



**FEMA Region 6  
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**BW-12 Timeline**

**Biggert-Waters Flood Insurance Reform Act of 2012**

**Changes to the NFIP**

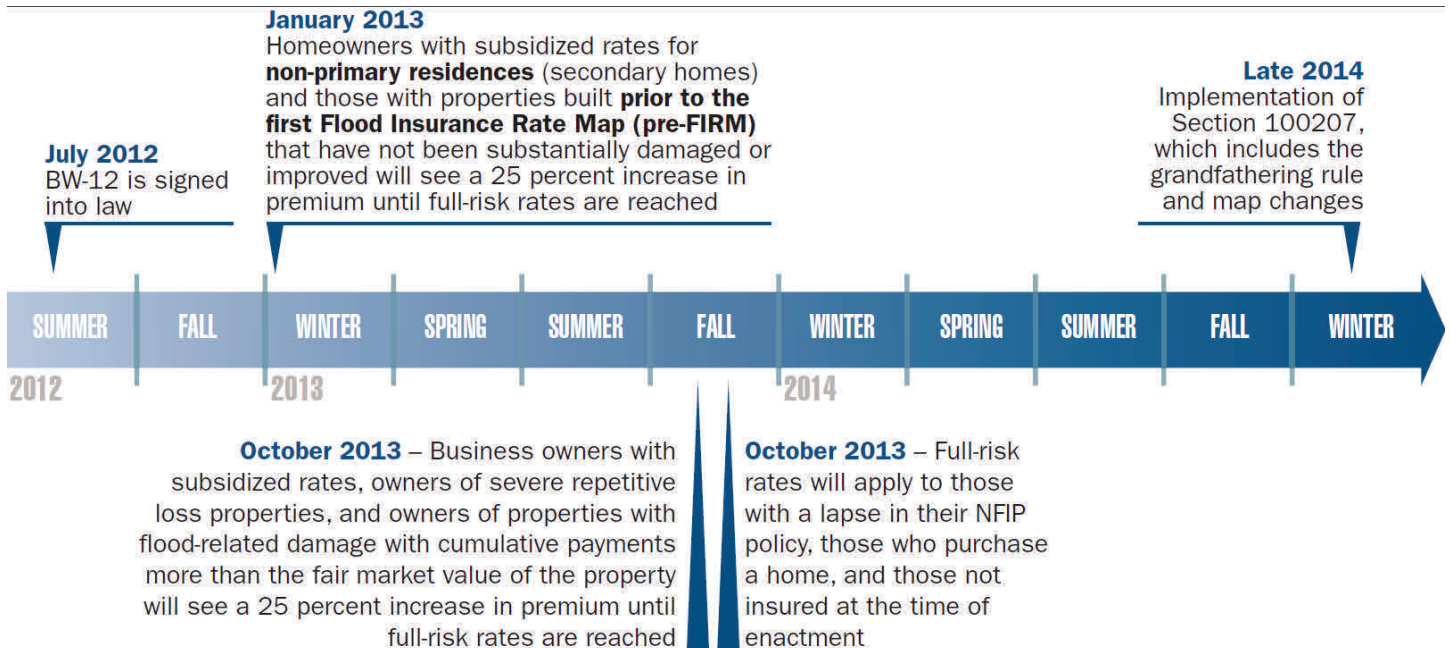
On July 6, 2012, President Obama signed the Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12) into law. The bill extends the authorization for the National Flood Insurance Program (NFIP) through Sept. 30, 2017 and provides reforms to the NFIP. One of the provisions in the law requires the Federal Emergency Management Agency (FEMA) to take immediate steps to eliminate a variety of existing flood insurance subsidies. Following is a list of the key points in the new law.

- Subsidies are being phased out for non-primary residences, severe repetitive loss properties consisting of one to four residences, business properties and properties that have incurred flood-related damages where claims payments exceed the fair market value of the property.
- Properties with subsidized rates will move directly to full-risk rates after a sale of the property or after the policy has lapsed. Policies can no longer be assigned to a new owner at subsidized rates.
- Currently, once BW-12 is fully enacted (Section 100207), properties grandfathered to a previous Flood Insurance Rate Map (FIRM) and being newly mapped into a Special Flood Hazard Area (SFHA) will have a 5-year phase in of the new rates on the new effective FIRM based on their true risk.

Some of these changes were implemented on Jan. 1 and Oct. 1, 2013. Other changes will be implemented later, but all will affect residents, business owners, community leaders and stakeholders. For the latest information on BW-12, visit: <http://fema.gov/bw12>.

**BW-12 Key Messages**

- Reform to the NFIP is expected to strengthen the call for mitigation actions, return the NFIP to the self-supporting program and balance flood risk with appropriate flood insurance.
- Key provisions of the legislation will require the NFIP to raise rates to reflect true flood risk. These changes will mean premium rate increases for some, but not all, policyholders over time.
- Flooding continues to be the number one natural disaster in the U.S., and yet many communities, businesses and residents do not have flood insurance, or do not take actions to reduce or mitigate their flood risks. With the phasing out of insurance rate subsidies, now is the time to champion a renewed call for mitigation actions.



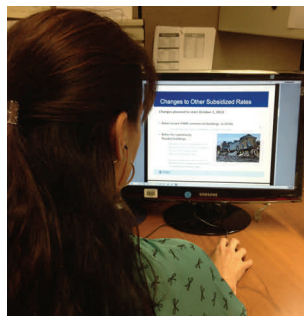
## A Changing World of Communication— Targeting the Whole Community through Online Workshops

Changes to the Flood Insurance Program make it imperative that FEMA communicates with communities through targeted outreach to increase awareness and encourage mitigation practices, as well as higher standards to reduce risk.

FEMA Region 6 has held a series of online sessions to keep stakeholders informed of the changes in the NFIP. Since May of 2013, eighteen online sessions have been held with over 3,600 registered participants in Region 6 interested in learning more about changes to the NFIP.

In an effort to clearly communicate with State, local, regional partners, and other stakeholder groups in the area, FEMA Region 6 will host additional online sessions to share the latest information. These informative online sessions include topics such as next steps for agents, the effects of these changes on property owners, as well as question and answers as new information becomes available concerning the implementation of BW-12.

Watch GovDelivery.com for notifications of the BW-12 online trainings hosted by FEMA Region 6.



Online training participant  
of BW-12 sessions.

## BW-12 and the Community Rating System

With the passage of BW-12, communities are looking for ways to assist their citizens to reduce insurance premiums. Local community leaders can help reduce the cost of flood insurance in their communities by seeking program credit for certain floodplain management practices through the Community Rating System (CRS), which is part of the NFIP. CRS offers reduced flood insurance premiums if communities are proactive in managing and mitigating flood risks. This incentive motivates communities to adopt new flood reduction programs and maintain existing standards, well after their residents forget about the last flood, thereby helping to reduce flood damages, increase citizen safety, and make communities more disaster resilient.

By taking part in the CRS program, local officials can make a substantial impact on their citizens' premium costs. As of December 2013, more than 1,270 communities participate in the program. In 2011, flood insurance policy holders living in communities that participate in the CRS program saved approximately \$300 million in premiums.

FEMA recently revised the CRS Coordinator's Manual for 2013. This manual outlines the activities communities can accomplish in order to receive credit through the program. It also provides valuable information to existing CRS communities in the new revised credit system.

## eLOMAs—Faster Determination Turnaround

Letters of Map Amendments (LOMAs) can be filed for properties that are inadvertently mapped in a Special Flood Hazard Area (SFHA), but that are actually on natural high ground above the Base Flood Elevation (BFE). LOMA applications can be filed for properties in a Zone AE without a floodway. LOMAs can be mailed to FEMA for approval or submitted through FEMA's online eLOMA tool or the Letter of Map Change (LOMC) tool, based on the complexity of the application.

eLOMA is a web-based application within the FEMA Mapping Information Platform that provides licensed professionals (i.e., licensed land surveyors, Professional Engineers) with a system to submit simple LOMA requests to FEMA. The tool makes determinations based on the information submitted by the licensed professionals directly, and allows them to obtain a determination instantaneously. eLOMA does not replace the standard LOMA procedure of mailing applications to FEMA. The eLOMA tool is an optional process applicable to only the most basic LOMA requests. Currently, there is no charge to submit a LOMA request, and eLOMAs are available to licensed professionals at no cost. Homeowners will need to ask if an eLOMA can be filed when talking to the licensed professional.

### eLOMA cannot be used for the following:

- Requests for multiple lots or structures
- Requests in which a previous determination has been used for the subject property
- Properties/Structures located in Zones A, AO, V, or D
- Properties placed on fill to raise the elevation
- Metes and bounds
- Properties located in a floodway
- Proposed structures
- Properties/Structures affected by a LOMR
- Annexations
- Alluvial fan areas
- Condominium or apartment buildings

FEMA also has a Letter of Map Change (LOMC) tool that differs from the eLOMA. This online LOMC tool is available to any applicant wanting to submit a LOMA request directly to FEMA and does not require a licensed surveyor or engineer to submit. All types of LOMA requests may be processed through the online LOMC tool. A determination resulting from information submitted via the online LOMC tool is not received until after FEMA reviews the supporting documentation. This process may take up to 60 days, while the eLOMA process delivers an immediate determination.

A fact sheet about FEMA's eLOMA is available at:

[http://www.fema.gov/media-library-data/20130726-1545-20490-4277/eloma\\_electronic\\_letters\\_of\\_map\\_amendment.pdf](http://www.fema.gov/media-library-data/20130726-1545-20490-4277/eloma_electronic_letters_of_map_amendment.pdf)

### Did You Know...

Recorded Region 6 BW-12 Web-training presentations are available under the "Insure Your Risk" section at:

<http://www.riskmap6.com/Resources.aspx>

## Elevation Certificates—The Only Way to Determine True Risk

On October 1, 2013, FEMA began to apply full-risk rates on policies written for buildings built prior to the first Flood Insurance Rate Map (pre-FIRM) in most high-risk areas and Zone Ds. These policies include:

- Policies for newly purchased pre-FIRM buildings after July 5, 2012
- New policies for pre-FIRM buildings effective after July 5, 2012
- Policies issued for pre-FIRM buildings whose policies lapsed after October 3, 2012



Elevating a home is just one way to mitigate risk.

Starting October 1, 2013, subsidized rates can no longer be assigned to the new owner at the act of sale on a pre-FIRM property. The new owner must pay full-risk rates for flood insurance. Likewise, maintaining coverage on pre-FIRM building is important because letting a flood policy lapse could now prove to be costly.

The Elevation Certificate (EC) is an important tool that documents a home or building's elevation. An insurance agent will use the EC to compare the building's elevation to the BFE. If you are a building owner and do not have a copy from the purchase of the building, ask your local floodplain administrator if she or he has a copy or if the property's elevation information is on file. If so, ask the community floodplain administrator what process they require to complete an EC. If the elevation information or EC is not on file, you will need to hire a State-licensed surveyor, architect, or engineer to obtain an EC.

An EC is needed for homes located in most high-risk zones (i.e., Zones with the letter "A" and "V") to determine the full-risk rate. If an EC is not available when the policy is written, the policy can be written using Tentative Rates, but for one year only; it must be rewritten using full-risk rates at renewal. Also, if a loss occurs during the first year, the policy will have to be rewritten using full-risk rates before the claim can be paid.

Once an EC is obtained, provide a copy to your insurance agent and keep one for your personal records. Some properties affected by BW-12 will see phased-in increases of premiums until the full-risk rate is reached; others will move directly to paying the full-risk rate.

For information about obtaining an EC, read the *Homeowner's Guide to Elevation Certificates* fact sheet available at:

<http://www.fema.gov/media-library/assets/documents/32330?id=7408>

## Additional Resources

FEMA. *Impact of National Flood Insurance Program (NFIP) Changes Fact Sheet* <http://www.fema.gov/media-library/assets/documents/31517?id=7187>

FEMA. *Biggert -Waters Flood Insurance Reform Act of 2012 Timeline* <http://www.fema.gov/media-library/assets/documents/31946?id=7275>

FEMA. *BW-12 Quick Reference Guide*. [http://www.fema.gov/media-library-data/41ecfedd3b889396440c30d34b9b91ea/Agent\\_Quick\\_RefGuide\\_September\\_2013.pdf](http://www.fema.gov/media-library-data/41ecfedd3b889396440c30d34b9b91ea/Agent_Quick_RefGuide_September_2013.pdf)

FEMA. *Who Will Be Impacted by Rate Increases Nationally under Section 205?* <http://www.fema.gov/media-library/assets/documents/31608?id=7211>

FEMA. *Build Back Safer and Stronger: What You Need to Know* <http://www.fema.gov/media-library/assets/documents/29837?id=6712>

FEMA. *CRS Resources* <http://crsresources.org>

FEMA. *Letter of Map Amendment and Letter of Map Revision-Based on Fill Process* <http://www.fema.gov/letter-map-amendment-letter-map-revision-based-fill-process>

FEMA. *National Flood Insurance Program Community Rating System (CRS)* <http://www.fema.gov/national-flood-insurance-program-2/community-rating-system>

FEMA. *National Flood Insurance Program (NFIP) Community Rating System (CRS) Coordinator's Manual* <http://www.fema.gov/media-library/assets/documents/8768?id=2434>

FEMA. *National Flood Insurance Program: Training, Workshops and Conferences* <http://www.fema.gov/national-flood-insurance-program-training-workshops-and-conferences>

FEMA. *Questions about the Biggert-Waters Flood Insurance Reform Act of 2012* <http://www.fema.gov/media-library/assets/documents/31873?id=7266>

FEMA. *The NFIP's Specific Rate Guidelines Fact Sheet* <http://www.fema.gov/media-library/assets/documents/33320?id=7763>

H2O Partners, Inc. *BW12 Video* <http://www.youtube.com/watch?v=tpeqSQR3ngY>

FEMA. *Flood Insurance Manual Update – a Guide to the October 2013 Changes to the NFIP* <http://www.h2opartnersusa.com/manual-changes/index.html>

FEMA. *NFIP CRS Coordinator's Manual* <https://www.fema.gov/media-library/assets/documents/8768?id=2434>.

FEMA Region 6— Many additional resources are available through our project website— <http://www.riskmap6.com/Resources.aspx>