MEMORANDUM FOR: WYO Principal Coordinators

FROM: Anthony S. Lowe
Administrator
Federal Insurance and Mitigation Administration

SUBJECT: Lapse of Statutory Authority for the NFIP

Attached is a memorandum dated December 20, 2002, instructing the NFIP Servicing Agent in the use of a new notice (Notice 4). We suggest you follow a similar procedure.

We will inform you when Congress has extended the NFIP statutory authority.

Enclosures
MEMORANDUM FOR: Laurie Michie
Project Officer
NFIP Servicing Agent Contract

FROM: Anthony S. Lowe
Administrator
Federal Insurance and Mitigation Administration

SUBJECT: Lapse of Statutory Authority for the NFIP

My memorandum of November 25, 2002, provided two notices that were to be sent by the NFIP Servicing Agent to policyholders whose policies were expiring on or after January 1, 2003. Please instruct the NFIP Servicing Agent to send Notice 4 (attached) in place of Notice 1 for renewal notices mailed on or after December 30, 2002. Notice 4 should also be sent with the Expiration Invoice if it is mailed on or after December 30, 2002.

There is no reference in Notice 4 to premium payments being received on or before December 31, 2002, in order to renew coverage, because the policyholders receiving this notice cannot meet the December 31, 2002 deadline.

We will inform you when Congress has extended the NFIP statutory authority.

Enclosure
The National Flood Insurance Program (NFIP) does not currently have statutory authority to issue or renew policies that expire after December 31, 2002. Renewal issuance will be delayed when the premium is received after this date. Your renewal policy will go into effect at the earliest date consistent with both the terms of your expiring policy and the expected extension of authority for the NFIP. Please note that such renewal policies will only become effective if a new authorization of the NFIP becomes law, which is expected. If this does not occur, your premium will be refunded.