
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Office of Thrift Supervision
National Credit Union Administration
Farm Credit Administration**

For Immediate Release

March 21, 2008

Agencies Release Proposed Revisions to Interagency Questions and Answers Regarding Flood Insurance

WASHINGTON – The federal bank, thrift, credit union, and Farm Credit System regulatory agencies today requested public comment on new and revised interagency questions and answers regarding flood insurance.

The Interagency Questions and Answers Regarding Flood Insurance were first published in 1997 under the auspices of the Federal Financial Institutions Examination Council. The agencies are proposing new questions and answers, as well as substantive and technical revisions to the existing guidance, to help financial institutions meet their responsibilities under federal flood insurance legislation and to increase public understanding of the flood insurance regulations. The proposed changes include substantive modifications to questions and answers pertaining to construction loans and condominiums. The agencies are also proposing new questions and answers in a number of areas, including second lien mortgages, the imposition of civil money penalties, and loan syndications/participations. Finally, the agencies are proposing to revise and reorganize certain questions and answers to clarify areas of potential misunderstanding and to provide clearer guidance to users.

After public comments are received and considered and the Interagency Questions and Answers are final, they would supersede the 1997 Interagency Questions and Answers and supplement other guidance or interpretations issued by the agencies and the Federal Emergency Management Agency.

The agencies invite comment on the proposed changes and, more generally, on other issues regarding compliance with the federal flood insurance statutes and regulations. Comments are due May 20, 2008.

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Attachment:

[Proposed Questions and Answers](#)

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