



Flood Insurance

FIL-53-95
August 4, 1995

TO: CHIEF EXECUTIVE OFFICER and COMPLIANCE OFFICER
SUBJECT: *FEMA Standard Flood Hazard Determination Form*

The FDIC, the Federal Reserve Board, the Office of Thrift Supervision, the Office of the Comptroller of the Currency, the National Credit Union Administration and the Farm Credit Administration have jointly approved a final rule requiring lenders to use a standard form in determining whether real property offered as collateral on a loan is located in a special flood hazard area. The use of a standard form will help ensure that required federal flood insurance is purchased for buildings and mobile homes in special flood hazard areas. The new rule (Section 339.7 of the FDIC's regulations for state nonmember banks) will take effect on January 2, 1996.

Title V (Flood Insurance Reform Act) of the Riegle Community Development and Regulatory Improvement Act of 1994 amended federal flood insurance laws to require the Federal Emergency Management Agency (FEMA) to develop a standard determination form. The same law required the federal banking agencies and the Farm Credit Administration to issue regulations mandating the use of the new form.

Enclosed is a camera-ready copy of the form, with instructions. Also enclosed are: (1) FEMA's final rule establishing the form; (2) the interagency rule requiring the use of the form; and (3) a proposed rule from FEMA inviting comment by August 14, 1995, on a procedure for reviewing the accuracy of flood zone determinations made by parties other than FEMA. We have been advised, however, that FEMA will consider comments received within a week after the stated due date. For your convenience, written comments may be faxed to FEMA at 202-646-4596.

Copies of the various notices are also available from FEMA by automated fax. Use the telephone connected to your fax machine, dial 202-646-3362, and follow the voice-prompts to receive FEMA's final rule (identified as document number 16002), the interagency regulation (document number 16003) or FEMA's proposed rule for the review of determinations (document number 16004).

The new form may be used in a printed, computerized or electronic manner. The FDIC's compliance examination procedures for insured state nonmember banks will include a review of the form for proper completion.

If you have questions about the FDIC's flood insurance requirements, please contact your Compliance Review Examiner in the FDIC's regional office of the Division of Compliance and Consumer Affairs.

Paul L. Sachtleben
Director

Enclosures:

[FEMA Standard Flood Hazard Determination Instructions](#)

Federal Register A [PDF Format](#) [HTML Format](#)

Federal Register B [PDF Format](#) [HTML Format](#)

Distribution: FDIC-Supervised Banks (Commercial and Savings)

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