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News Release

Notice on National Flood Insurance Program Borrowing Authority Payments for Claims Related to Hurricane Sandy As Well As Other Major Disasters in States Across the Country May be Delayed

WASHINGTON - The Federal Emergency Management Agency (FEMA), mandated by Congress to administer the National Flood Insurance Program (NFIP), today notified Congress that without the approval of additional borrowing authority, funds available to pay claims will be exhausted sometime around the week of January 7, 2013.

Supplemental legislation currently under consideration by Congress, based on the Administration's request submitted to Congress last month and subsequently passed by the Senate in a bipartisan vote, includes \$9.7 billion in additional borrowing authority to support the National Flood Insurance Fund to address claims resulting from Superstorm Sandy and other floods. The NFIP continues to pay out claims related to Sandy. To date, nearly 140,000 claims have been made and \$1.7 billion has been paid out to survivors.

"FEMA continues to work closely with Write Your Own (WYO) partner companies to meet the needs of survivors and accelerate partial payments for claims," said Dave Miller, FEMA's Associate Administrator for the Federal Insurance and Mitigation Administration. "We urge timely congressional action with regard to the pending supplemental to continue to meet survivor needs."

Payments on more than 115,000 claims in states across the country may be delayed until Congress increases the NFIP borrowing authority. The use of National Flood Insurance Fund monies are being closely monitored based on actual and anticipated claims.

NFIP policies allow up to approximately 90 days after receipt of a claim to make a payment. Upon depletion of borrowing authority, FEMA will work to ensure any available funds, including ongoing premium payments, may be applied to claim payments.

FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.