This is not a sufficient level of FEMA or state presence to maintain a level of monitoring necessary to avert compliance problems.”¹¹ Worse, even if problems of compliance are found, FEMA is timid. FEMA uses probation and suspension, the two sanctions they have to assure compliance, “only sparingly.” As of June 23, 2010, less than one percent of the communities participating in the NFIP (212 out of 21,153) have been suspended from participating in the NFIP for non-compliance with the maps. Virtually all of the suspended communities appear to be small, rural towns. The threat of penalty is “used so infrequently that there has developed a widespread perception that it is unlikely to be imposed in any given situation. This perception deprives the threat of its credibility and thus keeps recalcitrant communities unresponsive. Further, FEMA regional office and state staff themselves have grown to believe that they will never be able to succeed in having probation imposed on a noncompliant community, and their frustration is detrimental to an effective community compliance initiative. ***FEMA should make an effort to act with deliberation on existing or future recommendations for probation action, with an eye toward re-establishing the credibility of this sanction.***”¹² (Emphasis

¹⁰ “Managing Future Development Conditions in the National Flood Insurance Program,” Blais, et al, October 2006.

¹¹ “An Evaluation of Compliance with the NFIP Part A: Achieving Community Compliance,” Monday, et al., a study for FEMA, 2006.

¹² Ibid

in original). This study also recommended that FEMA should undertake an investigation of state compliance with NFIP criteria, since FEMA regional staff and state officials do not "...know whether the development activities of state agencies (are) in compliance with NFIP regulations." Finally, these 2006 FEMA studies found noncompliance with recordkeeping and with construction requirements in the Community Rating System (CRS) communities that were getting a rate break for complying well with such requirements. This "affects the viability of the flood insurance fund even more than noncompliance in other communities."¹³

- ***State Farm Mutual Insurance Company has indicated that it will stop servicing flood insurance policies for the federal government starting on September 30th of this year, leaving the fate of 829,273 NFIP policyholders unknown.*** State Farm blames Congress and FEMA for poor administration of the program. The move is also at least equally likely to be related to State Farm's long-term strategy to significantly reduce its home insurance risk along the nation's coasts. FEMA's spokesperson Rachel Racusen says that these policyholders will be just fine, because they will be able to continue to use State Farm's agents "or one of the other 90 insurers that sell flood insurance through the NFIP."¹⁴ However, this approach will cost taxpayers millions of dollars and result in poor customer service, if implemented. It would be a mistake to allow "captive" State Farm agents to work for another WYO carrier because these agents are only responsible to State Farm. They are not prepared, trained, equipped or otherwise ready to deal with another company. Only so-called "independent" agents have such experience. Additionally, WYO companies cost about twice as much administratively as FEMA's contractor, which handles the direct program of flood insurance for FEMA. Removing the agent and using the direct contractor would reduce overhead/profit costs for the State Farm policies by about two-thirds, saving millions of taxpayer dollars.
- ***If FEMA were to try to make the program more actuarially sound, existing law limits that possibility.*** Currently, rates cannot rise more than 10 percent a year. Limits on one-year rate increases are necessary because consumers need time to adjust to insurance price increases but 10 percent is too low. The House proposal to raise this to 20 percent makes more sense.¹⁵ However, it is important to note that this limit is not related to income or any measure of the ability of homeowners to pay increased rates. This means that a substantial portion of the NFIP subsidy will likely continue to be provided to affluent homeowners living on barrier islands, near lakes and other waterways.
- ***Congress seems unwilling to stop the trend toward making NFIP more of a giveaway program to some consumers and businesses than an insurance program with sound risk management.*** Efforts in the House of Representatives to add wind coverage to the program without federal land use and building codes in place and without mandated actuarial pricing would likely increase program losses borne by taxpayers by more than the almost \$20 billion that now exists.¹⁶ Fortunately, legislation that will be considered

¹³ Ibid.

¹⁴ State Farm Won't Handle Claims for Flood Insurance Program, National Underwriter, June 7, 2010.

¹⁵ HR 5114, Section 5b

¹⁶ HR 1264, The Multiple Peril Insurance Act of 2009

soon on the House Floor (H. R. 5114) does not include this unwise provision. The new House bill would also improve the fiscal soundness of the NFIP marginally. However, the bill unwisely expands flood coverage by raising insurance limits and requiring that additional living expenses and business interruption costs be reimbursed. Overall, Congress has not moved fast enough to lift woefully inadequate limits on flood insurance rates to allow the program to move to actuarial soundness, which is undermining hope for a self-sustaining NFIP anytime in the near future.¹⁷

Anyone who walks barrier islands on the nation's eastern and gulf coasts and looks at recent construction along the beaches will know that the NFIP has failed to stop unwise construction at high-risk locations. It does not take an engineer to find relatively new structures that are at high risk and are not safe from storm surge. For years, CFA has been urging FEMA to create an enforcement program administered by an independent party, like the GAO, that would conduct spot checks to see if local building enforcement is occurring, even regarding the current inadequate maps, but FEMA has not done so.

The NFIP is clearly not functioning in the way that it was designed to work. The design was a beautiful concept that required real long-term thinking by Congress and tough oversight by the Administration. I ran the program in the 1970s and loved doing so because I thought it would end unwise construction in high-risk coastal and riverine areas, while providing affordable coverage for people who really needed it. The quid-pro-quo for the taxpayer funding of the maps and subsidized insurance for existing structures was that new construction would be done wisely and would pay full actuarial rates for flood coverage. I know from my experience that there is great pressure from communities and Congress to bend the rules on construction in the high-risk flood plains.¹⁸ However, the NFIP has failed to meet its promise as politics and inept administration has made it a sort of Frankenstein monster, encouraging and even subsidizing unwise construction.

CONGRESS MAY NEED TO END THE NFIP BECAUSE IT IS UNLIKELY TO CORRECT FATAL FLAWS IN THE PROGRAM

If Congress were to decide to end the systemic problems with the NFIP described above, the only responsible way to do so would be to make sure that the program becomes fully actuarially sound. However, to date, strong political pressure on Congress and from Congress, as well as from state and local leaders, has prevented the program from becoming actuarially balanced. It is likely that developers will continue to find loopholes to let them build unsafe structures, politicians will resist community suspension, and higher (but proper) rates will not be allowed.

¹⁷ NFIP is an insurance program and is not designed to be a charity program. The current subsidies are disbursed indiscriminately, with no test of the ability of the subsidy recipient to pay the real cost of risk that the structure he or she owns faces.

¹⁸ When I suspended Pinellas County, FL from the program, I got to know the state's congressional delegation well; Houston, the State of Missouri and others took the NFIP all the way to the U.S. Supreme Court to try to weaken or end land-use controls. I even had my job threatened by a Senator when I refused to allow construction of ring levees around various constituents' properties to remove this land from the flood plain. The fact that such levees would increase the flood risk for others did not deter this Senator from coming after me personally.

The only counter-weight to this one-way pressure to soften the program's impact on communities, developers and consumers at taxpayer expense would be to encourage private insurers to get more involved in at least some of the risk-taking aspects of the program. If the private sector has some "skin in the game," then there would be pressure brought to bear by insurers to make sure maps are accurate and enforced, updated actuarial rates were used and that everyone was doing all things necessary to make the program effective and to protect the taxpayer (and the insurer's) bottom line. Insurers would resist pressure from politicians and developers to lower rates below cost. Politicians would resist pressure from insurers to have rates that were excessive. These checks and balances would help keep flood insurance prices reasonable.

However, private insurers will hardly jump at the opportunity to underwrite more flood risk. Many are in the midst of significantly cutting back on the coverage they offer on the coasts because of wind risk. As private sector participation in the risk-taking aspect of NFIP is highly unlikely, the only viable way to protect taxpayers is to end the insurance component of the program.

CONGRESS SHOULD STUDY HOW TO END THE NFIP

In May 2006, I wrote an op-ed for the *New York Times* about my concerns with the NFIP. (Please see the attached.) In it, I said that if the program was not reformed to achieve its intended goals and taxpayers and consumers were not protected, then Congress should consider how to end the NFIP. I also suggested the same approach to the Senate in legislative testimony in 2007.¹⁹

With no meaningful changes to the program in several years after both pleas were made, the time has come for Congress to begin the process of evaluating how to end the insurance aspect of the program and allow more effective alternatives to take its place.

If Congress decides to end the insurance part of the NFIP, it must conduct research to develop a transition plan that allows all affected parties to prepare for the consequences of such an event. The transition plan will be complex and must be done with great concern for the current inhabitants of floodplains, particularly NFIP policyholders. CFA recommends that Congress task the GAO and FEMA to evaluate the following specific topics when making recommendations about how to end the NFIP, as part of the legislation to extend the NFIP beyond September 30, 2010.

1. **Ending only the insurance part of the program.** (As stated below, accurate and up-to-date FIRM information on risk is vital if any private sector insurance underwriting is to become viable.) Ultimately, after a long transition where the federal government participates in risk taking either directly or through reinsurance, a private market could develop if there is accurate and current risk information and safe construction in the flood plains.

¹⁹ J. Robert Hunter before the Senate Banking, Housing and Urban Affairs Committee on An Examination of the National Flood Insurance Program, Oct 2, 2007.

2. **Providing a long transition period to allow all parties time to adjust to the lack of a federal insurance program.** Thirty years, for example, would provide time for the government to gradually phase out its subsidies, for insurers to determine how to underwrite flood risk and for consumers to find alternatives to the NFIP.
3. **Phasing out the provision of insurance over this period.** A likely first step in the phase-out process would be for the federal government to stop writing new business. Even this measure would have to be done in a way that allowed *safely* constructed new homes to receive mortgages through the provision of clear, accurate information on flood risk to lenders.
4. **Protecting LMI homeowners and renters.** Congress could likely end the NFIP over a five or ten-year period if not for the need to protect LMI consumers from rate shock. The study should consider providing an ongoing subsidy to LMI homeowners during the transition and even after some degree of private insurance enters the market.
5. **Requirements that should be placed on communities in flood plains and on FEMA regarding flood maps.** Keeping the mapping and community participation requirements in current law would provide private insurers with sufficient information to begin to take risk. This knowledge base is vital to encouraging a private response. Insurers will need information to help them write coverage for structures at actuarial rates and to have an ability to determine which communities are requiring safe building in flood plains to help them focus their insurance capacity. When HUD did its 1966 Feasibility Study into why flood insurance was not privately available at the time it found that the factors were:
 - Lack of any way to accurately determine pricing (i.e., no mapping of the flood risk);
 - Consumers knew more about the risk of flood than the insurers, which meant that there would be adverse selection by people against any price insurers set;
 - If prices were raised, only people at higher and higher risk would buy the insurance.
 - No one was controlling new construction, so changes up or down stream could make prices for insurance too low.
 - Lenders did not require flood insurance.

Unlike 1966, we now have the ability to solve many of these old insurance concerns. Maps, if they are kept up-to-date, can calculate rates that are actuarially sound for every structure. Adverse selection is minimized since lenders in the high-risk flood plains now require all building owners to get flood insurance. Flood plain management is in place as a condition of flood insurance availability in a community.

6. **Encouraging private insurers to take some, and ultimately all, of the existing flood risk.** This could be done either on a property-by-property basis or with some overall sharing of risk. The sharing might start with the government taking 95 percent of the risk and setting actuarial rates that would have to be paid. Insurers would initially assume 5 percent of the risk and set rates for those structures they would underwrite. FEMA could advertise which insurers were selling flood insurance in its “Flood Smart” ad program. Over time, the government’s percentage of the risk would decline. In order to incentivize

insurers to participate, the government could develop a stop-loss reinsurance program, which caps the private insurer annual exposure to loss.

7. **Mandating the purchase of flood coverage.** If flood insurance is unavailable there should obviously be no requirement to purchase it. On the other hand, if the private market does develop, a purchase requirement might allow insurers to effectively spread their risk. This would further increase their ability to soundly underwrite flood coverage. Whether and how to mandate purchase during the transition is a key question the study must consider.

In conclusion, the Consumer Federation of America believes that if insurers agree to begin taking a share of existing flood risk, the NFIP should continue even to write new business. If not, or if the take up of this risk by insurers is weak, the insurance part of the program should be terminated after a long transition. The necessary first step toward considering each option -- ending the NFIP or continuing it with meaningful participation by the private market -- is an extension of the current program for one or two years, with an order to FEMA and GAO to develop plans for ultimate termination of federal flood insurance risk taking.

Sincerely,



J. Robert Hunter
Director of Insurance
Consumer Federation of America

Cc: Members of the Senate Banking, Housing, and Urban Affairs Committee
Members of the House Financial Services Committee