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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

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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 existing 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.

The *Federal Register* notice is attached.

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