



FEMA

W-15015

March 31, 2015

MEMORANDUM FOR: Write Your Own (WYO) Principal Coordinators

A handwritten signature in black ink, appearing to read "Jordan S. Fried".

FROM: Jordan S. Fried
Division Director (Acting)
Risk Insurance Division

SUBJECT: WYO Company Communication with State Insurance
Commissioners and Regulators

This Bulletin supplements Bulletin W-11124 issued December 7, 2011, which addressed participating Write Your Own (WYO) Company communications with various State insurance commissioners and regulators that may be interested in company activity. We recognize that as a result of recent allegations and investigations related to the National Flood Insurance Program (NFIP) and the adjustment of claims after Superstorm Sandy, there may be additional inquiries and requests for information directed to WYO Companies. As discussed herein, FEMA continues to encourage cooperation and comity with State insurance commissioners and regulators and asks NFIP insurers to provide aggregate, non-policy-specific data to state regulators but not policy-specific data, since FEMA has exclusive oversight responsibility over the NFIP.

By this Bulletin, FEMA is not relinquishing any of its statutory oversight responsibilities or authority as set forth in the National Flood Insurance Act, 42 U.S.C. Section 4001 *et seq.*, (the "Act") and implementing regulations. The Act, the Write Your Own regulations at 44 C.F.R. Section 62.23, and the Financial Assistance/Subsidy Arrangement at 44 C.F.R. Part 62, Appendix A, establish that FEMA is solely responsible for expenditures from the National Flood Insurance Fund and for establishing the fiduciary relationship whereby participating WYO Companies act as fiscal agents for the Federal Government. FEMA promulgates and interprets the various Standard Flood Insurance Policies and promulgates underwriting and claims handling standards. FEMA also is responsible for company oversight, including oversight of claims and claims handling, and is required by statute to administer the NFIP claims appeal process. Accordingly, FEMA does not expect that WYO Companies will share specific claims information with State regulators and is not authorizing the release of specific claims information or documents. FEMA will continue to

cooperate with State insurance commissioners and regulators and, if necessary, will assist with inquiries into specific claims. Any such activities will be under the authority of FEMA.

We also recognize that State regulators may seek information that a WYO Company believes should not appropriately be provided to a State. If such a situation occurs, FEMA encourages the WYO Company and State regulators to direct inquiries to FEMA for resolution and refer any inquiring party to FEMA.

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Suggested Routing: All Departments