

servicing, a significant period of time, such as 180 days following the date of availability of the increased coverage, be provided to allow lenders/servicers sufficient time to arrange or cause the borrower to obtain any required additional coverage.

This respondent pointed out that section 524 of the Reform Act "specifies the notifications required for a property in a designated flood plain 'covered by such insurance in an amount less than the amount required for the property'" and suggested that FEMA "clarify that these procedures are the same steps to be followed in the event additional insurance is required." It was suggested that the notification and standard hazard determination forms being promulgated pursuant to sections 527 and 528 of the Reform Act "include language to alert the borrower to the potential requirement to purchase additional insurance at a future date." This suggestion will be considered as the notification and standard hazard determination forms are being developed. The final authority regarding regulations relating to the obligations of financial institutions rests with the various federal entities for lending regulation. However, FEMA does have a consulting/coordinating role with those federal entities and will pass these comments along to those entities for their consideration.

National Environmental Policy Act

This final rule is categorically excluded from the requirements of 44 CFR Part 10, Environmental Consideration. No environmental impact assessment has been prepared.

Executive Order 12898, Environmental Justice

The socioeconomic conditions relating to this final rule were reviewed and a finding was made that no disproportionately high and adverse effect on minority or low income populations result from this final rule.

Executive Order 12866, Regulatory Planning and Review

This final rule is not a significant regulatory action within the meaning of Section 2(f) of E.O. 12866 of September 30, 1993, 58 FR 51735, and has not been reviewed by the Office of Management and Budget. Nevertheless, this final rule adheres to the regulatory principles set forth in E.O. 12866.

Paperwork Reduction Act

This final rule does not contain a collection of information requirement as described in section 3504(h) of the Paperwork Reduction Act.

Executive Order 12612, Federalism

This final rule involves no policies that have federalism implications under

Executive Order 12612, Federalism, dated October 26, 1987.

Executive Order 12778, Civil Justice Reform

This final rule meets the applicable standards of section 2(b)(2) of Executive Order 12778.

List of Subjects in 44 CFR Part 61

Flood insurance, Reporting and recordkeeping requirements.

Accordingly, 44 CFR part 61 is amended as follows:

PART 61—INSURANCE COVERAGE AND RATES

1. The authority citation for Part 61 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 43 FR 41943, 3 CFR, 1978 Comp., p. 329; E.O. 12127 of Mar. 31, 1979, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

2. Section 61.6 is revised to read as follows:

§ 61.6 Maximum amounts of coverage available.

(a) Pursuant to section 1306 of the Act, the following are the limits of coverage available under the emergency program and under the regular program.

	Regular program		
	Emergency program ¹ first layer	Second layer	Total amount available
Single Family Residential			
Except in Hawaii, Alaska, Guam, U.S. Virgin Islands	35,000	215,000	250,000
In Hawaii, Alaska, Guam, U.S. Virgin Islands	50,000	200,000	250,000
Other Residential			
Except in Hawaii, Alaska, Guam, U.S. Virgin Islands	100,000	150,000	250,000
In Hawaii, Alaska, Guam, U.S. Virgin Islands	150,000	100,000	250,000
Nonresidential			
Small business	100,000	400,000	500,000
Churches and other properties	100,000	400,000	500,000
Contents²			
Residential	10,000	90,000	100,000
Small business	100,000	400,000	500,000
Churches, other properties	100,000	400,000	500,000

¹ Only first layer available under emergency program.

² Per unit.

(b) In the insuring of a residential condominium building in a regular program community, the maximum limit of building coverage is \$250,000 times the number of units in the building (not to exceed the building's replacement cost).

3. Section 61.11 is amended as follows:

a. By revising paragraphs (a), (b), and (c) to read as follows:

§ 61.11 Effective date and time of coverage under the Standard Flood Insurance Policy—New Business Applications and Endorsements.

(a) During the 13-month period beginning on the effective date of a revised Flood Hazard Boundary Map or

Flood Insurance Rate Map for a community, the effective date and time of any initial flood insurance coverage shall be 12:01 a.m. (local time) on the first calendar day after the application date and the presentment of payment of premium; for example, a flood insurance policy applied for with the payment of the premium on May 1 will