

proposed disapproval of those redesignation requests.

These areas differ from Pittsburgh, however. In the case of the two other moderate areas, EPA's 18-month period for acting on the redesignation requests has not yet expired and EPA is not yet legally obligated to take action on those requests. In contrast, in the case of Pittsburgh, EPA's statutory 18-month period for taking action expired in May of 1995. See CAA § 107(d)(3)(D). Thus, the time period for EPA to act on the Pittsburgh redesignation has expired, but has not done so in the case of Muskegon and Cincinnati. Birmingham is a marginal area that has a less serious ozone air quality problem than Pittsburgh, a moderate area. Although EPA has not yet acted on Birmingham's redesignation request, that fact does not justify further inaction on Pittsburgh's request in light of the expiration of the 18-month statutory time period for acting on Pittsburgh's November 12, 1993 request.

EPA notes that it has not and may not (in light of section 107(d)(1)(A)(i) and 107(d)(3)(E)) approve a redesignation request for an area that is violating the ozone standard. Thus, the three other areas just discussed, like Pittsburgh, are and must remain designated nonattainment areas until they attain the standard and satisfy the other redesignation criteria.

With respect to the comment that EPA treated Pittsburgh differently by not approving its redesignation request while approving others, EPA notes that Pittsburgh's request, unlike the others EPA approved, does not and did not meet other redesignation criteria of section 107(d)(3)(E). (See Response to Comment 4.) Thus, EPA did not treat Pittsburgh differently from other similarly situated areas by not approving its redesignation request while approving others. The others satisfied the statutory criteria for redesignation; Pittsburgh's did not.

#### Final Action

Because the Pittsburgh area is not eligible for redesignation, EPA is disapproving Pennsylvania's request for redesignation of the Pittsburgh area and the accompanying maintenance plan, which was originally submitted on November 12, 1993, and amended on January 13, 1994 and May 12, 1995.

When the final disapproval of the maintenance plan is effective, the Pittsburgh area will no longer be able to demonstrate conformity to the submitted maintenance plan pursuant to the transportation conformity requirements in 40 CFR 93.128(i). Since the submitted maintenance plan budget

will no longer apply for transportation conformity purposes, the build/no-build and less-than-90 tests will apply pursuant to 40 CFR 93.122. In addition, the Commonwealth submitted a 15% rate-of-progress plan (15% plan) on March 22, 1996. Ninety days after this submittal date, the emissions budget contained in this 15% plan will apply for conformity purposes pursuant to 40 CFR 93.118 and 93.128(a)(1)(ii), as well as the build/no-build test under 40 CFR 93.122.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future request for revision to any state implementation plan. Each request for revision to the state implementation plan shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

Under Section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate; or to the private sector, of \$100 million or more. Under section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action proposed/promulgated does not include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

As described in the NPR, EPA has determined that the disapproval of the redesignation request will not affect a substantial number of small entities. EPA's denial of the Commonwealth's redesignation request under section 107(d)(3)(E) of the Act does not affect any existing requirements applicable to small entities nor does it impose new requirements. The area retains its current designation status and will

continue to be subject to the same statutory requirements. To the extent that the area must adopt regulations, based on its nonattainment status, EPA will review the effect of those actions on small entities at the time the Commonwealth submits those regulations.

This action has been classified as a Table 3 action for signature by the Regional Administrator under the procedures published in the Federal Register on January 19, 1989 (54 FR 2214-2225), as revised by a July 10, 1995 memorandum from Mary Nichols, Assistant Administrator for Air and Radiation. The Office of Management and Budget (OMB) has exempted this regulatory action from E.O. 12866 review.

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action, pertaining to the disapproval of Pennsylvania's redesignation request and maintenance plan for the Pittsburgh ozone nonattainment area, must be filed in the United States Court of Appeals for the appropriate circuit by July 1, 1996. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

#### List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements.

Dated: April 22, 1996.

W. Michael McCabe,

*Regional Administrator, Region III.*

[FR Doc. 96-10698 Filed 4-30-96; 8:45 am]

BILLING CODE 6560-50-P

## FEDERAL EMERGENCY MANAGEMENT AGENCY

### 44 CFR Parts 61 and 206

RIN 3067-AC35

### National Flood Insurance Program; Group Flood Insurance Policy for Individual and Family Grant Program

**AGENCY:** Federal Emergency  
Management Agency (FEMA).

**ACTION:** Interim final rule with request  
for comments.

**SUMMARY:** This interim final rule changes FEMA's Individual and Family Grant (IFG) regulations by establishing a minimum damage threshold of \$201 or more in real or personal property losses, or both, resulting from any type of incident in order to receive an IFG award in these damage categories. The rule also changes our flood insurance regulations for IFG award recipients in Presidentially declared major disasters by establishing a Group Flood Insurance Policy (GFIP) and the criteria for its implementation. This interim final rule also authorizes the GFIP, as a one-time, pilot project, for recipients of the State of Alaska's own, fully funded disaster assistance grants to help individuals and families recover from flooding in September and October 1995.

Comments are being solicited on making the GFIP available in the future to any State with a fully funded, disaster assistance grant program for individuals and families.

**DATES:** This interim final rule is effective on May 1, 1996. Please submit any comments in writing by July 1, 1996.

**FOR FURTHER INFORMATION CONTACT:**

Charles M. Plaxico, Jr., Federal Emergency Management Agency, Federal Insurance Administration, (202) 646-3422, (facsimile) (202) 646-4327; or Laurence W. Zensinger in FEMA's Response and Recovery Directorate, (202) 646-3642, (facsimile) (202) 646-2730.

**SUPPLEMENTARY INFORMATION:** On February 7, 1995, FEMA published in the Federal Register (Vol. 60, page 7130) an interim final rule changing the flood insurance regulations for Individual and Family Grant program recipients in Presidentially declared major disasters, in order to meet the mandates of § 582 of the National Flood Insurance Reform Act of 1994 (NFIRA), which the President signed into law on September 23, 1994.

On March 15, 1995, FEMA then published in the Federal Register (60 FR 13945) a proposed rule to establish an IFG eligibility requirement of \$201 or more in real or personal property damage, or both, resulting from any type of disaster incident in order to receive an IFG award for items in these categories. In the same rule, we proposed to establish a GFIP and proposed criteria for the GFIP's implementation by the National Flood Insurance Program (NFIP) when FEMA provides IFG awards.

The term of the GFIP will be for 36 months, and, for implementation under the IFG program, will begin 60 days from the date of the disaster declaration.

For the pilot project to be conducted in the State of Alaska, the term of the GFIP will begin on the date this interim final rule is published in the Federal Register. On and after the inception date of the GFIP, coverage for individual IFG recipients or the named insureds under FEMA's pilot project with the State of Alaska, will begin on the 30th day after the NFIP receives from the State the records of GFIP insureds and their premium payments. Hereafter and with this understanding, the GFIP will be referred to as a 3-year policy.

To meet the NFIRA requirements that were effective when the President signed the law on September 23, 1994, FEMA had to write the February 7, 1995 interim final rule to be effective retroactively. However, FEMA welcomed comments for a 60-day period. The proposed rule, which made additions to the same paragraphs changed by the interim final rule, provided for a 45-day comment period. To ensure State and Regional personnel were informed of these two rules, FEMA staff included a rules presentation at eight Human Services Automated Systems Orientation (HSASO) sessions, at which time issues were discussed and written comments were encouraged. FEMA also requested comments on the estimates for the additional paperwork or record-keeping reporting burden in connection with the time it would take a State to research and compile the information and send premium payments to the NFIP. FEMA invited the public to submit comments to the agency or to the Office of Management and Budget (OMB) on the paperwork issues including the burden estimates and any aspects of the information collection requirements. Neither FEMA nor OMB received comments in connection with the collection of information.

FEMA received four sets of written comments on each of the two rules—two of the six respondents commented on both rules. The tally of comments included representatives of four state agencies dealing with emergency management, a private consultant service dealing with banking and legislative issues, and an insurance committee of an association concerned with floodplain management issues. While generally supportive of the proposal to establish a GFIP the respondents did express concern for one or more of the proposed provisions.

One State agency had a series of concerns. The first concern questioned how the February 7, 1995 interim final rule escaped OMB review. OMB does not require a review of rules where the

aggregate annual impact of the rule is less than \$100 million.

The second concern, which was shared by another State, was that the NFIRA would place an administrative and monitoring burden on the States as an unfunded mandate. One State felt this would occur even if NFIP would track and maintain all information. FEMA has worked hard to take up the administrative burden for the States and will further ease burdens by tracking flood insurance maintenance beyond the 3-year requirement that has been in effect since the Flood Disaster Protection Act of 1973.

The State's third concern was that the NFIRA requirements should be effectuated after the date FEMA had notified them by letter of the requirement. By mandating that the flood insurance purchase and maintenance requirement be made effective upon the signature of the President, Congress clearly intended to allow no exemptions. As a result FEMA had no time to inform States of the requirements and allow them to prepare for the consequences.

The next concern was that the cost of implementing the rule would be greater to Federal and State governments than the benefits of tracking data for the life of each property. Congress clearly intended NFIRA mandates to be carried out regardless of the costs. However, since FEMA already tracks the data necessary to administer this program, there should be no additional burden to States.

This State then proposed alternatives to NFIRA legislation. However, those alternatives are already part of NFIRA or are part of the implementing regulations.

A second State felt it was punitive to require new owners to purchase and maintain flood insurance; this feeling was shared by many State participants in the HSASO sessions held during the comment periods. The NFIRA—not the rule—requires new owners to maintain flood insurance. Congress intended for property owners who buy or build in a floodplain to protect themselves or bear the cost. Accordingly, disaster assistance will not be provided to the occupant for a second flood when flood insurance has not been purchased and maintained by the new owner.

Two States questioned who would be responsible for informing the buyer of property upon which the flood insurance purchase and maintenance requirements were imposed. The NFIRA stipulates the "transferor" or seller of the property must disclose this requirement to the buyer, and such written notification must be contained

in documents evidencing the transfer of ownership of the property.

Three States and the association expressed concern about a database tracking system for real estate transactions. Rather than attempt to undertake the impossible task of tracking such sales forever, FEMA has chosen to prohibit Federal flood disaster assistance from being provided for a property a second time. To do otherwise would place a heavy burden on State and local governments.

The association felt the Federal government, and not the States, should maintain any database required to implement the mandates imposed by § 582 of the NFIRA. FEMA agrees and will maintain the database.

A State and the association expressed concern that was also voiced by the majority of attenders at the HSASO sessions, namely, that the coverage maintenance requirement, equating to the IFG maximum grant amount, is a financial hardship to IFG recipients, who are predominantly the elderly and individuals and families receiving public support. FEMA must implement laws enacted by the Congress. In recognizing that maintaining flood insurance is a hardship on those with limited income, FEMA is establishing a GFIP to assist grantees for up to 3 years of coverage. However, in keeping with the spirit of NFIRA to increase NFIP participation and replace disaster assistance with flood insurance coverage, we have decided to establish for all IFG recipients the maximum IFG award amount as the amount of flood insurance to be bought and maintained as a condition for future IFG eligibility for any uninsured flood-damaged real or personal property, or both.

The association recommended a long-term, low-cost policy providing a fixed amount of flood insurance coverage, and offering the grantee the option of purchasing either a GFIP or a Standard Flood Insurance Policy (SFIP). Under a GFIP, the State will provide the grantee with up to 3 years of coverage. The grantee can always switch to an SFIP at an increased cost.

The association and a State were concerned that grantees will not maintain flood insurance beyond the end of the 3-year term of the GFIP. FEMA shares this concern. NFIP will send a notice to GFIP certificate holders at the end of the 3-year policy period to alert them to the maintenance requirement and to the consequences of not maintaining flood insurance. The notice will (1) encourage them to apply for NFIP's conventional SFIP by contacting a local insurance agent, producer, or a private insurance

company selling NFIP policies, and (2) advise them as to the amount of coverage they must maintain in order not to jeopardize their eligibility for future disaster assistance.

One of the States suggested that the responsibility of the NFIP to notify the IFG grantee/policyholder toward the end of the 3-year coverage period (as described in the **SUPPLEMENTARY INFORMATION** section of the proposed rule and as discussed above) be incorporated into the implementing regulations. FEMA agrees and a new paragraph (c) incorporating such language has been added to § 61.17.

The consultant recommended that the cost of the flood insurance be deducted from the grant award and that flood insurance coverage be placed directly by FEMA through its regional offices. To ensure that the IFG recipient will have coverage as soon after the grant award as possible, a fixed premium amount will be added to the IFG awards (subject to the current grant maximum), but withheld from the grant and provided directly to the NFIP Servicing Agent. Since the Servicing Agent is already equipped to issue policies, it would not be cost-effective to duplicate this capability using the limited FEMA resources in the regions. The Servicing Agent will send the IFG recipient a Certificate of Flood Insurance and advise the grantee of the option of securing increased limits of coverage by purchasing an SFIP at an increased cost.

One of the States suggested we continue to allow grants of \$200 or less, but exempt those recipients from the insurance requirement. The law does not appear to allow us the option of exempting grantees from maintaining flood insurance. Therefore, we have determined it was more cost-effective for the victim and the government to disallow grants of \$200 or less for damages or losses to real or personal property, or both. This minimum-loss eligibility requirement shall be applicable not only to floods, but also to all types of disaster incidents.

The consultant questioned whether the maximum grant amount (then \$12,600) was for the entire family or each member of the household, since there appeared to be an inconsistency in reference to "homeowner." The proposed rule refers to a "homeowner" in context of an insurance "policy", whereas grants are made to each eligible property owner to apply to damaged/lost property. The maintenance requirement is, therefore, placed on each property owner who receives a grant.

The consultant then questioned how new maps or revised map changes

would affect a homeowner who has received a grant when the property was not initially in a special flood hazard area (SFHA) and, as a result of a new or revised map, is placed in an SFHA. If a property was not in an SFHA at the time the grant was given, there would have been no flood insurance purchase requirement. If the homeowner were to apply for an IFG grant at a later date after the property had been placed in an SFHA, the flood insurance purchase requirement would apply and the State would follow the procedure for securing a GFIP for that IFG recipient.

The fourth State objected to the burdensome requirement of providing NFIP with weekly reports and payments. Since FEMA does not want to burden States, we are asking for weekly vs. daily reports. FEMA will also provide States with an automated system that will support this requirement.

The same State felt that the NFIRA flood insurance requirements should apply to the Disaster Housing Assistance program, as well as to the IFG program. FEMA is in the process of reviewing this proposition.

This State's last comment was that all disaster programs should comply with the same regulations. FEMA is coordinating with all Federal and State agencies involved in implementing this law. We have actively solicited and welcomed comments from all sources, and have tried our best to ensure equity in program assistance provided to all.

In addition to the changes made in response to the comments, we amended § 61.17(b)(2) in this final rule to clarify that benefits under Article 3 B.3. of the SFIP Dwelling Form will not be subject to a separate deductible, but are subject to the GFIP deductible of \$200 (applicable separately to any building loss and any contents loss).

Additionally, FEMA received a request from the State of Alaska to make the GFIP available not only to recipients of IFG grants but also to recipients of its own fully funded disaster assistance program comparable to the IFG program in benefits and eligibility requirements. The State's request, which was prompted by a recent disaster recovery effort, has merit. FEMA has determined that 42 U.S.C. §§ 4014(a)(2) and 4015(b)(2), which authorize FEMA to make the GFIP available to recipients of IFG awards, may also apply to recipients of certain State-funded disaster assistance programs. We have modified the interim final rule to apply the GFIP, as a one-time, pilot project, to recipients of the State of Alaska's own fully funded disaster assistance program for individuals and families suffering

damage from flooding that occurred in the State during September and October 1995. The decision to make the GFIP available to these flood disaster victims is based on the fact that the State of Alaska's award program is comparable to the IFG program, including eligibility requirements such as income levels. The State also has the capability to provide information to the NFIP in a format compatible with NFIP requirements. The evaluation of this one-time, pilot project of the GFIP in the State of Alaska will help FEMA evaluate whether the GFIP should be made available to other States requesting the availability of the GFIP for 100-percent, State-funded disaster assistance programs comparable to the IFG program. Comments are also being solicited specifically on this issue.

Finally, § 582 of the NFIRA prohibits future Federal disaster assistance to anyone who fails to obtain and maintain flood insurance coverage in connection with previous flood-related disaster assistance. Section 582 provides: "Notwithstanding any other provision of law, no Federal disaster relief assistance made available in a flood disaster may be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable Federal law and subsequently having failed to obtain and maintain flood insurance as required under applicable Federal law on such property."

In light of the requirements of § 582, and in anticipation of the spring flood season, there is an urgent need to make the GFIP available upon publication of this final rule. FEMA finds that there is a compelling need and good cause to waive the 30-day effective date requirements of the Administrative Procedure Act, 5 U.S.C. 553(d). This interim final rule is effective on the date of publication in the Federal Register.

#### National Environmental Policy Act

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

#### Executive Order 12866, Regulatory Planning and Review

This interim final rule is not a significant regulatory action within the meaning of § 2(f) of E.O. 12866 of September 30, 1993, 58 FR 51735, but attempts to adhere to the regulatory

principles set forth in E.O. 12866. The interim final rule has not been reviewed by the Office of Management and Budget under E.O. 12866.

#### Paperwork Reduction Act

This interim final rule does not contain a collection of information and therefore is not subject to the provisions of the Paperwork Reduction Act of 1995.

#### Executive Order 12612, Federalism

This interim final rule involves no policies that have federalism implications under E.O. 12612, Federalism, dated October 26, 1987.

#### Executive Order 12778, Civil Justice Reform

This interim final rule meets the applicable standards of § 2(b)(2) of E.O. 12778.

#### List of Subjects in 44 CFR Parts 61 and 206

Flood insurance; Disaster assistance.

Accordingly, 44 CFR Parts 61 and 206 are 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 61.17 is added to read as follows:

#### **§ 61.17 Group Flood Insurance Policy.**

(a) A Group Flood Insurance Policy (GFIP) is a policy covering all individuals named by a State as recipients under § 411 of the Stafford Act (42 U.S.C. 5178) of an Individual and Family Grant (IFG) program award for flood damage as a result of a Presidential major disaster declaration, and, as a one-time, pilot project, to recipients of the State of Alaska's own fully funded disaster assistance program for individuals and families suffering damage from flooding in September and October 1995. Alaska's disaster assistance program is comparable to the IFG program in benefits and eligibility requirements, including income levels. The State of Alaska has also agreed to provide information to the National Flood Insurance Program (NFIP) in a data format compatible with NFIP requirements. The premium for the GFIP, initially, is a flat fee of \$200 per policyholder. Thereafter, the premium may be adjusted to reflect NFIP loss experience and any adjustment of

benefits under the IFG program. The amount of coverage shall be equivalent to the maximum grant amount established under § 411. The term of the GFIP shall be for 36 months and will begin, for implementation with the IFG program, 60 days from the date of the disaster declaration. For FEMA's pilot project with the State of Alaska, the term of the three-year policy will begin on May 1, 1996. On and after the inception date of the GFIP, coverage for IFG recipients or for recipients of the one time pilot project of the GFIP for the State of Alaska's own comparable fully funded, disaster assistance program, will begin on the 30th day after the NFIP receives the records of GFIP insureds and their premium payments from the State. A Certificate of Flood Insurance shall be sent to each IFG recipient, and, for the one-time pilot project in Alaska, to each individual or family receiving a grant from Alaska's own fully funded disaster assistance program.

(b) The GFIP is the Standard Flood Insurance Policy Dwelling Form (a copy of which is included in Appendix A(1) of this part), except that:

(1) The GFIP provides coverage for losses caused by land subsidence, sewer backup, or seepage of water without regard to the requirement in paragraph B.3. of Article 3 that the structure be insured to 80 percent of its replacement cost or the maximum amount of insurance available under the NFIP.

(2) Article 7, Deductibles, does not apply to the GFIP. Instead, a special deductible of \$200 (applicable separately to any building loss and any contents loss) applies to insured flood-damage losses sustained by the insured property in the course of any subsequent flooding event during the term of the GFIP. The separate deductible applicable to Article 3 B.3 does not apply.

(3) Article 9 E., Cancellation of Policy By You, does not apply to the GFIP.

(4) Article 9 G., Policy Renewal, does not apply to the GFIP.

(c) A notice will be sent to the GFIP certificate holders approximately 60 days before the end of the 3-year term of the GFIP. The notice will (1) encourage them to contact a local insurance agent or producer or a private insurance company selling NFIP policies under the Write Your Own program of the NFIP to apply for a conventional NFIP Standard Flood Insurance Policy and (2) advise them as to the amount of coverage they must maintain in order not to jeopardize their eligibility for future disaster assistance.

**PART 206—FEDERAL DISASTER ASSISTANCE FOR DISASTERS DECLARED ON OR AFTER NOVEMBER 23, 1988**

3. The authority citation for Part 206 is revised to read as follows:

Authority: 42 U.S.C. 5121 *et seq.*; 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, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

**Subpart E—Individual and Family Grant Programs**

4. Section 206.131(a) is amended by adding a sentence between the sentence ending, “\* \* \* to reflect changes in the Consumer Price Index for all Urban Consumers,” and the sentence beginning, “The Governor or his/her designee is responsible . . .” to read as set forth below, and § 206.131(d)(1)(iii) (C) and (D) are revised to read as follows:

**§ 206.131 Individual and family grant programs.**

(a) \* \* \* IFG assistance for damages or losses to real or personal property, or both, will be provided to individuals or families with those IFG-eligible losses totaling \$201 or more; those individuals with damages or losses of \$200 or less to real or personal property, or both, are ineligible. \* \* \*

\* \* \* \* \*

(d) \* \* \*

(1) \* \* \*

(iii) \* \* \*

(C)(1) The State may not make a grant for acquisition or construction purposes in a designated special flood hazard area in which the sale of flood insurance is available under the NFIP unless the individual or family obtains adequate flood insurance and maintains such insurance for as long as they live at that property address. The coverage shall equal the maximum grant amount established under § 411(f) of the Stafford Act. If the grantee is a homeowner, flood insurance coverage must be maintained on the residence at the flood-damaged property address for as long as the structure exists if the grantee, or any subsequent owner of that real estate, ever wishes to be assisted by the Federal government with any subsequent flood damages or losses to real or personal property, or both. If the grantee is a renter, flood insurance coverage must be maintained on the contents for as long as the renter resides at the flood-damaged property address. The restriction is lifted once the renter moves from the rental unit.

(2) Individuals named by a State as eligible recipients under § 411 of the

Stafford Act for an IFG program award for flood damage as a result of a Presidential major disaster declaration will be included in a Group Flood Insurance Policy (GFIP) established under the National Flood Insurance Program (NFIP) regulations, at 44 CFR 61.17.

(i) The premium for the GFIP is a necessary expense within the meaning of this section. The State shall withhold this portion of the IFG award and provide it to the NFIP on behalf of individuals and families who are eligible for coverage. The coverage shall be equivalent to the maximum grant amount established under § 411(f) of the Stafford Act.

(ii) The State IFG program staff shall provide the NFIP with records of individuals who received an IFG award and are, therefore, to be insured. Records of IFG grantees to be insured shall be accompanied by payments to cover the premium amounts for each grantee for the 3-year policy term. The NFIP will then issue a Certificate of Flood Insurance to each grantee. Flood insurance coverage becomes effective on the 30th day following the receipt of records of GFIP insureds and their premium payments from the State, and terminates 36 months from the inception date of the GFIP, i.e., 60 days from the date of the disaster declaration.

(iii) Insured grantees would not be covered if they are determined to be ineligible for coverage based on a number of exclusions established by the NFIP. Therefore, once grantees/policyholders receive the Certificate of Flood Insurance that contains a list of the policy exclusions, they should review that list to see if they are ineligible for coverage. Those grantees who fail to do this may find that their property is, in fact, not covered by the insurance policy when the next flooding incident occurs and they file for losses. Once the grantees find that their damaged buildings, contents, or both, are ineligible for coverage, they should notify the NFIP in writing in order to have their names removed from the GFIP, and to have the flood insurance maintenance requirement expunged from the NFIP data-tracking system. (If the grantee wishes to refer to or review a Standard Flood Insurance Policy, it will be made available by the NFIP upon request.)

(D) A State may not make a grant to any individual or family who received Federal disaster assistance for flood damage occurring after September 23, 1994, if that property has already received federal flood-disaster assistance in a disaster declared after September 23, 1994, a flood insurance

purchase and maintenance requirement was levied as a condition or result of receiving that Federal disaster assistance, and flood insurance was, in fact, not maintained in an amount at least equal to the maximum IFG grant amount. However, if that property was determined to be ineligible for NFIP flood insurance coverage and is in a special flood hazard area located in a community participating in the NFIP, then the State may continue to make grants to those individuals or families that receive additional damage in all subsequent Presidentially declared major disasters involving floods.

(Catalog of Federal Domestic Assistance No. 83.100, “Flood Insurance”; No. 83.516, “Disaster Assistance”)

Dated: April 25, 1996.

James L. Witt,

Director.

[FR Doc. 96-10779 Filed 4-30-96; 8:45 am]

BILLING CODE 6718-02-P

**DEPARTMENT OF TRANSPORTATION**

**National Highway Traffic Safety Administration**

**49 CFR Part 571**

[Docket No. 96-44, Notice 01]

RIN 2127-AG30

**Federal Motor Vehicle Safety Standards; Fuel System Integrity**

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

**ACTION:** Final rule, technical amendment.

**SUMMARY:** This document deletes several obsolete sections of Standard No. 301, “Fuel System Integrity.” They relate to (1) the standard’s general requirements in S5 as they apply to light vehicles, (2) the requirements for schoolbuses in S5.4, and (3) the requirements for fuel spillage in S5.5. These sections are obsolete because the time periods to which they specify are all in the past.

**EFFECTIVE DATE:** This rule is effective May 31, 1996.

**FOR FURTHER INFORMATION CONTACT:** For nonlegal issues: Dr. William J.J. Liu, Office of Vehicle Safety Standards, NPS-12, telephone (202) 366-4923.

For legal issues: Mr. Marvin Shaw, Office of Chief Counsel, NCC-20, (202) 366-2992. Both may be reached at the National Highway Traffic Safety Administration, 400 Seventh St., S.W., Washington, D.C., 20590.

**SUPPLEMENTARY INFORMATION:** Pursuant to the President’s March 4, 1995