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NATIONAL FLOOD INSURANCE – LAPSE IN FUNDING

On December 28, 2018, FEMA announced that it will resume the sale of new insurance policies and the renewal of expiring policies. This announcement rescinded initial guidance issued on December 26, 2018, to suspend sales operations as a result of the current lapse in annual appropriations. The National Flood Insurance Program (NFIP) has been reauthorized by Congress until May 31, 2019.

Given the continued uncertainty regarding reauthorization of the NFIP, the federal banking agencies have republished their 2010 guidance providing information for institutions about their continuing responsibilities in the event the NFIP should lapse. The guidance may be found at https://www.fdic.gov/news/news/financial/2010/fil10023.html.

The foregoing Compliance Update is for informational purposes only and does not constitute legal advice. As a reminder, the NBA general counsel is the attorney for the Nebraska Bankers Association, not its member banks. The general counsel is available to assist members with finding resources to help answer their questions. However, for specific legal advice about specific situations, members must consult and retain their own attorney.