



INDUSTRY ALERT



November 22, 2013

NFIP Updates

Congressional Activity

On Tuesday of this week, the Housing and Insurance Subcommittee of the House Committee on Financial Services held a [hearing](#) on the implementation of BW 12 with leading testimony from FEMA Administrator Craig Fugate. As with [September's hearing](#) on BW 12 held in the Senate, much of the focus of this week's hearing was on flood insurance affordability issues surrounding the BW 12 subsidy removals and associated rate increases including those increases which became effective on **October 1, 2013**. Among the discussion at the House hearing was reference to efforts to temporarily prohibit the rate increases resulting from implementation of Sections 100205 and 100207 of BW 12 and restoring pre-FIRM subsidies for applicable properties. Specific reference was made to [pending legislation](#), the "Homeowner Flood Insurance Affordability Act of 2013" (HR 3370 and S 1610), which would require FEMA to satisfy certain conditions related to flood mapping and the development of a flood insurance affordability framework before increasing the rates. In addition, other bills have been recently introduced to attempt to delay BW 12 rate increases, including HR 3312 (the "Homeowners Flood Insurance Relief Act of 2013") introduced on October 23, HR 3380 (currently untitled) introduced on October 30, and HR 3511 (the "Keeping Flood Insurance Affordable Act of 2013") introduced on November 15.

Deadline for Comments on Proposed Rule

As we reported in the fall edition of our [Flood & Tax News](#), the federal banking regulators are currently accepting comments on their [joint proposed rule](#) to implement aspects of BW 12 related to escrow requirements, acceptance of private flood insurance, and force-placement. As a reminder, comments are due **December 10, 2013** and instructions for submitting comments to each of the regulators can be found in the proposed rule.

Updates to Fannie Mae Selling Guide

Among the updates Fannie Mae made to its Selling Guide in September, [Announcement SEL-2013-07](#) updates its Flood Insurance Coverage Requirements to require that attached condo projects in the SFHA must have a master flood policy in effect with specific minimum coverage requirements in order for mortgages on individual units to be eligible for Fannie Mae to purchase. In addition, Fannie Mae clarifies that it will accept delivery of mortgages on properties in the SFHA in NFIP Emergency Program communities provided that the flood insurance coverage purchased for the property securing the loan meets the higher Regular Program limits which may require a private insurance policy to supplement the amount available through the NFIP. These and other updates related to flood insurance requirements are effective for loans with an application date on or after February 1, 2014.

NFIP Training

To help stay current with NFIP developments or to refresh on existing topics, you may want to consider the NFIP's training for [lenders](#) and [agents](#). The training website lists the various workshops that are offered and includes other resources such as an informational [video](#) on BW 12.

From CoreLogic®

Among the resources we offer to clients through our [website](#), our [Guide to BW 12](#) can help track the implementation of provisions of BW 12 while our [Legislative Update](#) page follows the status of federal legislation related to the NFIP. To obtain the password to our Guide, or for additional information or discussion related to these topics, contact our Compliance Department at floodcompliance@corelogic.com.

Finally, feel free to forward this alert to colleagues who may be interested in receiving this information. Individuals may also subscribe to future [Industry Alerts](#) [here](#).

CoreLogic Flood Services
11902 Burnet Road
Austin, TX 78758

This communication is for informational purposes and is not intended to (nor does it) provide legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting an attorney.

Any reproduction of, or modification to, any part of this notification is strictly prohibited without the prior written consent of CoreLogic Flood Services.

Delivered By CoreLogic, Inc. | 1 CoreLogic Drive, Westlake, TX 76262
[Unsubscribe](#) from Flood Services Industry Alerts.
[Unsubscribe](#) from all CoreLogic emails.
To view our Privacy Policy, [click here](#).