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FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE TRAINING REQUIREMENTS FOR INSURANCE PRODUCERS WITH A PROPERTY LINE OF AUTHORITY SELLING THROUGH THE NATIONAL FLOOD INSURANCE PROGRAM (NFIP)

FEMA is implementing the minimum flood insurance training requirements of Section 207 of the Flood Insurance Reform Act of 2004 for insurance producers. Pursuant to this Act, all producers selling flood insurance policies under the NFIP must be properly trained and educated about the NFIP to ensure producers may best serve their clients.

The Act[1] directs the Director of the Federal Emergency Management Agency, in cooperation with the insurance industry, State insurance regulators, and other interested parties to establish minimum training and education requirements for all insurance producers who sell flood insurance policies. FEMA now requires property insurance producers to complete a one-time course related to the NFIP. The producer licensee will receive three hours of continuing education credits for completion of this course. The NFIP course is available through approved Continuing Education Providers. The failure to comply with this continuing education requirement may jeopardize a producer's authority to write insurance through the NFIP.

All Nevada licensed resident insurance producers who sell federal flood insurance policies must comply with the minimum training requirements of section 207 of the flood

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[1] SUPPLEMENTARY INFORMATION: On June 30, 2004 the President signed the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (Flood Insurance Reform Act of 2004), Pub. L. 108-264. Section 207 of the Flood Insurance Reform Act of 2004 states:

The Director of the Federal Emergency Management Agency shall, in cooperation with the insurance industry, State insurance regulators, and other interested parties (1) Establish minimum training and education requirements for all insurance agents who sell flood insurance policies, and (2) Not later than 6 months after the date of enactment of this Act, publish these requirements in the Federal Register, and inform insurance companies and agents of the requirements.

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insurance reform act of 2004, and basic flood education as outlined at 70 Fed. Reg., 52,117 (Sept. 1, 2005)[2], or such later requirements that are published by the FEMA.

Licensed insurers shall demonstrate to the commissioner, upon request, that their licensed and appointed producers who sell federal flood insurance policies have complied with the minimum federal flood insurance training requirements.

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[2] This notice describes FEMA's implementation of section 207 of the Flood Insurance Reform Act of 2004. As required by the Act, FEMA has coordinated with the State insurance regulators, the insurance industry, and other interested parties. Input received from these organizations emphasizes the value of working through the State insurance departments to avoid establishing conflicting or burdensome training requirements upon insurance agents. While implementing the minimum training requirements required by section 207, FEMA has been mindful of the Senate Report language, (S. REP. NO. 108–262, at 4 & 9 (2004)), which cautions: In some cases, states may already have requirements to ensure that agents are well versed in the flood insurance program. Where possible, FEMA should work to make sure that agents are not burdened with inconsistent state and federal training and education requirements. In addition, where possible, FEMA should work to implement the training requirements through the states, which already have continuing education processes in place.