Federal Emergency Management Agency
Washington, D.C. 20472
www.FEMA.gov

FREQUENTLY ASKED QUESTIONS REGARDING THE EFFECT **THAT REVISED FLOOD HAZARDS HAVE ON EXISTING STRUCTURES**

What factors determine flood insurance premiums? A number of factors determine premiums for National Flood Insurance Program (NFIP) flood insurance coverage. Major factors include the amount of coverage purchased; the deductible; and the location, age, occupancy, and type of building. For newer buildings in floodplains, the elevation of the lowest floor relative to the elevation of the 1% annual chance flood can also be used to rate the policy.

My house is not in a floodplain according to the current map, but the new map will show it as being in a floodplain. Will I have to purchase flood insurance when the new map officially takes effect? If you have Federal or federally related financing for the property in question and you do not already have flood insurance, your lender may contact you once the new map takes effect and require that you purchase flood insurance. If you do not purchase the insurance within 45 days after being informed that flood insurance is required, the lender can force place the insurance and charge you for the cost of it. If you dispute the lender's determination that your property is located in a floodplain, you and your lender can jointly request a Letter of Determination Review from the Federal Emergency Management Agency (FEMA) within 45 days of being informed by your lender that your property is located in a floodplain. If you have insurance before the new maps take effect, the basis for rating that policy remains unchanged (i.e., you can use the rate that was charged to you when your property was located outside the floodplain).

I have flood insurance, and my house is in a floodplain according to the current map. The new map, however, will show my house as being outside the floodplain. Will I have to continue carrying flood insurance when the new map officially takes effect? If you have Federal or federally related financing for the property in question, you will no longer have a Federal requirement to purchase flood insurance when the new maps take effect; however, lenders retain the prerogative to require flood insurance, even for property that is not in a floodplain. If you wish to continue coverage once the new maps take effect, you may be eligible for preferred risk rates based on your property being outside the floodplain. you should have your policy re-rated using the new maps, which should lower your premium. Even if you are not required to purchase flood insurance, we encourage homeowners to continue coverage at the preferred risk rates, because you may be flooded by an event greater than the 1% annual chance event.

My house was built to the flood elevation shown on the current map (or a previous map). On the new map, my house will remain in the floodplain, but the flood elevation will increase. What will happen to my insurance premium when the new map officially takes effect? If you can show that your house was built in compliance with local floodplain management regulations and the flood map in effect at the time of construction, the basis for rating your policy does not change and your premium will be the same. If you cannot show that your house was built in compliance at the time of construction, your policy will be re-rated using the new flood map, which may raise your premium. However, if you can show that your home has been continuously insured since before the map change, your premium will not be affected. If you do not have Federal or federally related financing, you are not required by Federal regulations to have flood insurance, although it is available to you.

My house was built to the flood elevation shown on the current map (or a previous map). On the new map, my house will remain in the floodplain, but the flood elevation will decrease. What will happen to my insurance premium when the new map officially takes effect? You should contact your insurance agent to ensure that the policy is re-rated when the new map officially takes effect. The lower flood elevation may result in a lower premium.

My house is in a floodplain according to the current map. On the new map, my house will remain in the floodplain, but the flood elevation will be increased. Will my house be considered to be in violation of NFIP regulations when the new map officially takes effect? Any house that can be shown to have been built in compliance with local floodplain management regulations and the flood map at the time of construction will continue to be considered compliant, even if the new maps will show an increase in flood elevation or a change to a more restrictive zone designation. However, should your house be substantially damaged (damage is 50% or more of the pre-damage market value) and you wish to repair it, you will be required to bring the entire structure into compliance with the zone designation and flood elevations in effect at the time the repairs take place. If the structure is less than substantially damaged, you do not need to refer to the flood map when repairing damages. Please note, however, that there may be more stringent state or local requirements that take precedence over those stated here. Regardless of whether your building is substantially damaged, you will likely need a building permit to make repairs and need to contact your local building official.

My house is in a floodplain. What do I do if I want to build an addition or otherwise improve it? If the value of the addition or improvement to the house is less than 50% of the market value of the existing structure, you need only make sure that the improvement meets or exceeds the standards that were used in constructing the existing structure (assuming the existing structure was built in compliance at the time it was constructed). Additions or other improvements valued at 50% or more of the market value of the existing structure are considered substantial improvements. In such cases, the entire structure must be brought into compliance with the elevations on the map in effect at the time the improvement begins. Under certain circumstances only the addition needs to be elevated to the flood elevations shown on that map. Please note, however, that there may be more stringent state or local requirements that take precedence over those stated here. Regardless of whether your building is substantially improved, you will likely need a building permit to make the improvement and need to contact your local building official.

For Coastal Areas Only

My house was built in Zone AE to the flood elevation in effect at the time of construction. On the new map, my house will remain in the floodplain, but the zone designation will be changed to Zone VE. What will happen to my insurance premium when the new map officially takes effect? If you can show that your house was built in compliance with local floodplain management regulations and the flood map in effect at the time of construction, the basis for rating your policy does not change and your premium will be the same when the new map officially takes effect. If you cannot show that your house was built in compliance at the time of construction, your policy will be re-rated when the new map takes effect using the new flood zone designation and flood elevations, which may raise your premium. However, if you can show that your home has been continuously insured since before the map change, your premium will not be affected.

My house is shown as being in Zone VE on the current map. On the new map, my house will remain in the floodplain but the zone designation will be changed to Zone AE. What will happen to my insurance premium when the new map officially takes effect? You should contact your insurance agent to ensure that the policy is re-rated when the new map officially takes effect. The change to a Zone AE designation will likely lower your premium.