
Joint Release

**Federal Deposit Insurance Corporation
Federal Reserve Board of Governors
Office of the Comptroller of the Currency
Farm Credit Administration**

For immediate release

December 28, 2018

Agencies Issue Statement on Financial Institutions Issuing Loans When National Flood Insurance Program is Unavailable

The federal bank regulatory agencies remind banks, savings associations, and Farm Credit System institutions that they can continue to make loans during periods when the National Flood Insurance Program (NFIP) administered by the Federal Emergency Management Agency (FEMA) is unavailable.

The attached guidance issued in 2010 is generally applicable whenever the NFIP is unavailable. As explained in the guidance, lenders may continue to make loans subject to the federal flood insurance statutes without flood insurance during a period when the NFIP is not available. However, lenders must continue to make flood determinations, provide timely, complete, and accurate notices to borrowers, and comply with other parts of the flood insurance regulations. In addition, lenders must evaluate safety and soundness and legal risks and prudently manage those risks during the lapse period.

- [Federal Reserve Board guidance](#)
- [FDIC guidance](#)
- [OCC guidance](#)
- [Farm Credit Administration guidance](#)

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