
Joint Release

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

For immediate release

February 12, 2019

New Rule Covers Private Flood Insurance

WASHINGTON—Five federal regulatory agencies issued a joint final rule to implement provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 requiring regulated institutions to accept certain private flood insurance policies in addition to National Flood Insurance Program policies.

The rule, which takes effect July 1, 2019:

- Implements the Biggert-Waters Act requirement that regulated lending institutions accept private flood insurance policies that satisfy criteria specified in the Act;
- Allows institutions to rely on an insurer's written assurances in a private flood insurance policy stating the criteria are met;
- Clarifies that institutions may, under certain conditions, accept private flood insurance policies that do not meet the Biggert-Waters Act criteria; and
- Allows institutions to accept certain flood coverage plans provided by mutual aid societies, subject to agency approval.

Regulations implementing the federal flood insurance statutes prohibit regulated lending institutions from making loans secured by improved real property located in special flood hazard areas unless the property has adequate flood insurance coverage.

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Attachment:

[Final Rule on Private Flood Insurance](#)

Media Contacts:

Federal Reserve Board	Susan Stawick	(202) 452-2955
FCA	Toni DeLancey	(703) 883-4056
FDIC	David Barr	(202) 898-6992
NCUA	John Fairbanks	(703) 518-6330
OCC	Bryan Hubbard	(202) 649-6870

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