WATER RESOURCES DIVISION

FLOOD INSURANCE CONSIDERATIONS

1) **Flood Insurance Purchase Requirements**

A. Federally mandated flood insurance is required if all of the following conditions are met.

i. **The local community is participating in the National Flood Insurance Program (NFIP).** To determine if your community is in the NFIP, contact the Federal Emergency Management Agency (FEMA) toll free at 1-877-336-2627 or view the community status book at: www.fema.gov/national-flood-insurance-program/national-flood-insurance-program-community-status-book .

ii. **The property is located in a mapped floodplain area shown on the local community's Flood Insurance Rate Map (FIRM).** The following steps can help to determine if the property is located in a mapped floodplain.

1. If your community is in the NFIP, the next step is to obtain a floodplain map. A map may be obtained from one of the following sources:

   a. Contact the FEMA at 1-800-358-9616 or go to the FEMA website at http://msc.fema.gov

   b. Visit your local community offices. The local planning/zoning or building departments should all have copies of their community's floodplain maps.

2. If there is a floodplain map, locate the property on the map. If your structure is located within the mapped floodplain flood insurance will be required as a condition of any federally backed/guaranteed 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:

   a. Contact a floodplain determination company; for a listing go to: http://www.fema.gov/flood-zone-determination-companies

b. Hire a licensed professional surveyor or engineer to accurately locate your parcel on the map, or do an elevation survey for the property to determine if the site is in or out of the floodplain.

iii. The borrower is obtaining a federally insured, regulated, or supervised loan. (Generally the bank that is issuing the loan will contact a flood-zone determination company to determine if flood insurance will be required as a condition of the mortgage).

B. Flood insurance is generally optional if only condition (i.) is met, and the structure securing the loan is not in the special flood hazard area. However, the lender always has the option of requiring the insurance as a condition of the mortgage.

2) **The map shows that my lot is in the mapped floodplain, but the ground my house is on high ground. I believe I shouldn't be shown in the floodplain. What are the FEMA's requirements to remove land or a building from the 1% annual chance flood hazard area?**

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 an extreme flood event. The following two letters remove the structure from the 100-year floodplain.

a. Letter of Map Amendment (LOMA)

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

b. Letter of Map Revision (LOMR)

If your home was built on fill that was placed after the 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 is higher than the Base Flood Elevation, and if you do not have a basement, then the 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.

FORMS

For both the LOMA and LOMR processes a completed Elevation Certificate and MT-EZ form (for LOMA) or MT-1 form (for LOMR-F) must be submitted to the FEMA. These forms can be found online at:

Elevation Certificate: www.fema.gov/media-library/assets/documents/160?id=1383

MT-EZ Form (for LOMA's) www.fema.gov/mt-ez-form-instructions

MT-1 Form (for LOMR-F) www.fema.gov/mt-1-application-forms-instructions

3) How and when do I get a refund for canceling my flood insurance?

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

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

4) My bank said I'm in the floodplain and have to buy insurance. I don't believe it. What can I do?

If a lending institution is federally regulated or making federally-backed loans, it must review the National Flood Insurance Program (NFIP) maps to determine if the building is located in a Special Flood Hazard Area. The SFHA is the area that is expected to be inundated by a 1% annual chance flood and is also known as the 100-year floodplain. If the bank makes such a determination, it must require the borrower to purchase flood insurance. Please note these determinations are purely in/out and do not involve the vertical elevation of the structure. A Letter of Determination Review (LODR) is the FEMA's comment on the determination made by the lender that the borrower's structure is in the Special Flood Hazard Area (SFHA). Borrowers who have good reason to dispute the flood hazard determination presented by a lender may request, that the FEMA review that determination. The LODR process does not consider the elevation of the structure or property above the flood level. The LODR process does not result in an amendment or revision to the Flood Insurance Rate Map (FIRM). It is only the FEMA's finding regarding the structure's location with respect to a delineated special flood hazard area.

Because of the fee required to process the request, borrowers should not consider this alternative unless they have already had the subject STRUCTURE plotted on the current effective Flood Insurance Rate Map (FIRM) and are certain it is wholly outside the SFHA. It is important to keep in mind that if any portion of a structure falls within the SFHA, the flood insurance purchase requirement will apply.

The request for a LODR must be submitted within 45 days of the date the lending institution notified you that a building is in the SFHA and flood insurance is required. Requests received with a postmark after the 45-day limit will be returned to the sender.

If the FEMA finds through its review that the structure is not located in a special flood hazard area and if the lender waives its prerogative to require flood insurance, you can obtain a full premium refund if no claim on the policy has been made. The finding by the FEMA will remain in effect until the flood map affecting the property is revised.

All the LODR requests are completed and the FEMA provides a written response to the joint requesters within 45 days of the date the FEMA received the complete request. There are three possible outcomes of the review: (1) Upheld: The FEMA's review of the data agrees with the determination by the lender. (2) Unchanged: The FEMA's review cannot dispute the lender's determination because the data are insufficient to reach a conclusion. (3) Overturned: The FEMA's review of the data indicates the structure is not located in the mapped the SFHA.

A fee of $80 must be submitted with all the LODR requests. The fee payment may be in the form of a check or money order, made payable to the "National Flood Insurance Program." The fee must be accompanied by copies of the following:

1. The completed Standard Flood Hazard Determination Form (FEMA form 81-93 available online at: https://www.fema.gov/forms

2. The dated notification to the borrower from the lender that the property is on the SFHA.

3. The effective FIRM for the community in which the structure or manufactured home is located, annotated to show the location of the structure or manufactured home.

4. All material used by the lender or any third party employed by the lender to make the flood hazard determination (The FEMA must confirm the location of the structure on the NFIP map by examining the data source used to make the determination)

5. A letter to the FEMA requesting a review of the lender's determination, **signed by the borrower and the lender**

Please note that all of the above information is required. If the submittal is incomplete in any way, the entire package will be returned to the applicant for completion. There is, again, no extension of time, even if the package is returned to the requestor to gather information for a complete submittal.

Need additional help? Call **1-877-FEMA MAP**