



National Credit Union Administration  
Office of General Counsel

**BOARD ACTION MEMORANDUM**

**TO:** NCUA Board **DATE:** January 28, 2019  
**FROM:** Office of General Counsel **SUBJ:** Interagency Final Rule Regarding Loans in Areas Having Special Flood Hazards

**ACTION REQUESTED:** Public briefing by staff on the subject interagency final rule regarding loans in areas having special flood hazards.

**DATE ACTION REQUESTED:** February 14, 2019.

**OTHER OFFICES CONSULTED:** E&I.

**VIEWS OF OTHER OFFICES CONSULTED:** Concur.

**BUDGET IMPACT, IF ANY:** None.

**SUBMITTED TO INSPECTOR GENERAL FOR REVIEW:** Yes.

**RESPONSIBLE STAFF MEMBERS:** Sarah Chung, Senior Staff Attorney, Office of General Counsel.

**SUMMARY:** The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC), the Farm Credit Administration (FCA), and the National Credit Union Administration (NCUA) are amending their regulations regarding loans in areas having special flood hazards. The final interagency rule implements the private flood insurance provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters Act). Specifically, the final rule requires regulated lending institutions to accept policies that meet the statutory definition of private flood insurance in the Biggert-Waters Act and permits regulated lending institutions to accept policies issued by private insurers that do not meet the statutory definition of “private flood insurance” on a discretionary basis, subject to certain restrictions.

**RECOMMENDED ACTION:** Staff presentation on the interagency final rule previously approved by notation vote.

**ATTACHMENT:** Final rule.