

**PART 63—IMPLEMENTATION OF SECTION 1306(c) OF THE NATIONAL FLOOD INSURANCE ACT OF 1968**

**Subpart A—General**

Sec.

- 63.1 Purpose of part.
- 63.2 Condemnation in lieu of certification.
- 63.3 Requirement to be covered by a contract for flood insurance by June 1, 1988.
- 63.4 Property not covered.
- 63.5 Coverage for contents removal.
- 63.6 Reimbursable relocation costs.
- 63.7 Amount of coverage and deductible on effective date of condemnation or certification.
- 63.8 Limitation on amount of benefits.
- 63.9 Sale while claim pending.
- 63.10 Demolition or relocation contractor to be joint payee.
- 63.11 Requirement for a commitment before October 1, 1989.
- 63.12 Setback and community flood plain management requirements.

**Subpart B—State Certification of Structures Subject to Imminent Collapse**

- 63.13 Purpose of subpart.
- 63.14 Criteria for State qualification to perform imminent collapse certifications.
- 63.15 State application for eligibility to certify structures subject to imminent collapse.
- 63.16 Review of State application by the Administrator.
- 63.17 Procedures and data requirements for imminent collapse certifications by States.
- 63.18 Review of State certification by the Administrator.

AUTHORITY: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978; E.O. 12127.

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**Subpart A—General**

**§ 63.1 Purpose of part.**

The purpose of this part is to implement section 1306(c) of the National Flood Insurance Act of 1968, as amended (the Act). Section 544 of the Housing and Community Development Act of 1987 (Pub. L. 100-242) amended the Act by adding subsection (c) to section 1306 of the Act. Under this amendment, effective February 5, 1988, section 1306(c) of the Act provides for benefit payments under the Standard Flood Insurance Policy (SFIP) for demolition or

relocation of a structure insured under the Act that is located along the shore of a lake or other body of water and that is certified by an appropriate State or local land use authority to be subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels. This part establishes criteria by which States can obtain the approval of the Administrator to make these certifications and sets forth the procedures and data requirements to be used by those States in making these certifications. This part also contains provisions regarding other aspects of section 1306(c) of the Act. For example, there are provisions regarding section 1306(c)(6)(B) of the Act (which provides for condemnation in lieu of certification), including clarification as to the form of condemnation issued under a State or local law that is required.

**§ 63.2 Condemnation in lieu of certification.**

(a) The condemnation required by section 1306(c)(6)(B) of the Act in lieu of certification need not be grounded in a finding that the structure is subject to imminent collapse or subsidence as a result of erosion, but may be issued for other reasons deemed sufficient by the State or local authority.

(b) The condemnation may be in the form of a court order or other instrument authorized by State or local law, e.g., a notification to the property owner of an unsafe condition, or unsanitary condition, or other deficiency at the property address, coupled with a statement that the property owner must vacate the property if the condition giving rise to the condemnation notice is not cured by repair, removal, or demolition of the building by a date certain.

(c) In addition to a condemnation in accordance with paragraphs (a) and (b) of this section, a structure must be found by the Administrator to be subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels to be eligible for benefits under section 1306(c) of the Act.