MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Flood Insurance Considerations

Floodplain Management/National Flood Insurance Guidance

Flood Insurance Purchase Requirements

Federally mandated flood insurance is required if the property is located in the Federal Emergency Management Agency (FEMA) mapped 100-year floodplain shown on the community's Flood Insurance Rate Map (FIRM) and if the borrower is obtaining a federally insured, regulated, or supervised loan.

To determine if a property is located in a mapped floodplain, check the following resources:

- FEMA website at msc.fema.gov or
- FEMA National Flood Hazard Layer (msc.fema.gov/nfhl)
- Your local community offices. The local planning/zoning or building departments may have copies of their community's floodplain maps.

If your structure is located within the mapped floodplain, flood insurance will be required as a condition of any federally insured, regulated, or supervised loan.

If your structure is located outside of the floodplain then flood insurance is generally not required. If the map is not accurate enough to show whether the property is in or out of the mapped floodplain then you may want to hire a surveyor or engineer to accurately locate your parcel on the map, and/or do an elevation survey for the property to determine if the site is in or out of the floodplain.

FEMA flood insurance is only available in communities that participate in the National Flood Insurance Program (NFIP). To determine if your community is in the NFIP, view the community status book at: fema.gov/cis/MI.pdf or contact FEMA at 877-336-2627.

Flood insurance is generally optional if the structure securing the loan is not in the 100-year floodplain. However, the lender always has the option of requiring the insurance as a condition of the mortgage.

More information on flood insurance is available at Floodsmart.gov.

Frequently asked Questions

1. I believe I shouldn't be shown in the floodplain, but the FIRM shows my lot is in the floodplain. What are the options to remove land or a building from the 100-year floodplain?

To be removed from the floodplain shown on the Flood Insurance Rate Map (FIRM), a structure must be on land that is not subject to flooding by the 1% annual chance (100-year) flood. Remember, more severe floods can and do happen, so even if your home is found to be on high ground, it may still be damaged by a flood event. The following three letters remove the structure from the 100-year floodplain. Removal from the floodplain under one of the three options below will remove the federal flood insurance requirement. However, a lender may choose to require flood insurance for any loan they issue.

- **Letter of Map Amendment -Out as Shown (LOMA-OAS)**
  If the building or property is clearly outside the mapped 100-year floodplain, the LOMA-OAS is usually the quickest and cheapest way to remove the mandatory insurance purchase requirement. The LOMA-OAS is a document issued by FEMA that officially shows that a property and/or structure is not located in the 100-year floodplain. To obtain a LOMA-OAS, the applicant must submit mapping and survey data for the property, showing the building to be clearly located completely outside of the mapped 100-year floodplain. This option is only available if it is clear, visually, that the structure/building site is not in the 100-year floodplain. Find more information at fema.gov/sites/default/files/documents/fema_letter-map-amendment-out-shown.pdf

- **Letter of Map Amendment (LOMA)**
  If your lot or building site is on natural ground (not fill) that is higher than the Base Flood Elevation (BFE) shown on the FIRM, then you may request a Letter of Map Amendment (LOMA). To support the request, you will need to hire a surveyor to determine the elevation of the ground next to the building and complete an Elevation Certificate (form locations shown below). If the ground is higher than the Base Flood Elevation (BFE or 100-year flood elevation), then FEMA will issue a LOMA. With a LOMA, the lender may choose not to require flood insurance. FEMA does not charge a review fee for LOMAs.

- **Letter of Map Revision based on fill (LOMR-f)**
  If your home was built on fill that was placed after the first FIRM was prepared, you may request a Letter of Map Revision Based on fill (LOMR-f). As with a LOMA, you will need to get an Elevation Certificate completed by a land surveyor. If the filled ground around the house and the lowest floor including the basement are both above the BFE, then FEMA may issue a LOMR-f, and your lender may choose to not require flood insurance. There is a $425 review fee for a LOMR-f. The applicant will need to provide copies of permits for

the fill and building. If the lowest floor, including basement, is below the BFE, it is not possible to obtain a LOMR-f for an existing building. More information on LOMR-fs is at: fema.gov/flood-maps/change-your-flood-zone/ioma-iomr-f.

FORMS

- Elevation Certificate – required for both a LOMA and a LOMR-f, but not the LOMA-OAS
- MT-EZ Form (for LOMA's) – for LOMA and LOMA-OAS
- MT-1 Form (for LOMR-F) – for LOMR-f

2. How and when do I get a refund for canceling my flood insurance?

If you were required to get flood insurance by a lender and then you received a LOMA from FEMA, you may request a refund. The lender is not required to waive the requirement; they may decide that flood insurance coverage is still required.

To get a refund, the lender must agree to waive the insurance. Present the written waiver to the insurance agent who sold you the policy and request a refund. If granted, refunds will cover the premiums paid within the last year. Refunds are not available if a claim has been made or is pending against the policy.

3. My bank said I'm in the floodplain and have to buy insurance. What can I do?

Federally regulated lenders and federally-backed loans must require the borrower to purchase flood insurance if the structure is within the mapped 100-year floodplain. Their determinations are purely in/out and do not involve the elevation of the structure. If a borrower does not agree with the lender's determination, they can request FEMA to review the determination through a Letter of Determination Review (LODR). The LODR is FEMA's finding regarding the structure's location with respect to the mapped 100-year floodplain. It does not consider the elevation of the structure or property above the flood level. It also does not result in an amendment or revision to the Flood Insurance Rate Map (FIRM).

LODR requests must be submitted within 45 days of the date the lending institution notified you that the building is in the 100-year floodplain and flood insurance is required.

Note: If any portion of the structure falls within the 100-year floodplain, the flood insurance purchase requirement will apply. This includes anything structurally attached to the house such as decks, steps or patios.

If FEMA finds the structure is not located in the 100-year floodplain and if the lender waives flood insurance, you can obtain a full premium refund if no claim on the policy has been made. The finding by FEMA will remain in effect until the flood map affecting the property is revised.

Additional Information on LODRs can be found at fema.gov/fact-sheet/how-request-flood-hazard-determination-review-fema.

4. Who can sell Flood Insurance policies?

Any licensed property and casualty insurance agent can sell NFIP policies. To find a seller, go to floodsmart.gov/get-insured/flood-insurance-provider or call 877-336-2627 to find a local agent or company that offers NFIP flood insurance.

5. How much does Flood Insurance Cost?

FEMA has an online quoting tool at floodsmart.gov/policy-quote/.

6. I can't get out of the floodplain through the methods listed above. Is there anything I can do to reduce my premiums?

Possibly. There are a variety of projects you may be able to complete to lower your flood insurance premiums, depending on your situation. These projects can run from relatively cheap, such as installing flood-vent openings in crawlspace walls to expensive, such as elevating your house. FEMA has a guide to various mitigation discounts at: floodsmart.gov/get-insured/discounts.

7. I experienced significant flood damage. I have FEMA flood insurance. Is there anything I should know?

You may be eligible for up to an additional $30,000 to elevate your home, reducing its future flood risk. FEMA flood insurance policies have coverage referred to as "Increased cost of compliance" or ICC. If your home is located in the 100-year floodplain and was substantially damaged, the Michigan Construction codes require it to be elevated above the 100-year floodplain before it can be fixed. Substantial Damage is damage from any cause where repair costs are 50% or more of the structure's pre-damage market value (excluding land). To be eligible for ICC coverage, you will need a letter from the building official determining that your structure has been substantially damaged. More information on ICC is at floodsmart.gov/recover/rebuild-better.

8. I'm having problems or want to appeal a FEMA flood insurance claim decision. What can I do?

You can contact the FEMA Office of the Flood Insurance Advocate. Additional information can be found at fema.gov/flood-insurance/advocate. Contacting the office must be done through the fema.gov/form/ask-the-flood-insurance-advocate.

Additional Information

Flood Insurance:

- Additional information on flood insurance is available at **Floodsmart.gov**
- Need additional help? Call 877-FEMA MAP

Floodplain Management

- Floodplain Management/NFIP State Coordinator
  Matthew Occhipinti PE, CFM: **OcchipintiM@Michigan.gov** | 616-204-1708
- Floodplain Engineer
  Jared Parker, **ParkerJ36@Michigan.gov** | 517-927-9541
- **Floodplain Staff Map**