

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

June 13, 2014

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, Savings and Loan Holding Companies,
and Foreign Banking Offices
in the Twelfth Federal Reserve District

CA 14-3 Interagency Statement on Increased Maximum Flood Insurance Coverage for Other Residential Buildings

Applicability to Community Banking Organizations: This guidance applies to all state member banks, including those with \$10 billion or less in consolidated assets.

On May 30, 2014, the Federal Reserve, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Farm Credit Administration (Agencies) issued an interagency statement regarding the new National Flood Insurance Program (NFIP) maximum limit of flood insurance coverage for non-condominium residential building designed for use for five or more families, which are classified as “Other Residential Buildings” by the NFIP.

The guidance sets forth the agencies’ expectations and a financial institution’s responsibilities when, when, as a result of the increase in the maximum limit of building coverage for such properties, a financial institution determines that a building securing a designated loan is covered by flood insurance in an amount less than the amount required under federal flood insurance law.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco’s website, at <http://www.frbsf.org/banking-supervision/publications/district-circular-letters/>.

For additional information, please contact:

Federal Reserve Bank of San Francisco
Banking Supervision and Regulation
(801) 322-7853

Attachments

[CA 14-3 Letter](#)
[Interagency Statement on Increased Maximum Flood Insurance Coverage for Other Residential Buildings](#)

Cross Reference:

CA 13-2 “[Interagency Statement on the Impact of the Biggert-Waters Act](#)” (March 29, 2013)