

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 75-70

May 27, 1975

AMENDMENT TO REGULATION H

TO ALL MEMBER BANKS IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

The Board of Governors has amended Regulation H, "Membership of State Banking Institutions in the Federal Reserve System," effective May 12, 1975.

The amendment incorporates a one-year grace period into section 208.8(e), which prohibits real estate loans in communities not participating in the national flood insurance program, as provided by section 201(d) of the Flood Disaster Protection Act of 1973.

A copy of the amendment is printed on the reverse of this circular, which should be filed in your binder of Regulations of the Board of Governors of the Federal Reserve System. Additional copies will be furnished upon request to the Secretary's office of this Bank.

Sincerely yours,

T. W. Plant

First Vice President

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

MEMBERSHIP OF STATE BANKING INSTITUTIONS
IN THE FEDERAL RESERVE SYSTEM

AMENDMENT TO REGULATION H†

Effective May 12, 1975, § 208.8(e) is amended by adding a new subparagraph (5) as follows:

SECTION 208.8 — BANKING PRACTICES

* * * * *

(e) **Loans by State member banks in identified flood hazard areas.**

* * * * *

(5) *Grace period.* On and after July 1, 1975, or after one year following the date of

official notification to the chief executive officer of a community that the community is one containing special flood hazard areas, whichever is later, no State member bank shall make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in such a special flood hazard area so identified by the Secretary of Housing and Urban Development unless the community in which such area is situated is then participating in the national flood insurance program.

† For this Regulation to be complete as amended effective May 12, 1975, retain:

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- 1) Printed Regulation pamphlet as amended effective March 18, 1969;
- 2) Amendment to § 208.10(b) and (c) effective December 21, 1973;
- 3) Amendments adding a new § 208.8 and renumbering succeeding sections effective March 2, 1974;
- 4) Amendment effective September 16, 1974;
- 5) Amendment effective September 22, 1974; and
- 6) This slip sheet.