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## NCUA Media Release

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# NCUA Responds to Flooding and Expands Disaster Relief for Storm-Affected States

**Alexandria, Va. (May 9, 2011)** – With severe flooding continuing to threaten areas of Tennessee, Mississippi, Kentucky and Louisiana, National Credit Union Administration (NCUA) Board Chairman Debbie Matz activated the agency’s disaster relief policy to assist credit unions and their members to deal with potential losses. Additionally, NCUA has expanded its disaster relief response to Iowa after more heavy storms there.

The flooding from a rising Mississippi River threatens to exceed historic highs reached in 1927 when collapsed levees caused widespread flooding. The river’s tributaries have been dumping more than twice their normal volume into the Mississippi since April 25.

In response, President Barack H. Obama declared Friday that a major disaster exists in Louisiana and ordered federal aid to supplement state and local efforts. The President’s actions make federal funding available for the following affected parishes: Avoyelles, Ascension, Assumption, Catahoula, Concordia, East Carroll, Iberia, Iberville, LaSalle, Madison, Pointe Coupee, East Baton Rouge, St. Charles, St. James, St. John, St. Landry, St. Martin, St. Mary, Tensas, Terrebonne, West Baton Rouge, and West Feliciana.

Thursday, President Obama declared that a major disaster exists in Mississippi, Tennessee and Kentucky because of the flooding. In Mississippi, the following counties are affected: Adams, Bolivar, Claiborne, Coahoma, DeSoto, Issaquena, Jefferson, Tunica, Warren, Washington, and Wilkinson. In Tennessee, the following counties are affected: Dyer, Lake, Shelby, and Stewart. In Kentucky, the following counties are affected: Boone, Bracken, Campbell, Carroll, Carter, Fleming, Gallatin, Kenton, Lawrence, Morgan, Nicholas, Oldham, Owen and Washington. Federal assistance is also available on a cost-sharing basis for hazard mitigation measures throughout Kentucky.

After severe storms hit Iowa April 9-10, President Obama Thursday declared the following counties a disaster area: Buena Vista, Cherokee, Ida, Monona, Pocahontas, and Sac. Under the agency’s disaster assistance policy in relation to communities covered by a presidential disaster declaration, NCUA will, where necessary:

- Encourage credit unions to make loans with special terms and reduced documentation to affected members;
- Reschedule routine examinations of affected credit unions if necessary;
- Guarantee lines of credit for credit unions through the National Credit Union Share Insurance Fund; and
- Make loans to meet the liquidity needs of member credit unions through the Central Liquidity Facility.

As part of its disaster response, NCUA examiners will survey credit unions operating in flood and storm affected counties and parishes. Most credit unions remain open, operating business as usual, although some credit union branches affected may have curtailed hours or services.

During natural disasters, NCUA works with individual state league organizations and state regulators to ensure all federally insured credit unions know of NCUA's available assistance. The agency's examiners will therefore remain in close contact with the affected local credit unions to offer advice and assistance. During disaster conditions, NCUA personnel operate under three priorities:

- Ensure the safety of credit union staff;
- Keep facilities and operations available to members; and
- Provide material and technical assistance, as needed, to affected credit unions.

Federal credit unions may also provide assistance to other credit unions and non-members in the affected areas, under certain conditions:

- A federal credit union may provide services to persons who are members of another credit union under their correspondent services authority.
- Emergency financial services for non-members, including check cashing, access to ATM networks, or other services to meet short-term emergency needs of individuals in the areas affected by the storms, can be provided under the authority to engage in charitable activities.
- Federal credit unions providing services on a charitable basis may not impose charges for services that exceed their direct costs.

Credit unions and credit union members in Iowa and Louisiana needing help because of these declarations may contact NCUA's Region IV office in Austin at (512) 342-5600 during normal business hours. Credit unions and their members needing help in Kentucky, Mississippi and Tennessee may contact NCUA's Region III office in Atlanta at (678) 443-3000.

*NCUA is the independent federal agency that regulates, charters and supervises federal credit unions. With the backing of the full faith and credit of the U.S. government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the funds of more than 90 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.*