

OFFICE OF THE FLOOD INSURANCE ADVOCATE FISCAL YEAR 2023

YEAR IN REVIEW



FEMA



Photo by Mitch Paine

Table of Contents

- Message from the Advocate 3**
- About the OFIA 4**
- FY23 Overview 5**
 - Figure 1: Number of Inquiries Received FY16 – FY23 5*
 - Figure 2: Number of Inquiries Received by State FY23 6*
 - Figure 3: Number of Inquiries Received by Inquiry Topic FY23 6*
 - Figure 4: Figure X: Distribution of Inquiries Received by Inquirer Role FY23 7*
- OFIA Customer Experience (CX) 8**
 - Figure 5: Customer Experience Statistics FY23 8*
- Insurance Underwriting 9**
 - Figure 6: Distribution of Inquiries Received by Insurance Underwriting Subtopics FY23 9*
- Advocate’s Advice for Purchasing a New Policy 10**
- Advocate’s Advice for Changing your Agent, Insurer, or Assigning your Coverage to a New Owner 10**
- Advocate’s Advice for Condominium Unit Owners 12**
 - Figure 7: Number of Policy Lapse Inquiries Received FY16 – FY23 14*
- Advocate’s Advice for Policy Lapses 15**

Insurance Claims 16

Figure 8: Distribution of Insurance Claims Inquiries Received by Type of Inquirer Request FY23 16

Insurance Claims Resources 17

Mandatory Purchase 18

Figure 9: Distribution of Mandatory Purchase Inquiries Received by Inquirer Role FY23 18

Figure 10: Distribution of Mandatory Purchase Inquiries Received by Type of Inquirer Request FY23 19

Advocate’s Advice for Mandatory Purchase 19

Advocate’s Advice for Lenders Regarding Mandatory Purchase 20

Mapping 21

Figure 11: Distribution of Mapping Inquiries Received by Type of Inquirer Request FY23 21

Floodplain Management 23

Figure 12: Distribution of Floodplain Management Inquiries Received by Type of Inquirer Request FY23 24

Advocate’s Advice about Floodplain Management 24

Non-NFIP 25

Figure 13: Distribution of Non-NFIP Inquiries Received by Type of Inquirer Request FY23 25

Hazard Mitigation Assistance Grants 26

Figure 14: Distribution of HMA Inquiries by Type of Inquirer Request FY23..... 26

Information about HMA Grants the Advocate Wants You to Know..... 26

Message from the Advocate



Fiscal Year 2023 (FY23) was a record-breaking year for the Office of the Flood Insurance Advocate (OFIA): We received over 1,000 inquiries! The types of inquiries the OFIA received in FY23 were very similar to those inquiries received in Fiscal Year 2022 (FY22). As such, the OFIA FY23 Year in Review does not make new recommendations, rather it is a retrospective report which provides a deeper analysis of the recent trends in OFIA's casework. The OFIA FY23 Year in Review provides information on the types of inquiries OFIA receives, insights from our data analytics, and "Advocate's Advice" for policyholders and other stakeholders as they navigate the National Flood Insurance Program (NFIP).

In FY23, OFIA received inquiries on all aspects of the NFIP including underwriting, claims, mandatory purchase, mapping, and floodplain management. There were two particularly notable trends in OFIA's inquiries from this time period: 1) inquiries about policy lapses continue to increase significantly, and 2) policyholders want more information to be able to understand their property's unique risk of flooding.

In [FY22](#), the OFIA made four recommendations to the program office to address increasing frustration around policy lapses. The OFIA continues to advocate for the implementation of these recommendations and asserts that they are essential both to prevent policies from lapsing and to alleviate some of the consequences when a lapse does occur, particularly when a third-party is responsible for the lapse.

The OFIA also made five recommendations to the program office in [FY22](#) to address policyholders' increasing desire to understand their risk and their premiums. Price signals risk, and OFIA continues to advocate for policyholders to receive more information to be able to understand both their premium rate and their property's unique risk of flooding. There are a number of opportunities to improve policyholder communications including increasing information available on mailings such as declarations pages and renewal notices. By providing policyholders with more information about their unique risk, we are empowering them to make better, more informed decisions when it comes to protecting their property. Ultimately, this will increase their confidence in making decisions and make them more resilient to flooding.

With kindest regards,

About the OFIA

The Office of the Flood Insurance Advocate (OFIA) was created by Section 24 of the Homeowners Flood Insurance Affordability Act of 2014, which directed the FEMA Administrator to designate a Flood Insurance Advocate to advocate for the fair treatment of policyholders and property owners under the National Flood Insurance Program (NFIP). OFIA is an independent office within FEMA's Resilience organization.

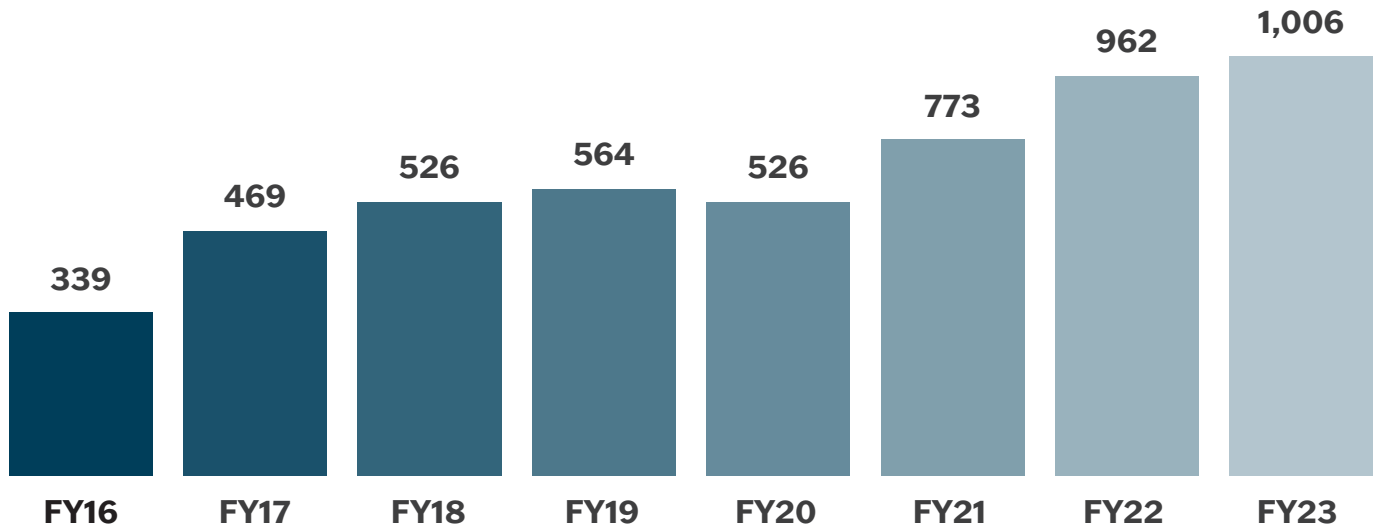
The OFIA's mission is to advocate for policyholders and property owners with compassion and fairness. OFIA's goal is to reduce complexity of the NFIP to ensure policyholders are treated fairly. The Office accomplishes this by fielding inquiries from frustrated and confused customers who primarily contact the Office through the form on our website, tracking inquiries in a Customer Relationship Management (CRM) tool, identifying trends in customer sentiment, and making recommendations for programmatic improvement based on these findings. The trends and recommendations are published yearly in OFIA's annual reports.



FY23 Overview

OFIA advocates for the fair treatment of policyholders and property owners handling their inquiries with compassion and fairness. The Office tracks policyholder inquiries to identify which issues most adversely affect the NFIP customer experience. This section presents visualizations of OFIA's data from FY23.

Figure 1: Number of Inquiries Received FY16 – FY23

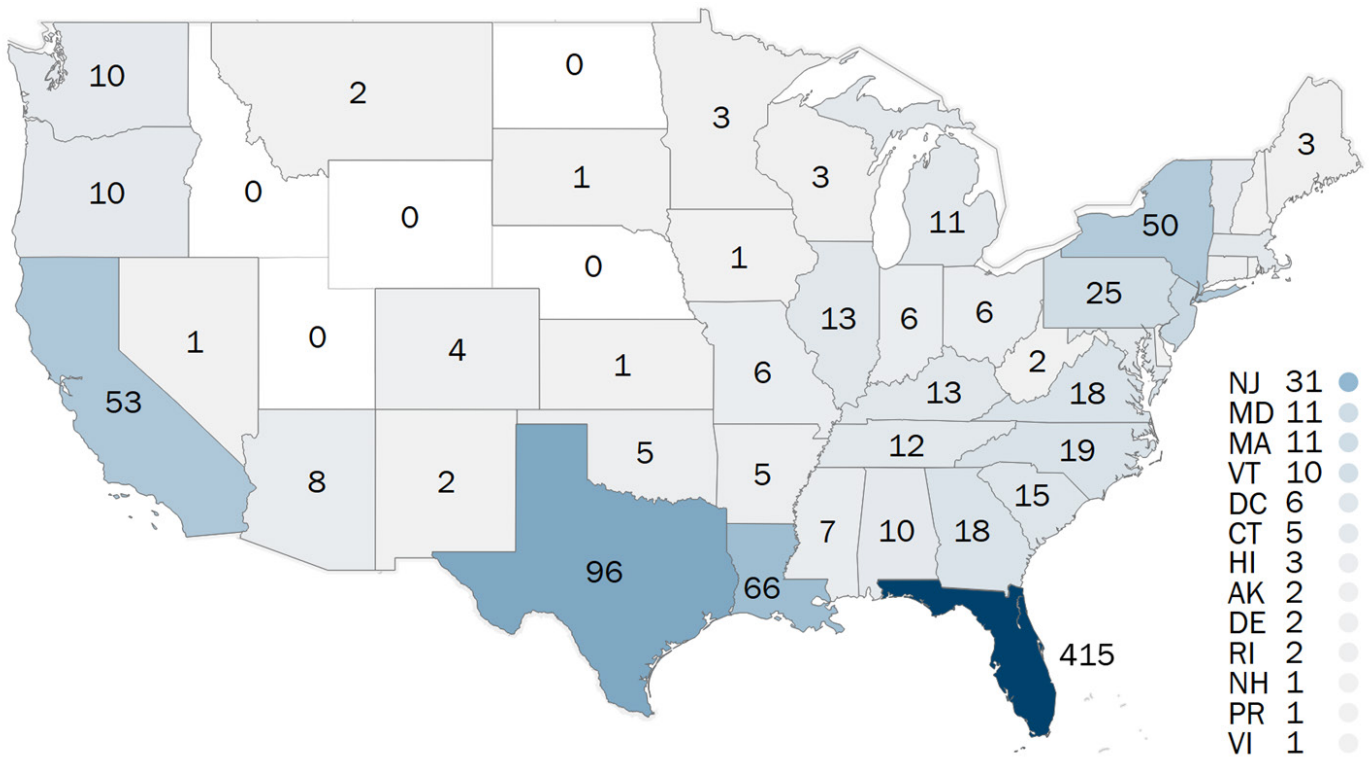


OFIA received 1,006 inquiries in FY23, the largest fiscal year total in the Office's history. This represented a 4.9% increase from FY22, a 91.8% increase from FY20, and a 196.7% increase from FY16.



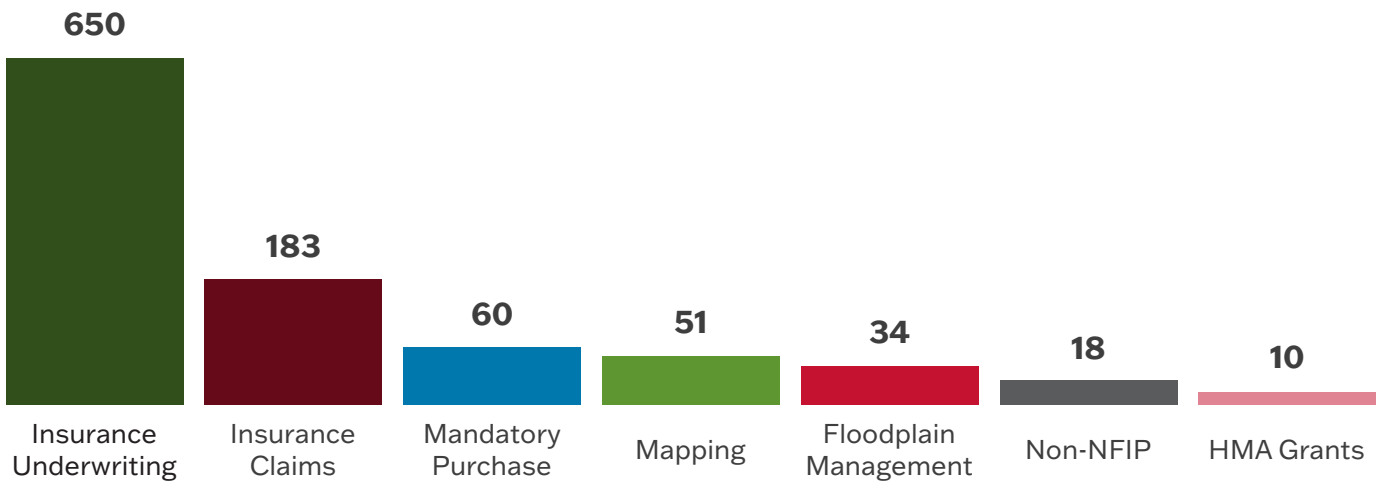
Photo by Mitch Paine

Figure 2: Number of Inquiries Received by State FY23



In FY23, 57.4% of OFIA's inquiries came from Florida, Texas, and Louisiana. Similarly, 60.2% of NFIP policies are in Florida, Texas, and Louisiana.

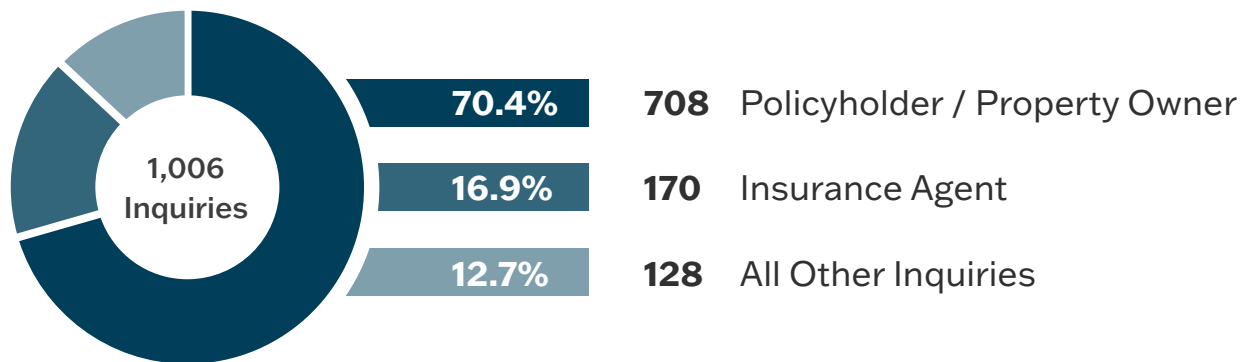
Figure 3: Number of Inquiries Received by Inquiry Topic FY23



In FY23, the most common inquiry topic was Insurance Underwriting, which made up 64.6% of OFIA's FY23 casework. The next most common Topic was Insurance Claims, which made up 18.2% of OFIA's FY23 casework. The topics are outlined below:

- **Insurance Underwriting** inquiries are related to the review and approval of an insurance application and the use of the correct premium rates. Underwriters also assist with policy servicing, including change requests, renewals, and cancellations.
- **Insurance Claims inquiries** are related to the settlement of a payment for the cost of repair and replacement of flood-damaged property covered under the Standard Flood Insurance Policy (SFIP).
- **Floodplain Management** inquiries involve questions about NFIP floodplain management and building requirements that communities adopt into their local ordinance.
- **Mapping** inquiries are related to locating, understanding, and updating Flood Insurance Rate Maps (FIRMs).
- **Mandatory Purchase** inquiries are related to the requirements for property owners to obtain or maintain flood insurance for properties that (a) have federally backed loans and (b) are located in the Special Flood Hazard Area (SFHA).
- **Non-NFIP** inquiries generally deal with FEMA's Individual Household Program grants or privately backed flood insurance.
- **Hazard Mitigation Assistance (HMA) Grants** inquiries are primarily related to grants, funded by the National Flood Insurance Program or National Flood Insurance Act appropriations, that are provided to enhance property resilience to flood hazards.

Figure 4: Figure X: Distribution of Inquiries Received by Inquirer Role FY23

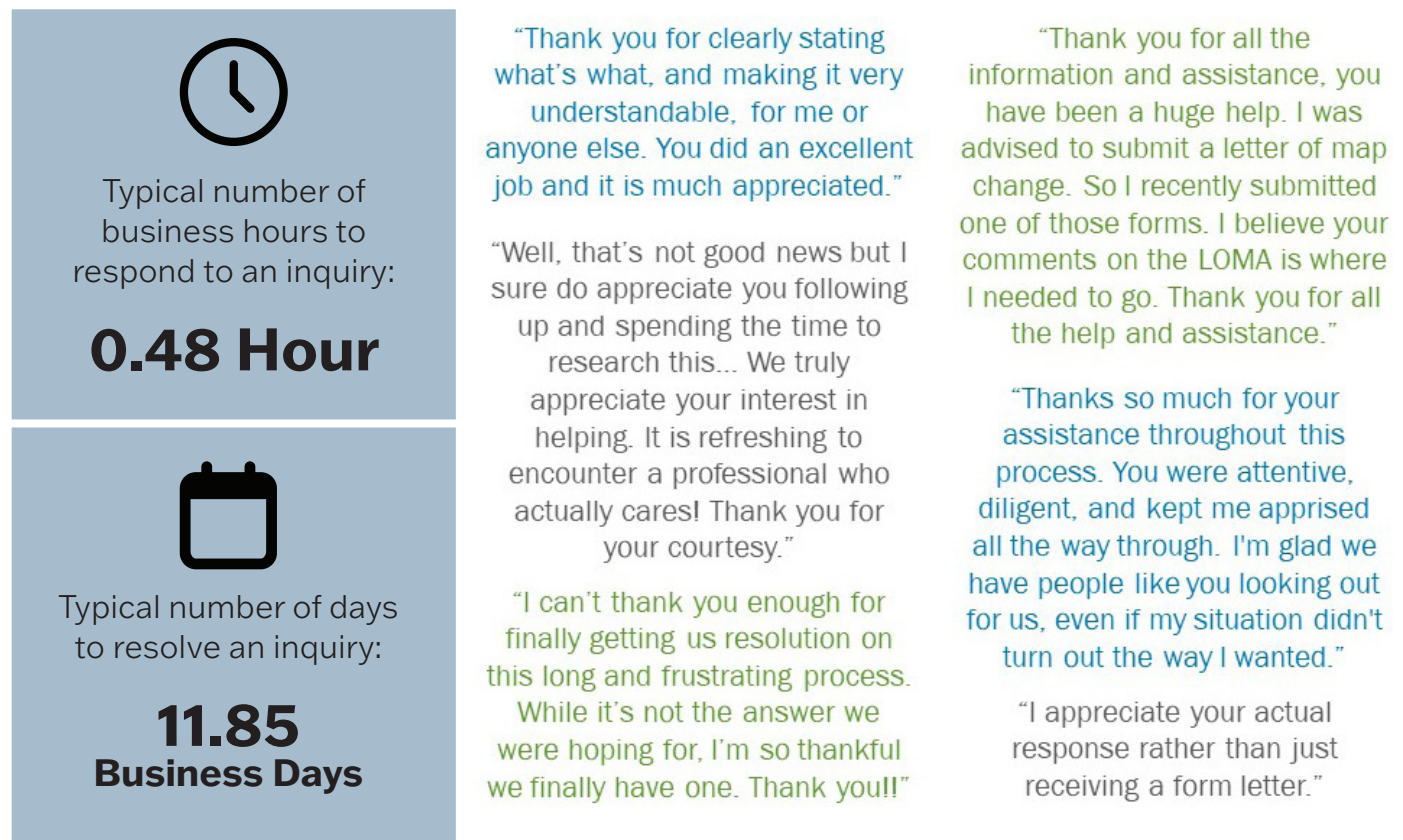


Policyholders and property owners are OFIA's most common customer, making up 70.4% of those who contacted the OFIA in FY23. Insurance Agents accounted for 16.9%, while lenders, real estate agents, congressional offices, NFIP Insurers, FEMA HQ staff, FEMA Regional staff, state/local community officials, and other inquirers made up the remaining 12.7%.

OFIA Customer Experience (CX)

Customer Experience (CX) is how an organization engages with its customers at every touchpoint along the customer journey. The OFIA was created to advocate for the fair treatment of policyholders under the NFIP, and as such, it believes that a CX-centric approach is vital to the NFIP's success. Customer Experience is embedded in everything the OFIA does – directly through its interactions with customers, and indirectly through its advocacy work on behalf of customers. The OFIA values CX principles including timeliness, accountability, transparency, equity, and continuous improvement. As such, the Office aims to provide our customers with responses that are prompt, accurate, and robust. The OFIA uses several metrics to track CX and customer satisfaction. The below infographic shows the typical response time and resolution time customers can expect when they contact the OFIA. Some inquiries which are more complex and require involvement of more than one office may take longer to resolve. OFIA is committed to serving the NFIP customer and improving Customer Experience. Feedback from OFIA's customers indicates the "Advocate's Advice" helps them navigate their situations. The customer quotes below are examples of the type of feedback OFIA receives from customers.

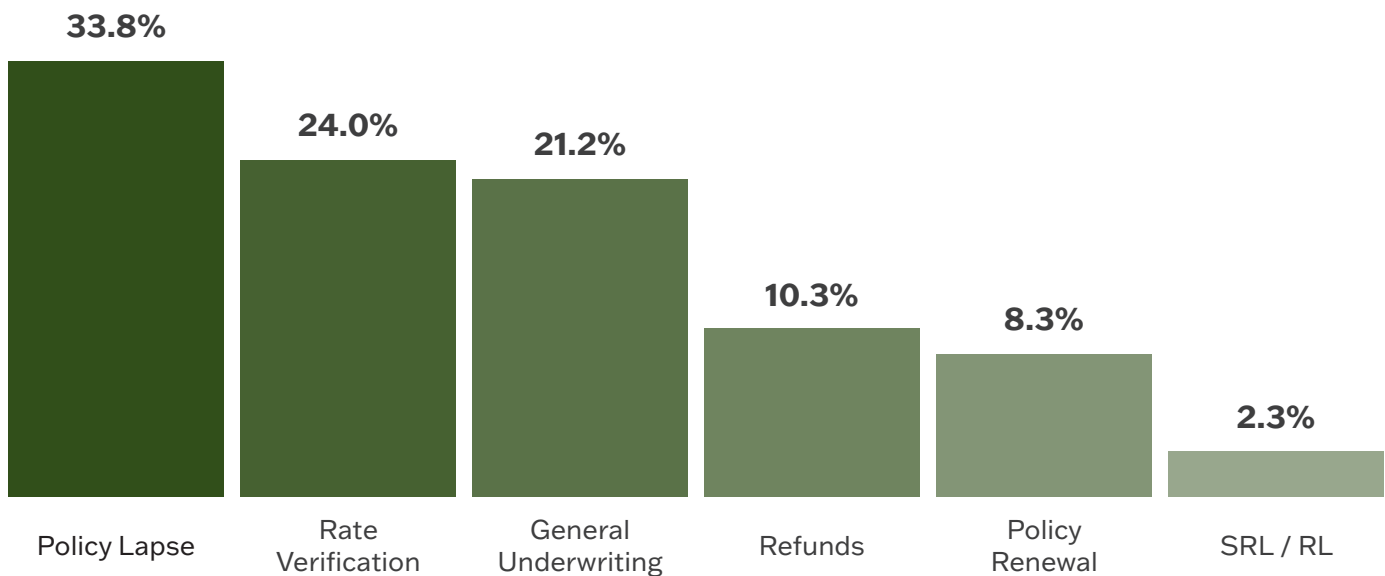
Figure 5: FY23 Customer Experience Statistics and Customer Quotes



Insurance Underwriting

Insurance Underwriting inquiries are related to the review and approval of an insurance application and the use of the correct premium rates. Underwriters also assist with policy servicing, including change requests, renewals, and cancellations. Below is a chart showing the distribution of FY23 inquiries by the subtopics that fall under the Insurance Underwriting topic:

Figure 6: Distribution of Inquiries Received by Insurance Underwriting Subtopics FY23



In FY23, Policy Lapse inquiries were the most common Underwriting subtopic. Rate Verification inquiries, the most common underwriting topic in FY22, fell to second place among underwriting subtopics.

- **Policy Lapse** inquiries are typically about the reinstatement of coverage or original price when a policy expired without payment for more than 30 days.
- **Rate Verification** inquiries come from customers wanting to better understand their risk and how their premium is calculated.
- **General Underwriting** inquiries cover a range of questions about the terms and conditions of the policy.
- **Refund** inquiries are related to a request for a return of premium after a policy is cancelled or rerated.
- **Policy Renewal** inquiries are typically about due dates and payment processing procedures, or how to transfer a policy from one NFIP insurer to another.

- **Severe Repetitive Loss (SRL), and Repetitive Loss (RL)** inquiries are about properties. that have more than one NFIP claim.

Advocate’s Advice for Purchasing a New Policy

- Ground elevation and First Floor Height (FFH) are two of the rating factors used to determine your premium. While an Elevation Certificate (EC) is not required to rate a policy, if you have an EC, you can provide it to your agent to determine if the ground elevation and first floor height can be used to lower your premium. If you do not have an EC, you can complete one yourself to provide a FFH, or you can hire a licensed land surveyor, architect, or professional engineer to provide both the FFH and the ground elevation for rating consideration.
- There are other flood insurance options besides the NFIP. When researching privately-backed insurance options, make sure to check the different coverage options, and check the insurance carrier ratings with third party organizations.

Advocate’s Advice for Changing your Agent or Insurer, or Assigning your Coverage to a New Owner

The table below describes the process for changing your insurance agent, or your insurance carrier (insurer), or the name on the policy when property ownership changes, as well as converting to privately backed non-NFIP flood insurance. The table explains how each transaction is done, what typically goes wrong, how to avoid the common mishap, and how to fix a mishap after it occurs.

I am trying to...	How is this done?	What might go wrong?	How can I avoid this mishap?	How can I fix the mishap after the fact?
Change my agent only	Notify the insurer and lender in writing	The new agent may not write with the insurer	Find a new agent who writes with the insurer	Find a new agent who writes with the insurer
Change my NFIP insurer only	This can only be done at renewal time. Notify your old and new insurer, agent, and lender in writing 90 days prior to policy expiration date	Your lender may pay the incorrect company	Contact your lender in advance of the renewal to ensure they update the insurer information	Pay your new insurer within 30-days of expiration, and if your existing policy renewed pursue a refund from the prior carrier after, or wait until the next renewal.

I am trying to...	How is this done?	What might go wrong?	How can I avoid this mishap?	How can I fix the mishap after the fact?
<p>Change both my agent and my NFIP insurer</p>	<p>Notify both insurers and both agents and your lender in writings 90 days prior to expiration</p>	<p>Your lender may pay the incorrect company</p>	<p>Contact your lender in advance of the renewal to ensure they update the insurer information</p>	<p>Pay your new insurer within 30-days of expiration, and pursue a refund after, or wait until the next renewal.</p>
<p>Have a seller assign me their old NFIP policy so I can get the seller's discounts, or make arrangements for insurance coverage prior to home purchase and to preserve discounts</p>	<p>You have two options:</p> <p>1) you may obtain a new policy that begins on the date of cancellation of the seller, which should be the closing date,</p> <p>OR,</p> <p>2) the seller may submit a written request to change the name on his or her policy</p>	<p>Both ways of assigning the policy must be received by the insurer(s) prior to closing. The first option will require a copy of the seller's policy to transfer the discounts to the new policy.</p> <p>The second option can be mishandled if the seller accidentally cancels his or her coverage prior to the processing of the assignment.</p>	<p>The first option has less chance of error if payment is made on or prior to closing.</p>	<p>Purchasing a new policy after closing is the best resolution, though the effective date of new coverage may not meet a lender's requirements due to a statutory waiting period for coverage purchased apart from the closing transaction.</p>
<p>Replace my NFIP policy with private flood insurance</p>	<p>This can only be done at renewal time. Notify your old and new insurer, agent, & lender in writing 90 days prior to expiration to avoid purchasing duplicate coverage</p>	<p>Your lender may pay the incorrect company</p>	<p>Contact your lender in advance of the renewal to ensure they update the insurer information</p>	<p>Pay your new insurer before your NFIP expiration, and if the NFIP policy already renewed pursue a refund immediately, or wait until the next renewal to change insurers.</p>



Advocate's Advice for Condominium Unit Owners

The OFIA often receives inquiries from condominium unit owners who are confused by the types of coverage that exist for condominiums. Part of the confusion is that the association can purchase blanket coverage on an entire building under the Standard Flood Insurance Policy (SFIP) – Residential Condominium Building Association (RCBAP) form, while unit owners can also purchase their own building coverage under the SFIP – Dwelling Form (DF).

The combined building coverage cannot exceed \$250,000 per unit or the replacement cost of the building, whichever is less. The RCBAP is primary and the DF functions as excess coverage when the RCBAP limits are exhausted. Where either form of the SFIP is silent, the bylaws prevail in determining which policy will pay. FEMA cannot adjudicate disputes between the association and a unit owner, which are governed by the State under the association's bylaws.

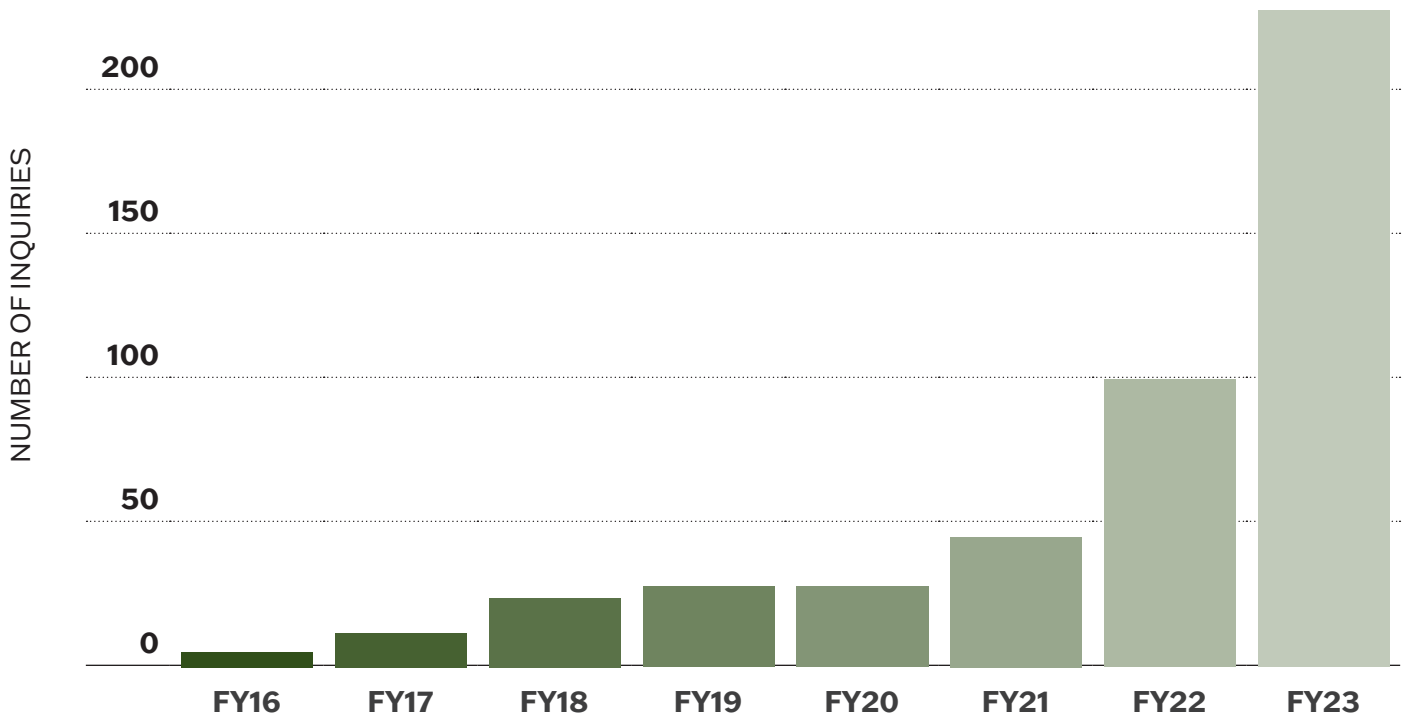
The Association may purchase up to \$100,000 contents coverage under the RCBAP for items owned in common by the Association, such as office equipment or lobby furniture. Each unit owner may purchase up to \$100,000 contents coverage on the DF. Up to 10% of contents coverage may apply to improvements and betterments to the unit made prior to loss at the owner's expense. The DF can cover a loss assessment to common property or caused by a coinsurance penalty under the RCBAP. However, the DF cannot be used to pay the RCBAP deductible. Many condominium unit owners are not offered personal contents coverage, which is a primary feature of the DF compared to the RCBAP. Most lenders do not require contents coverage.

Non-residential condominium buildings should be covered under the SFIP General Property (GP) form only on a per building, rather than per unit basis. Non-residential condominium units cannot be insured under the RCBAP nor DF nor individual GP policies solely covering one unit (unless the unit takes up an entire building). Residential buildings in noncondominium associations should also be insured on either the GP or DF depending on the number of units that can be classified within a single building.

The table below describes how the RCBAP and DF interact and the differences in personal property/ contents coverage:

Features	Standard Flood Insurance Policy (SFIP) - Residential Condominium Building Association Policy (RCBAP) Form	Standard Flood Insurance Policy (SFIP) – Dwelling Form (DF)	When Combined
Coverage	<p>Covers an entire residential condominium building, both interior and exterior building features for up to \$250,000 per unit</p> <p>Does not cover the personal contents property of unit owners but will cover the association’s contents up to \$100,000</p>	<p>Covers only the interior building features of a single-family condominium unit for up to \$250,000</p> <p>Does provide up to \$100,000 personal contents property coverage per single-family unit</p>	<p>The building coverage of both policies cannot exceed \$250,000 per unit</p>
Lender requirements	<p>Will meet lender requirements</p>	<p>Will meet lender requirements</p>	<p>If the RCBAP is underinsured, a lender may require a DF to cover the gap</p>
Pricing	<p>When insured to the lesser of the full replacement cost or the maximum coverage available, the RCBAP reduces the amount of fees and surcharges applied to unit owners</p>	<p>Your lender may pay the incorrect company</p>	<p>Contact your lender in advance of the renewal to ensure they update the insurer information</p>
Common mistakes	<p>The RCBAP is only available to residential buildings in a condominium form of ownership.</p>	<p>Many DF policies are written with coverage amounts that, when combined with the RCBAP, exceed the \$250,000 limit available per unit.</p>	<p>At the time of loss, there will be more than one insurance flood insurance adjuster on site. The flood insurance adjusters should coordinate to ensure that no coverage is missed or duplicated. Duplicated benefits must be retrieved under Federal law, which can lead to a poor customer experience.</p>

Figure 7: Number of Policy Lapse Inquiries Received FY16 – FY23



In the previous rating approach, the NFIP policies that received statutory discounts were mostly for older buildings constructed before the first Flood Insurance Rate Maps (pre-FIRM) or before a FIRM revision (Newly Mapped). In the current NFIP pricing approach, 38% of single-family home policyholders are already paying a risk-based premium, while others are paying lower premiums by law. The reason more policyholders receive discounts is that NFIP's pricing approach estimated premiums more than 18% higher than the previous rating approach did, not only for older homes, but others as well; however, FEMA is prohibited by law from increasing premium rates by more than 18% per year for most policyholders. Thus, these policies are charged an 18% increase each year until they reach the new full-risk premium estimate. This Annual Increase Cap Discount is frequently referred to as a "glidepath discount." Under the law, a pre-FIRM or Newly Mapped or "glidepath" discount can be lost following a lapse.

Since the implementation of the NFIP's pricing approach on October 1, 2021, OFIA has seen inquiries related to the loss of discounted rates after a lapse increase steadily, more than doubling each year. The [OFIA Fiscal Year 2022 Report: Insights and Recommendations](#) dealt extensively with the impact of policy lapses and made three specific recommendations to FEMA leadership regarding ways to alleviate some of these consequences.



Advocate's Advice for Avoiding Policy Lapses

The NFIP allows a 30-day grace period beginning on the policy's expiration date to make payment with no change in effective dates or price. A payment made more than 30 days after the expiration date may result in a loss of discounts and a change to the effective date. It is imperative to ensure your payment is received within the 30-day grace period to avoid a loss of premium discounts and an uncovered loss.

- Make sure you are aware of when your policy expires. Unless they paid the policy directly, some policyholders say they did not receive an expiration notice before their policy expired. Knowing your expiration date in advance will allow you to make a plan to ensure that your policy is paid before it expires.
- If you have made your premium payment to your insurance agent, make sure the payment has been successfully processed prior to the expiration of your policy.
- If the lender is making the payment from your escrow account, make sure the lender information on your policy, including address and loan number, is correct and that the lender has scheduled timely payment. Contact your insurer if your payment information needs to be updated.
- If you are paying the premium yourself and are sending a payment via mail, ensure you are sending it to the correct address with the correct account number. Consider using certified mail with a certified mail receipt. The NFIP rules allow the insurer to use the date you send payment via certified mail as the premium receipt date.
- If you are paying the premium yourself and are using an online payment system, save your payment confirmation screen, and verify with your insurer that your online payment was successful.
- Do not let your policy lapse even if another party is responsible for paying the bill. If you are concerned about the other party paying on time, consider paying yourself and seeking a refund if your payment is duplicated.

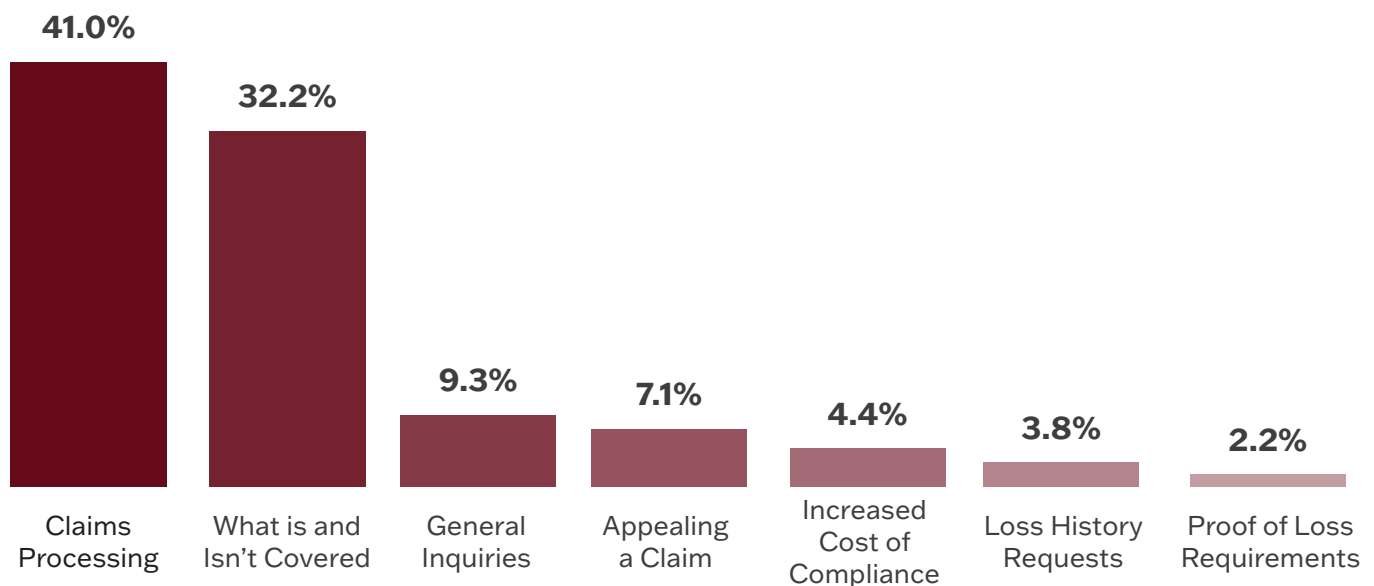
Insurance Claims

Insurance Claims inquiries are related to the settlement of a payment for the cost of repair and replacement of flood damaged property covered under the Standard Flood Insurance Policy (SFIP).

Below are the following types of claims questions the OFIA receives.

- **Claims Processing:** These are questions about navigating the claims process.
- **Coverage:** These are requests for information about what is and is not covered under the SFIP.
- **General Inquiries:** These are requests for general information such as mailing addresses and phone numbers.
- **Appealing a Claim:** These are requests for information about how to appeal to FEMA when receiving a written denial from an insurer of all or part of a claim.
- **Increased Cost of Compliance:** These are questions about Coverage D of the SFIP paying for the cost to rebuild to a higher community standard after substantial damage or repetitive loss.
- **Loss History Requests:** Policyholders seek information about the history of flood claims to their property.
- **Proof of Loss Requirements:** These are specific questions about how to complete a Proof of Loss so that a claim can be settled.

Figure 8: Distribution of Insurance Claims Inquiries Received by Type of Inquirer Request FY23



Insurance Claims Resources

There is detailed, practical advice in the following resources for navigating the claims process:

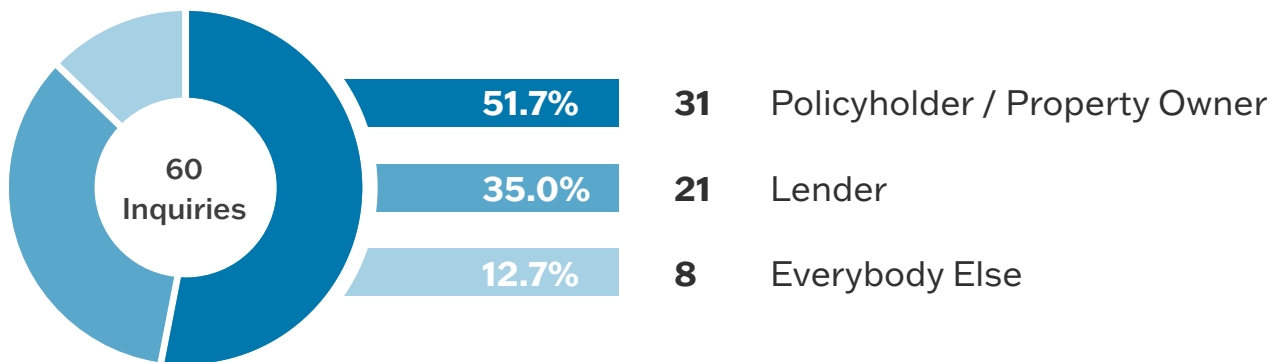
- OFIA created this video to help you start your claim: [FEMA's Flood Insurance Advocate Explains Flood Claims](#)
- [NFIP Claims Handbook](#)
- [Identifying Your Advocates After a Flood!](#)
- Add this weblink to your favorites: [How to Start Your Flood Insurance Claim](#)
- The [NFIP's Summary of Coverage publication](#) summarizes which items are and aren't covered under an NFIP policy; for a complete list, refer to the [Standard Flood Insurance Policy](#).
- [How to Document Damage and Start Clean Up](#)
- [NFIP Policyholder Rights](#)
- [Fact Sheet: Appealing Your Flood Insurance Claim](#)
- [Understanding Coverage Decisions](#)
- [Increased Cost of Compliance Coverage Guidance for State and Local Officials](#)



Mandatory Purchase

The Federal flood insurance requirement applies to structures that are in a Special Flood Hazard Area (SFHA) on the effective Flood Insurance Rate Map (FIRM) and are collateral for a federally backed loan. When the OFIA receives an inquiry about the Federal flood insurance requirement, it is classified as a Mandatory Purchase inquiry.

Figure 9: Distribution of Mandatory Purchase Inquiries Received by Inquirer Role FY23

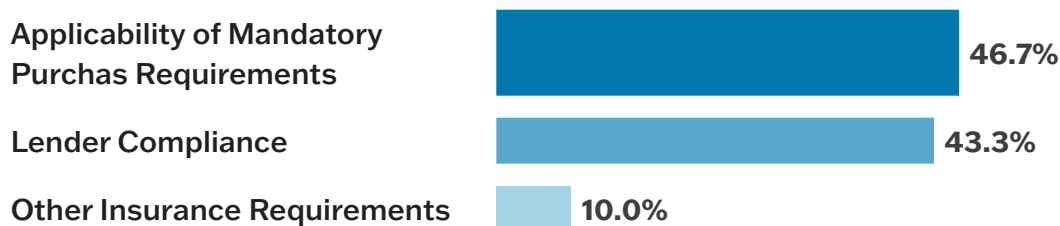


Most of OFIA's Mandatory Purchase inquiries in FY23 came from policyholders and property owners. Lenders were the second most common inquirer regarding Mandatory Purchase questions, making up 35% of OFIA's FY23 inquiries.

In FY23, Mandatory Purchase inquiries have fallen into three main categories:

- **Applicability of Mandatory Purchase Requirement** inquiries include questions about whether the Federal flood insurance requirement applies to a specific building, property, or development. Most Mandatory Purchase inquiries fall under this subtopic.
- **Lender Compliance** inquiries usually originate from lending institutions, policyholders, or current and prospective property owners. Inquiries from lending institutions include requests for clarification on the rules a lender must follow to maintain compliance with the [Flood Disaster Protection Act \(FDPA\) of 1973](#), as amended. Inquiries from policyholders and property owners are usually requests for clarifications on whether the actions of a lending institution are compliant with the FDPA of 1973.
- **Other Insurance Requirements** inquiries are related to requirements to carry flood insurance that do not originate from the FDPA of 1973, such as the requirement to obtain and maintain flood insurance after receiving certain types of disaster or flood mitigation assistance or when required as a condition for other types of insurance, such as wind. These inquiries are also about flood insurance requirements from state-run insurance programs.

Figure 10: Distribution of Mandatory Purchase Inquiries Received by Type of Inquirer Request FY23



Although FEMA creates the flood maps that are used to determine whether flood insurance is required for a structure, FEMA does not decide which structures require flood insurance. The Flood Disaster Protection Act of 1973 requires lenders to review the effective flood map to determine if a structure is in an SFHA before making, extending, renewing, or increasing a federally backed loan. The SFHA includes flood zones that begin with “A” or “V.” Lenders usually utilize the services of a flood map determination company to compare the location of a structure to the flood map to determine if the structure is in an SFHA. Lending institutions also determine how much flood insurance coverage is required as a condition of the loan.

FEMA has no regulatory authority over lenders and cannot direct lenders how to enforce the Federal flood insurance requirement. Lending institutions are regulated by other Federal agencies who ensure that the actions of lending institutions are compliant with the law.

When inquirers contact the OFIA with Lender Compliance inquiries, the Office will direct them to the appropriate regulatory agency for clarification. The OFIA also directs inquirers to the appropriate banking regulator for most Applicability of Mandatory Purchase Requirement inquiries. If an inquiry is about whether the flood insurance requirement applies with respect to where the structure is in relation to the flood zones shown on the effective flood insurance rate map, the Office can provide clarification on how to find and interpret flood maps and how to request an official flood zone determination from FEMA. The OFIA also directly responds to inquiries about how NFIP flood insurance coverage can be provided for structures that are required to carry flood insurance by a lending institution.

Advocate’s Advice for Mandatory Purchase

Advocate’s Advice for Property Owners Regarding Mandatory Purchase

- Effective flood maps can be found online at [FEMA Flood Map Service Center](#). You can view the flood maps to determine if the Federal flood insurance requirement applies to your property.

- The Federal flood insurance applies to buildings, not raw land. If flood insurance is being required and part of your property is in the SFHA, but not your house, contact your lender to make sure they are basing their determination on the location of the house and not the entire property.
- If your lender is requiring flood insurance because your house is in the SFHA and you don't believe that the house is in the SFHA, you may request a Letter of Map Amendment (LOMA) to obtain an official flood zone determination from FEMA. A LOMA can be requested online at hazards.fema.gov/femaportal/onlinelomc/signin.
- Sometimes flood insurance is required when the Federal flood insurance requirement doesn't apply. This might be at a lender's own discretion or as a condition of purchasing a different insurance policy for your house. A LOMA can only determine whether the Federal law requires flood insurance for a structure.
- If you believe there is a discrepancy with your lender regarding their application of mandatory purchase laws, contact the lender's regulatory agency for assistance. You can find your lender's regulator at [FFIEC's Consumer Help Center](#).
- The law does not prohibit lenders from requiring more than the minimum amount of coverage to comply with the FDPA of 1973, as amended. Different lenders may have different coverage requirements. If feasible, you may want to explore these differences to find a lender with more favorable loan terms.

The Flood Disaster Protection Act (FDPA) of 1973, as amended, requires lenders to ensure that flood coverage is obtained and maintained for property within the Special Flood Hazard Area serving as collateral for a Federally backed or regulated loan. This law is enforced by other agencies than FEMA. The minimum coverage limit requirements of the FDPA are the lesser of one of three values:

- 1) The outstanding principal balance of the loan;
- 2) The full replacement cost value of the building excluding land value; or
- 3) The maximum coverage available under the NFIP.

Advocate's Advice for Lenders Regarding Mandatory Purchase

- FEMA cannot provide you with clarification on how to interpret and implement the mandatory purchase provisions of the FDPA of 1973. If you have these kinds of questions, contact the Compliance department of your lending institution or your regulatory agency.
- The banking regulatory agencies have produced a Questions and Answers document that provides detailed clarification on how to understand the Federal flood insurance requirement. It is available online at [Interagency Questions and Answers Regarding Flood Insurance \(fdic.gov\)](#).

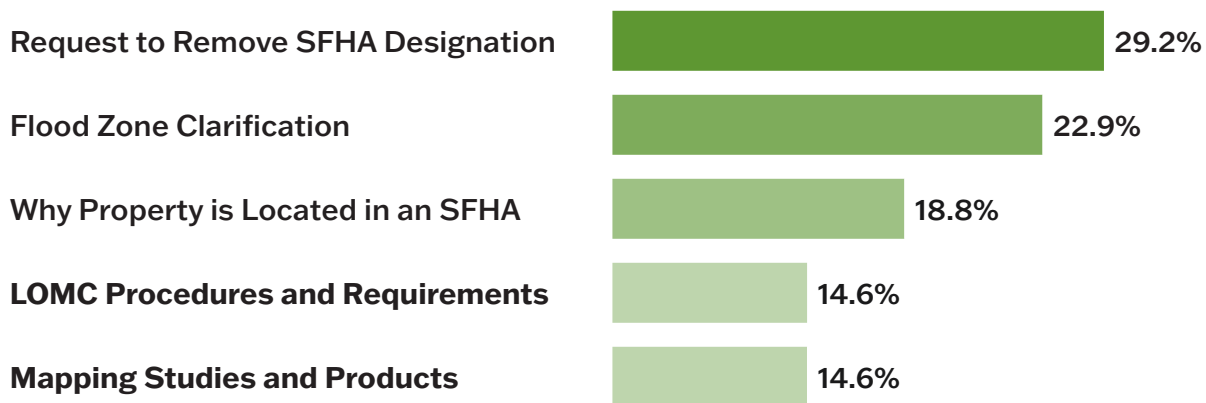
Mapping

FEMA produces a variety of flood hazard maps and flood risk mapping products, including regulatory Flood Insurance Rate Maps (FIRMs). FIRMs display the Special Flood Hazard Areas (SFHAs) where buildings may be subject to the Federal flood insurance requirement and where minimum floodplain management development regulations exist.

In FY23, Mapping inquiries have fallen into five main categories:

- **Request to Remove SFHA Designation** inquiries include questions about how to amend or revise a FIRM to remove the SFHA designation from a property.
- **Flood Zone Clarification** inquiries ask for assistance determining the flood zone for a structure or property.
- **Why Property is Located in an SFHA** inquiries ask for explanations of the mapping process that led to a structure or property being included in the SFHA.
- **Letter of Map Change (LOMC) Procedures and Requirements** inquiries are about the timeframes, data requirements, and basis of determination associated with LOMC applications and reviews.
- **Mapping Studies and Products** inquiries include questions about the status of flood hazard studies through which FIRMs are updated and questions about how to find or interpret the outputs of mapping studies.

Figure 11: Distribution of Mapping Inquiries Received by Type of Inquirer Request FY23



SFHAs represent the 1% annual chance floodplains, which are the areas where there is at least a 1% chance of flooding each year. When a flood study is conducted, there is an analysis of historic rainfall and storm data. This analysis is used to evaluate how water is expected to behave, and how high it

is expected to get during a 1% chance flood. The expected heights of water are compared to ground elevations to estimate which areas will be underwater during a 1% chance flood. These areas which are expected to be underwater are shown on the flood maps as SFHAs.

Before the flood maps are finalized, preliminary flood maps are issued and there are community meetings to share the preliminary flood maps with the community and to discuss the status and next steps of the flood study. There is also a formal appeal and comment period to allow community officials and residents to provide more detailed or more correct scientific and technical data to update the preliminary flood maps before they are finalized.

After appeals and comments to the preliminary maps are reviewed and adjudicated, the flood maps are finalized and issued to the community, and then they become the official maps that are used to determine where flood insurance is required and where development is subject to minimum floodplain management requirements.

Flood hazards are dynamic in nature, and new flood studies which use updated data can result in changes to SFHAs.

You can contact your local Floodplain Administrator to find out if a flood mapping project is planned or ongoing in your area. If a mapping study is in progress, the Floodplain Administrator can let you know the status of the study and can provide guidance related to appeals and comments of preliminary maps.

Mapping Resources

- [Lifecycle of a Flood Mapping Project](#)
- [Flood Map Changes Viewer](#)
- [Mapping Study Open Houses](#)
- [Community Members' Guide to Initiating Map Revisions](#)

After a flood map becomes effective and begins to be used for official purposes, there can be questions about how a flood map is interpreted for individual properties or whether properties that are shown in the SFHA should be included within that flood zone. If an official flood zone determination is needed for a structure or a plot of land, a Letter of Map Amendment (LOMA) can be requested. The LOMA process can evaluate the location or the elevation to verify if the structure or plot of land should be in the SFHA. Letters of Map Change (LOMCs) is a general term used to indicate both LOMAs and other determinations such as Letters of Map Revision.

LOMC Resources

- [Online LOMC Application](#)
- [Online LOMC Application Tutorial](#)
- [FEMA Mapping and Insurance eXchange \(FMIX\)](#)

Floodplain Management

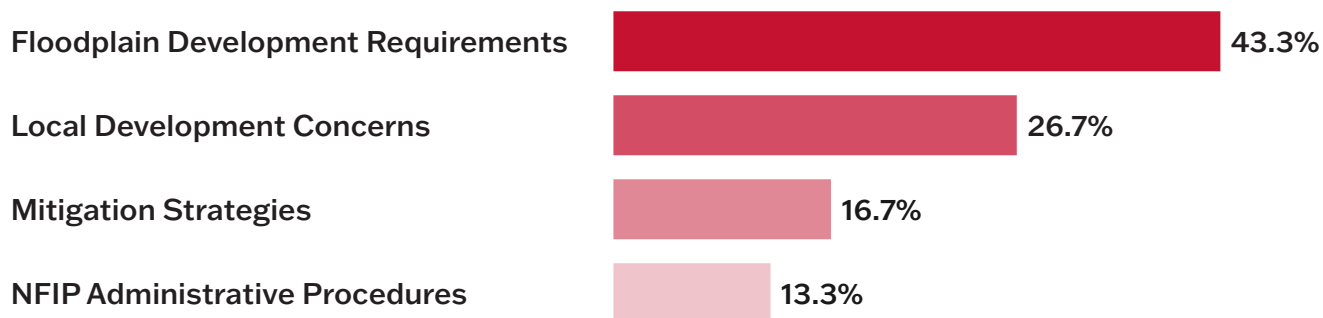
When communities agree to participate in the NFIP, they agree to adopt and enforce minimum floodplain management regulations for development within SFHAs. The OFIA receives floodplain management inquiries from property owners, local government officials, and licensed professionals who are either involved or interested in local floodplain development.

In FY23, Floodplain Management inquiries have fallen into four main categories:

- **Floodplain Development Requirements** inquiries include questions about how to interpret and/or achieve compliance with local floodplain ordinances.
- **Local Development Concerns** are inquiries from property owners who are concerned about changes occurring in local floodplains and how they might contribute to future flood hazards and risk.
- **Mitigation Strategies** inquiries ask for advice on how to construct or modify structures to minimize future flood risk.
- **NFIP Administrative Procedures** inquiries represent questions about how to obtain NFIP datasets and how to participate in the NFIP.



Figure 12: Distribution of Floodplain Management Inquiries Received by Type of Inquirer Request FY23



Advocate’s Advice about Floodplain Management

- Your community’s floodplain management requirements may exceed the federal minimum requirements, or there might be requirements at the State level that also need to be considered. You can talk to the local Floodplain Administrator to understand what requirements must be followed to ensure the development is compliant. The Floodplain Administrator is usually located in the local government office that issues development permits.
- You can also contact the local Floodplain Administrator to find out if an Elevation Certificate is on file for your structure, inquire about the history of local flooding, or inquire whether a property you are interested in purchasing has any floodplain development violations on record.
- If your local Floodplain Administrator cannot answer all the questions that you have, or if you have questions about floodplain development requirements at the State level, you can contact the State NFIP Coordinator. You can find contact information for the State NFIP Coordinator online at [State Contacts \(fema.gov\)](https://www.fema.gov).
- If you want to know how your proposed development might impact your insurance rates, contact a flood insurance agent and ask them to provide you with a quote based on the details of your proposed development.

Non-NFIP

Non-NFIP inquiries generally deal with FEMA's Individual Household Program grants, data requests, privately backed flood insurance and other types of insurance.

Figure 13: Distribution of Non-NFIP Inquiries Received by Type of Inquirer Request FY23



Non-NFIP Resources

- [Home | disasterassistance.gov](https://www.disasterassistance.gov)
- [Other Recovery Help | disasterassistance.gov](https://www.disasterassistance.gov/other-recovery-help)
- OFIA encourages inquirers to search online for voluntary organizations active in disasters and for private flood insurance options.



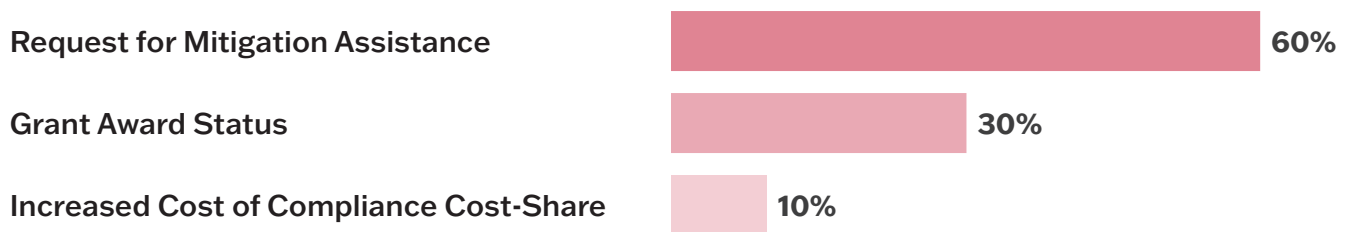
Photo by Mitch Paine

Hazard Mitigation Assistance Grants

FEMA's hazard mitigation assistance programs provide funding for eligible mitigation activities that reduce disaster losses. Hazard mitigation may include any sustainable action that reduces or eliminates long-term risk to people and property from future disasters. In short, mitigation planning breaks the cycle of disaster damage, reconstruction, and repetitive damage.

Hazard Mitigation Assistance (HMA) Grants inquiries are primarily related to the availability and the application requirements for FEMA's grant programs that help reduce flood risk.

Figure 14: Distribution of HMA Inquiries by Type of Inquirer Request FY23



Information the Advocate Wants You to Know about HMA Grants

HMA is not provided directly to a property owner by FEMA, nor can a property owner directly apply for HMA. HMA refers to funding made available to States and local communities for the purpose of mitigating flood risks and building more resilient communities. Ultimately, the state and local government decide how HMA will be used within their development and hazard mitigation plans. Therefore, property owners should contact the local floodplain administrator for all questions related to HMA.

The funding made available to state and local communities is awarded by FEMA on a competitive basis each year. There are different types of grant opportunities under the HMA umbrella, some that is specifically aimed to assist NFIP policyholders with repetitive loss history, and some allowed for properties without flood insurance. Some funding is intended for projects such buyouts, others may be used to elevate homes or mitigate entire neighborhoods though projects such as storm drain management.

If you or your neighbors are having problems with the flood hazards in your neighborhood, gather with other neighbors to talk to the local community officials about whether and how HMA funding can help your community. The local community will work with the State NFIP coordinator and FEMA's Regional Offices to assist local communities with the HMA grant application process. The important thing to know is that local floodplain administrator is the at nexus of the entire HMA process.



Photo by Mitch Paine



FEMA

Learn more at [FEMA.gov](https://www.fema.gov)