

ASFPM appreciates the opportunity to review the Proposed Rule: **“National Flood Insurance Program (NFIP): Conforming Changes to Reflect the Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12) and the Homeowners Flood Insurance Affordability Act of 2014 (HFIAA), and Additional Clarifications for Plain Language.”** ASFPM supports FEMA’s effort to revise the NFIP’s implementing regulation so they are in line with what was passed in the recent Acts, as well clarify NFIP rules that have been in place related to NFIP’s operation and flood insurance policy.

In reviewing the document provided in the Federal Register, ASFPM either agreed with the suggested changes, including some that were much needed (e.g., Part 62.5 Policy Nullification and Cancellation), or had no opinion either way. However, there a couple of areas of concern that were identified and are listed below.

1. SFIP Article II – Definitions

ASFPM noted that FEMA is adding the insured’s spouse as name insured for both the Dwelling Policy and the General Property Policy. While ASFPM understands that a homeowners policy may typically include the insured’s spouse as a name insured, it is not included in a commercial policy. In talking with insurance specialists, they confirmed that there may be a good chance that the spouse is NOT part of the commercial venture and has no interest in the business and therefore should not be automatically included in the General Property Policy. We, therefore, recommend removing the spouse as a named insured in the General Property Form.

2. Entire SFIP – Global Language Replacement (#25)

FEMA proposed to replace the word “covered” with the word “insured,” which ASFPM has no issues with. However, in reviewing the SFIP this was not done throughout the document, including the title of Section IV, “Property Not Covered.” FEMA should review their different SFIP forms and ensure they are consistent with the use of “insured.”

Again, ASFPM supports FEMA’s goal of ensuring congruency between the Acts, regulations and the NFIP policy forms.

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