

National Flood Insurance Program Bureau and Statistical Agent

Effects of Map Changes on Flood Insurance

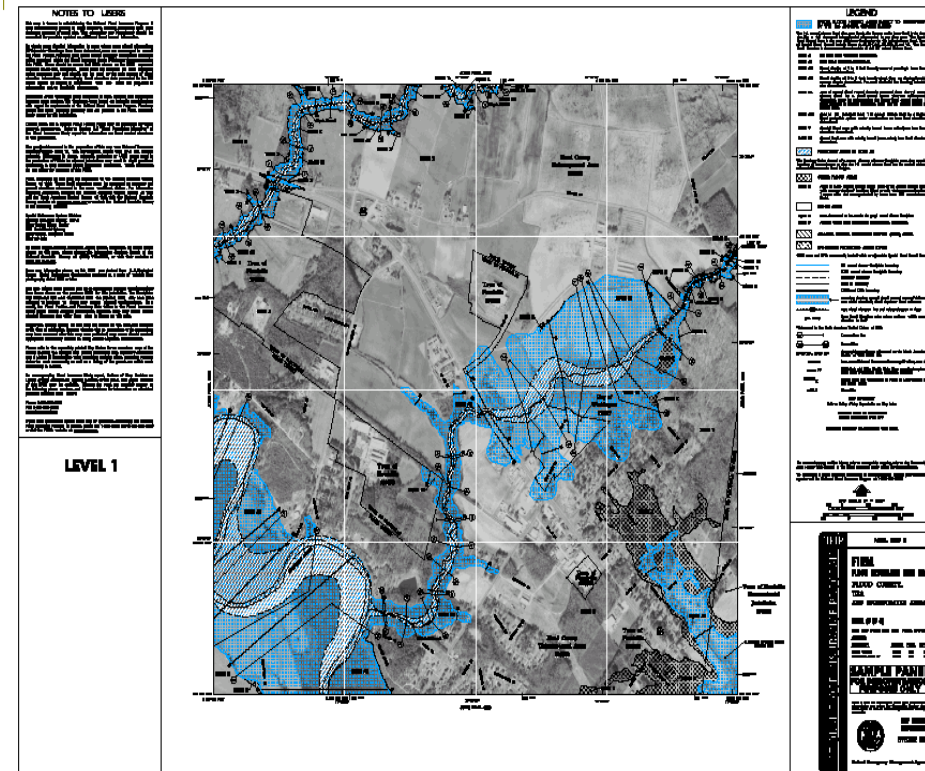
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Insurance Benefits of New Map

- Identifies current flood hazard risks
- Provides for more accurate rating
- Allows property owners to make more informed decisions



Effective Dates for New Policies

Standard Waiting Period?

30-days

In connection with map revision?

1-day

In connection with loan requirement

0-day

General Rule: Use map in effect at time of application and presentment of premium, unless a Grandfathering Rule or the PRP Extension applies.

Pre- vs. Post-FIRM

Pre-FIRM

Before initial FIRM

OR

on or Before 12/31/74,

whichever is LATER.

“OLD STANDARDS”

PANEL 0065 B

FIRM
FLOOD INSURANCE RATE MAP

DADE COUNTY,
MISSOURI
AND INCORPORATED AREAS

PANEL 65 OF 295

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
DADE COUNTY	290796	0065	B

Notice to User: The **Map Number** shown below should be used when placing map orders; the **Community Number** shown above should be used on insurance applications for the subject community.

MAP NUMBER
29057C0065 B

EFFECTIVE DATE
JULY 17, 2002

Federal Emergency Management Agency

Post-FIRM

On or after initial FIRM

OR

After 12/31/74,

whichever is LATER.

“NEW STANDARDS”

Preferred vs. Standard Rates

Preferred Risk Policy (PRP):

- Must be in Zone B, C, or X at time of application AND each subsequent renewal*
- Limited loss history

Standard Rates:

- Rate Tables provided in Flood Insurance manual
- Risks not eligible for Preferred Risk Policy

*A building which becomes ineligible for PRP due to a zone change will renew using Standard Rates. Unless, building qualifies for the PRP Extension, then policy is eligible for PRP at time of application and will renew using Standard Rates after 2-year eligibility. The old zone can be “locked” in using zones B, C, or X.

What is a PRP?

- The Preferred Risk Policy (PRP) offers low-cost flood insurance to owners and tenants of eligible residential and non-residential buildings.

What is the PRP Extension?

- The PRP 2-year Extension provides temporary financial relief to qualifying property owners negatively impacted by a map revision; the reduced cost allows time to save and prepare for paying the premium based on standard NFIP rates after two years.

Who is eligible for the PRP Extension?

- Buildings that were newly mapped into an SFHA due to a map revision on or after October 1, 2008, and before January 1, 2011, are eligible for a PRP for two policy years, between January 1, 2011, and December 31, 2012.
- Buildings that will be mapped from a non-SFHA to a SFHA due to a map revision on or after January 1, 2011, will be eligible for a PRP for two policy years following the effective date of the map revision.

What documentation can be used to support eligibility?

- A Letter of Map Amendment (LOMA)
- A Letter of Map Revision (LOMR)
- A Letter of Determination Review (LODR)
- A copy of flood map marked to show the location and flood zone of the building
- A signed and dated letter from a local community official indicating the address, flood zone, map panel and map effective date
- An Elevation Certificate (EC), indicating the address and flood zone of the building, that is signed and dated by a surveyor, engineer, architect, or local community official
- A flood zone determination certification that guarantees the accuracy of the information

Loss History

- PRP Loss History Eligibility Still Applies!
 - If there are two claims or disaster relief payments for flood loss of \$1,000 or more; or
 - Three loss payments of any amount

Grandfather Rules

- Allows a property owner to:
 - “Lock” in a previous flood zone
 - “Lock” in a previous Base Flood Elevation (BFE)

How to “Lock” in your current Zone or BFE before a map revision

- Which structures can benefit?

All structures!

- Purchase flood insurance BEFORE the map revision*
- Maintain continuous coverage**
- Policy can be assigned to a new owner

*Buildings that qualify for the PRP Extension have the opportunity to Grandfather, even if coverage is purchased after the map revision, if purchased during the 2-year extension.

**Buildings that qualify for the PRP Extension need to maintain coverage after the second year of eligibility to qualify for this Grandfather Rule.

Zone X



Pre-FIRM Building, \$368 PRP

NATIONAL FLOOD INSURANCE PROGRAM

FIRM
FLOOD INSURANCE RATE MAP


HARRIS COUNTY,
 TEXAS AND
 INCORPORATED AREAS

PANEL 855 OF 1135
 (SEE MAP INDEX FOR PANELS NOT PRINTED)

CONTAINS: COMMUNITY	NUMBER	PANEL	SUFFIX
BELLAIRE, CITY OF	40220	0895	E
HOLSTON, CITY OF	40230	0895	E
SOUTHSIDE PLACE, CITY OF	40211	0866	E
WEST UNIVERSITY PLACE, CITY OF	40270	0895	E

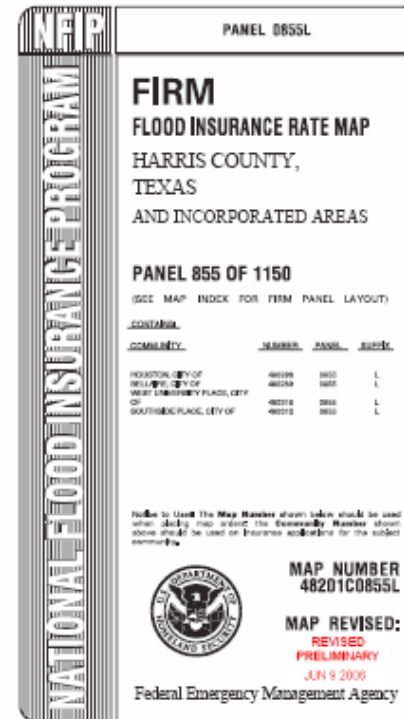
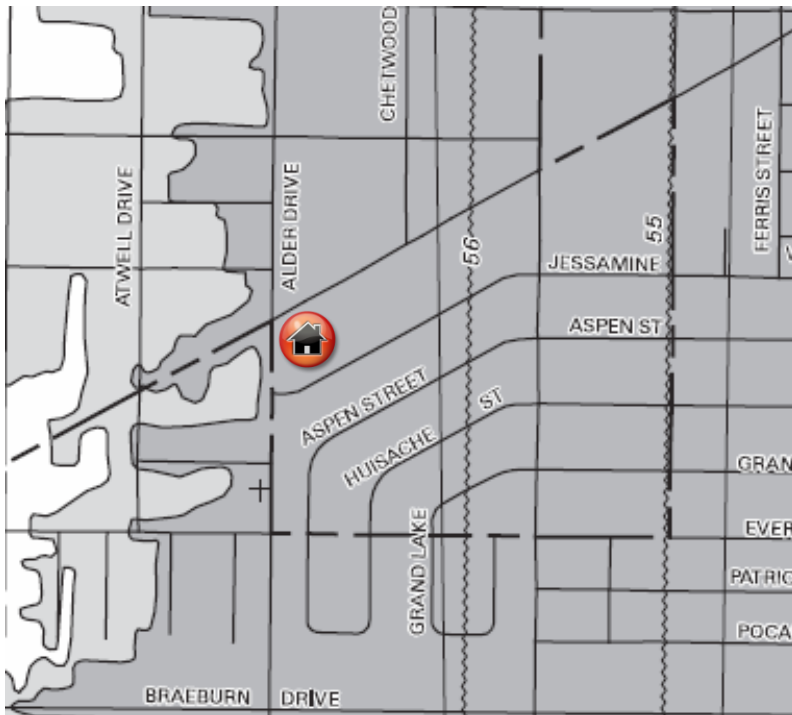
MAP NUMBER
 48201C0855 K

MAP REVISED:
 APRIL 20, 2000



Federal Emergency Management Agency

Zone AE in (Preliminary)



\$368 PRP

Grandfathered:

\$1,577 SFIP (X Zone)

Not Grandfathered:

\$2,476 SFIP (AE Zone)

How to “Lock” in the flood zone and/or BFE identified when the structure was built

- Which structures can benefit?

Primarily applies to Post-FIRM structures (built after initial FIRM in the community)

- Provide your insurance agent:
 - A copy of OLD flood map showing OLD zone to insurance agent (at time of construction)
 - Letter from local community official

NOTE: Continuous coverage is **NOT** required

Is Zone X always the best rate?

- Review all rating options available for structure to ensure that property owner is receiving the most favorable rate

Is Zone X always the best rate?

“Locked” X Zone:

\$1,577

New AE Zone (+2):

\$469

*\$200,000 building/\$80,000 contents; May 2010 rates

In this case, X Zone is the best rate!

“Locked” X Zone:

\$1,577

New AE Zone (-1):

\$2,345

*\$200,000 building/\$80,000 contents; May 2010 rates

Base Flood Elevation – 76 Feet



+1 above BFE is \$499

NATIONAL FLOOD INSURANCE PROGRAM

FIRM
FLOOD INSURANCE RATE MAP

HARRIS COUNTY,
TEXAS AND
INCORPORATED AREAS


PANEL 290 OF 1135
(SEE MAP INDEX FOR PANELS NOT PRINTED)

CONTAINS:
COMMUNITY

	NUMBER	PANEL	SUFFIX
HARRIS COUNTY UNINCORPORATED AREAS	48201	0290	J
HOUSTON CITY OF	48204	0290	J

MAP NUMBER
48201C0290 J

MAP REVISED:
NOVEMBER 6, 1996



Federal Emergency Management Agency

New Base Flood Elevation – 78 Feet



-1 below BFE is \$2,345

NFIP PANEL 0290L

FIRM
FLOOD INSURANCE RATE MAP
HARRIS COUNTY,
TEXAS
AND INCORPORATED AREAS

PANEL 290 OF 1150
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
HARRIS COUNTY	48207	0290	L
INCORPORATED AREA	48208	0290	L
HOUSTON, CITY OF			

How to Use: The Map Number shown below should be used when checking map status. The Community Number shown above should be used on Insurance applications for the subject community.

MAP NUMBER
48201C0290L

MAP REVISED:
REVISED
PRELIMINARY
JUN 9 2006

Federal Emergency Management Agency

Lock in old BFE

“Locked” Old BFE (+1): Use current (-1):

\$499

\$2,345

*\$200,000 building/\$80,000 contents; May 2010 rates

Grandfathering Summary

- Pre-FIRM Buildings
 - Purchase flood insurance before the maps become effective
 - Purchase flood insurance during the PRP 2-Year Extension
- Post-FIRM Buildings
 - Purchase flood insurance before the maps become effective
 - Purchase flood insurance during the PRP 2-Year Extension
 - Obtain proof that the building was built in compliance at the time it was constructed

Remember: Sometimes the rate is better using the new maps; both options should be checked!

What to listen for?

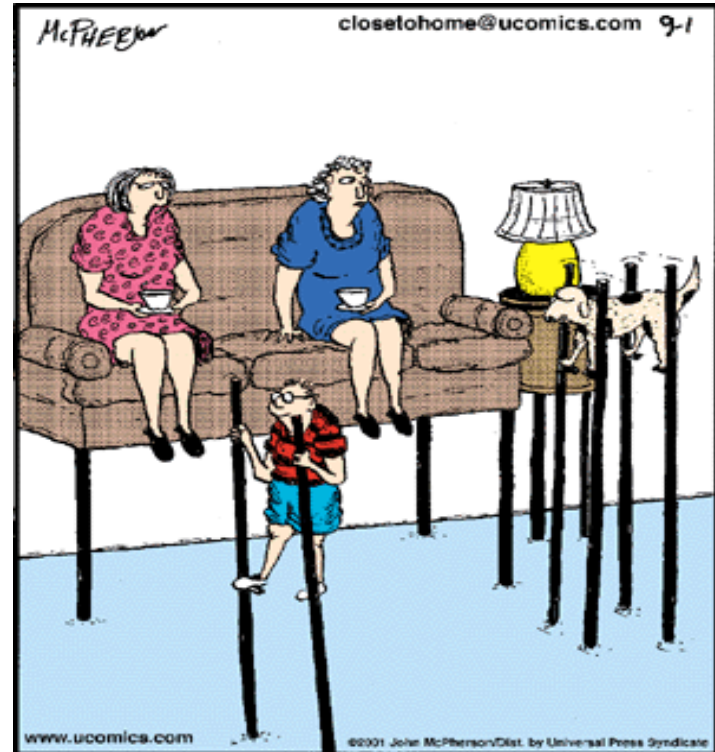
- “When my home was built, it used to be in a low-risk flood zone.”
- “When my home was built, it was compliant to elevation requirements.”

What can you do to assist property owners?

- Assist them with old map information
- Explain their options
- Provide them with necessary resources

REMINDER!

Risk can be reduced; but not removed.



"Jerry looked into flood insurance but says it's too darned expensive."

Get the word out!

- Outreach is key throughout the map revision process
- Understand map change effects on insurance and how to communicate them
- Use the resources you've learned today!

Resources

- Consumer/Agent Site
 - www.FloodSmart.gov
- Map Service Center (including historic maps)
 - www.msc.fema.gov
- FEMA NFIP Homepage
 - <http://www.fema.gov/business/nfip/>
- Insurance-Related Outreach Toolkit
 - <http://www.fema.gov/business/nfip/hillsbo1.shtm>
- Map Information eXchange
 - 1.877.FEMA MAP (1.877.336.2627)

Questions?