

RESPONSE TO TERMS OF CLEARANCE

Loans in Areas Having Special Hazards (OMB No. 1550-0088)

The last notice of action issued by OMB regarding the above-referenced collection specified:

If OTS has not done so in the last two years, it should consult with OCC and (as appropriate), FDIC, FRB, and NCUA as to experiences and best practices for this information collection. The goal is to seek how to: (1) minimize paperwork burden; (2) increase the practical utility of the information, and (3) as appropriate, assess the practicality of automated collection. In the next submission, the OTS is to report the implications of the consultation on the information, if any.

The OTS, OCC, FDIC, FCA, and NCUA (the Agencies) published a notice on March 21, 2008 in the Federal Register for comments on proposed revisions to the Interagency Questions and Answers Regarding Flood Insurance. To help financial institutions meet their responsibilities under Federal flood insurance legislation and to increase public understanding of their flood insurance regulations, the staffs of the Agencies have prepared proposed new and revised guidance addressing the most frequently asked questions and answers about flood insurance. The proposed revised Interagency Questions and Answers contain staff guidance for agency personnel, financial institutions, and the public.

During the process of developing and issuing this guidance, the Agencies considered how to reduce the burden of the information collection. While none of the requirements could be eliminated due to statutory mandate, the agencies believe that their Questions and Answers provide information that will enable financial institutions to more easily comply with the regulations and result in information that is more useful. In addition, portions of the information collection have been automated. The RESPA Notice of Transfer sent to FEMA and the Notice to Servicer may be made electronically.