ASFPM INSURANCE COMMITTEE CALL

CO-CHAIRS
STEVE SAMUELS ON
BRUCE A. BENDER

MARCH 20, 2019
TODAY’S AGENDA

• Welcome
• Removal of CBRS/OPA Boundaries
• Renewal of Elevation Certificate Update
• Pivot & PART
• FEMA’s Risk Rating 2.0
• Reauthorization of the NFIP
• Lender’s Guidance for Private Flood Insurance
• 1316 and Private Flood Insurance
• Ag Guidance – ASFPM’s response
• Insurance Committee Meeting – May 20th, 1:15
• Questions
CBRS/OPA Boundaries

- www.fema.gov/coastal-barrier-resources-system
- www.fema.gov/media-library/assets/documents/17075
- www.fws.gov/cbra/
When completing Item B12 on the EC, for the most current and best available CBRS maps and boundary data, please go to the U.S. Fish and Wildlife Service (FWS) CBRS Mapper. The FWS website also provides additional information regarding CBRA property determinations.

NOTE: The current version of the EC has an expiration date of November 30, 2018, and the revised version is pending approval. This webpage will be updated with the revised version once approved. The current version of the EC can be used until further notice.
Pivot & PART

Pivot – New NFIP Rating System
PART – New Reporting System; replaces BureauNet

<table>
<thead>
<tr>
<th>Key Milestone</th>
<th>Old Date</th>
<th>New Date</th>
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<tbody>
<tr>
<td>Industry beta testing of Pivot</td>
<td>Underway</td>
<td>Wrapping up</td>
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<td>PART replaces BureauNet and Data Exchange</td>
<td>January 22, 2019</td>
<td>Ongoing</td>
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<td><strong>Pivot Opening Day</strong></td>
<td><strong>January 22, 2019</strong></td>
<td><strong>March 1, 2019</strong></td>
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<td>Start of Parallel Processing</td>
<td>April 1, 2019</td>
<td>May 13, 2019</td>
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<td>Cutover to Pivot as the SOR and decommission of legacy system</td>
<td>July 31, 2019</td>
<td>Oct 1, 2019</td>
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<td>Decommission of TRRP Parser</td>
<td>October 1, 2019</td>
<td>Dec 1, 2019</td>
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PART - Reporting

Goals:
- Modernize reporting (Dynamic and Statistical)
- Replace Existing Reports on FloodSmart/BN/DX
- Disaster Based Reporting
- Tailored Role Based Reporting and Dashboard
- Geographical Reporting

Data:
- TRRP Cycle Data Cleaned
- Active and Historical Data
- Protected via role based access

ASFPM PART SUBCOMMITTEE
Risk Rating 2.0 - Benefits

• Make rates simpler and more transparent
• Reflect more types of flood risk
• Reflect the cost to rebuild
• Increase understanding of flood risk through intuitive rating variables
• Reduce flood risk nationwide through increased coverage and mitigation activity
• Reinforce the financial framework of the NFIP
Risk Rating 2.0 - Rollout

- April 1, 2020
  - Rates released for all single-family homes
- October 1, 2020
  - Rates for single-family homes go into effect nationwide
Risk Rating 2.0 Process

- Replacement cost value
- Intuitive rating variables
- Commercial catastrophe models + NFIP mapping data
- Easily collected data

Agent logs into the RRE → Enters an address → Validates the address with a pin-drop → Enters/validates geographic and structural characteristics → Selects the amount of coverage, deductible, etc. → Produces a premium
Potential New Policy Forms

**NFIP Current State**
- Dwelling
- General Property
- Residential Condominium Building Association Policy (RCBAP)

**Proposed Future State**
- Homeowners
- Tenants
- Group Flood
- Mobile Homes
- Landlord
- Condo Unit
- RCBAP
- Small Commercial
- Large Commercial
NFIP Reauth Cards – A Full House?
Regulators Guidance on Private Flood Insurance

Risk Management

Lending rules could pave way for private flood insurance expansion

Matthew Lerner
February 12, 2019

National Credit Union Administration


February 2019

New Rule Covers Private Flood Insurance
Section 1316

The purpose of this page is to define Section 1316, a commonly used regulation in floodplain management.

Definition/Description

Section 1316 of the National Flood Insurance Act of 1968, as amended, provides for the denial of flood insurance coverage for any property which the Administrator finds has been declared by a duly constituted State or local authority to be in violation of State or local floodplain management regulations. Once a duly constituted State or local authority declares a structure as being in violation, the Administrator must deny flood insurance coverage provided that the individual or office making the declaration has the authority to do so and that the law or regulations violated was, in fact, intended to discourage or otherwise restrict land development or occupancy in the flood-prone area.

Section 1316 was intended for use primarily as a backup for local enforcement actions (i.e., if a community could not force compliance through the enforcement mechanisms in its regulations, it could use Section 1316 as additional leverage) and was not intended merely as a mechanism to remove bad risks from the policy base. Section 1316 will only be implemented in instances where States or communities submit declarations specifically for that purpose.

NFIP Requirement

- 61.5 (a) Denial of insurance
- Part 79 - Procedures

Guidance

- IS-9 Managing Floodplain Development Through The National Flood Insurance Program (NFIP) (page 743)

Related Keywords

- Community Compliance Program
- Violation
FEMA POLICY: Floodplain Management Requirements for Agricultural Structures and Accessory Structures

FEMA Policy #XXX-XX

BACKGROUND
This policy is intended to provide clarification and technical assistance to National Flood Insurance Program (NFIP) State Coordinators and local floodplain administrators regarding implementation of the minimum NFIP construction requirements for agricultural structures and accessory structures, as defined in this policy, which are located within floodplain areas. This policy supersedes portions of existing guidance related to agricultural structures and accessory structures found in FEMA Technical Bulletin 1 “Openings in Foundation Walls and Walls of Enclosures” and FEMA Technical Bulletin 7 “Wet Floodproofing Requirements.”

PURPOSE
The purpose of this policy is to acknowledge the unique characteristics and uses of agricultural structures and accessory structures in order to ensure sound development within floodplain areas and promote public health, safety and welfare. This policy aims to clarify the definition of agricultural structures and accessory structures, and provide a clear, consistent process for ensuring compliance with NFIP requirements for those structures located within the Special Flood Hazard Area (SFHA).

This policy does not intend to provide clarification on eligibility or application of insurance for agricultural structures or accessory structures. Agricultural and accessory (or appurtenant) structures are generally eligible for flood insurance coverage under the NFIP. See FEMA’s Flood Insurance Manual for information on the rules governing building coverage and/or contents coverage for agricultural structures.

PRINCIPLES
FEMA recognizes that clear criteria for agricultural structures and accessory structures supports floodplain management principles and provides a consistent approach to implementation. Agricultural structures and accessory structures are non-residential structures, and the NFIP requires non-residential structures to be elevated or dry-floodproofed. However, in accordance with NFIP statute and regulations, wet floodproofing may be an allowable alternative mitigation technique for certain agricultural structures and accessory structures in certain situations. This policy explains the minimum requirements for agricultural
ASFPM Conference 2019

MAY 19-23

Insurance Committee Meeting
May 20th
1:15-3:30

http://asfpmconference.org/2019/
Questions?