

Welcome to the ASFPM-Sponsored Webinar:

Flood Determination Industry Overview:

Purpose, Processes, Challenges and Initiatives

- While we wait for others to join, please make yourself familiar with some of the WebEx features. Two important ones for today will be the “**Raise Hand**” feature (indicated by the little hand at the bottom of the Participants List) and the Chat feature (located below the Participants List).
- With Chat, you can choose who you want to send it to and then type your message below it in the dialog box next to “Send”.
- Once you have found the **Raise Hand** feature, please click it to raise your hand and *keep it up until you are told to click it again and lower it.*
- Also, once you have found the **Chat box**, please type in your favorite movie in (and if more than one are present, feel free to add theirs).
- We will keep everyone on mute while we wait; however, we request that **you also mute your phone** (NOT on hold, as some phone systems have “music” or information for the public playing when on hold). If you have a question while we wait, just type it in and send it to “Host.”

Welcome to the ASFPM-Sponsored Webinar:

Flood Determination Industry Overview:

Purpose, Processes, Challenges and Initiatives

This webinar is designed for interaction, but to be successful with so many online, here's how it will proceed today:

- First, we need to identify who has additional people in the room with them so they can qualify for ASFPM CE credits.
- Everyone needs to be on mute (not “Hold”).
- There will be 3 formal breaks for discussion and then at the end.
- Questions can be taken during the presentation by raising your hand and/or typing your question. We will stop at an appropriate point to address these.
- Due to time sensitivities, the general mute button may be used to hold off further discussion on a point so that we can get to the end; if time permits, we will come back to that point.

Welcome to the ASFPM-Sponsored Webinar:

Flood Determination Industry Overview:

Purpose, Processes, Challenges and Initiatives

When asking questions, especially verbally, please:

- State each time:
 - who you are, and
 - who you represent
- Try to be succinct with your question or comment
- Be courteous to others who are speaking or have commented

At the end of the presentations, please raise your hand if you have a question or comment (bring back memories of grade school?!).

Flood Determination Industry Overview:

Purpose, Processes, Challenges and Initiatives

***Webinar for State Floodplain Managers
December 15, 2010***

Moderator:

Bruce Bender, ASFPM Insurance Committee Co-Chair

Presenters:

Cheryl Small, NFDA President

Leila Taha, NFDA Immediate Past President

Today's Discussion

- The NFDA, Its Role, and the Services that Member Companies Provide
- Flood Determinations: Processes & Procedures
- When Discrepancies Arise: Conflicts, Confusion and Resolutions
- Industry Efforts and Ideas to Address Challenges facing the Flood Program
- Discussion: Improving Communication & Cooperation with Stakeholder Groups

The NFDA

- For over 25 years, companies have offered flood determination services to lending institutions.
- Non-profit organization comprised of flood determination companies, resellers and industry associates.
- 20 active members represent more than 90% of all flood determinations performed nationwide
- Administers the NFDA Certification Program which provides an opportunity for companies to be recognized for achieving an exemplary level of professionalism with a focus on accuracy.
- Promotes and supports the NFIP and its purpose and advocates for positive changes to the Flood Program.

Key Legislation & Guidelines

Flood Disaster Protection Act of 1973

- Mandated that lenders require flood insurance on loans secured by properties in SFHA

National Flood Insurance Reform Act of 1994

- Tightened lender compliance, created SFHDF, added civil penalties & established lender placed insurance requirements

Mandatory Purchase of Flood Insurance Guidelines, 2007 ed.

- Compliance guide for lenders
- Encourages lenders to require flood insurance beyond minimum requirements (however, GSE's only require minimum)
- Directs lenders to resolve and document flood zone discrepancies

"Interagency Questions & Answers Regarding Flood Insurance" (2009)

- Requires lenders to have processes in place to resolve flood zone discrepancies subject to potential violations for noncompliance

Flood Determination Services

- Provide flood determinations to federally regulated lenders for their compliance purposes including banks, mortgage companies, credit unions, brokers, and servicers.
- Track loans/determinations for revisions to the FIRMs and notify lenders and servicers of resulting changes that affect their insurance requirements: *“Life of Loan” service (“LOL”)*
- Provide flood data to insurance agents and insurance companies for policy rating, to appraisers, and to governmental agencies, among others.

NFDA Member Survey

- NFDA conducts an annual survey of its member companies to compile statistical data related to services provided
- Survey categories include:
 - Flood Zone Determinations Completed
 - Life of Loan Activity
 - Customer Service
 - Order Processing Statistics
 - Training
 - Claims

NFDA Member Survey

- Flood Zone Determinations Completed
 - Stratified by lending industry and other industries (e.g. insurance companies, surveyors, appraisers)
 - 2009 survey results :
 - 16,274,231 flood determinations completed for lender clients*
 - 5,842,150 flood determinations completed for other clients**

**based on the response of 13 NFDA member companies*

*** based on the response of 12 NFDA member companies*

NFDA Member Survey

- Life of Loan
 - Flood zone determinations tracked and impacted by revisions
 - Determinations affected*
 - Determinations resulting in a status change:
 - » OUT to IN SFHA: 402,550
 - » IN to OUT of SFHA: 384,735
 - Determinations impacted by map revisions not resulting in a status change
 - » Remained IN SFHA 1,088,562
 - » Remained OUT of SFHA 25,267,717
 - In 2009, over *184 million** determinations were tracked for map changes

**based on 2009 NFDA member survey*

NFDA Member Survey

➤ Customer Service

- Average talk times
- Call Volumes
 - Handled *over half a million** non-sales related phone calls

➤ Training

- 2,404 hours (average per company)* training internal employees whose primary job function includes making manual determinations
- 1,016 hours (average per company)* related to training clients

**based on the response of 13 NFDA member companies*



NFDA

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Questions?

The logo for the National Flood Determination Association (NFDA) is located in the top left corner. It features the acronym "NFDA" in a large, bold, blue sans-serif font. Below the acronym, the full name "NATIONAL FLOOD DETERMINATION ASSOCIATION" is written in a smaller, blue, all-caps sans-serif font, arranged in three lines. A decorative blue curved line starts from the bottom left of the logo and sweeps upwards and to the right across the top of the slide.

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Flood Determinations: Processes & Procedures

The Process of Making Flood Determinations

- Customer submits order by providing property address*.
- Based upon a company's proprietary processes, address is sent through system and, in most cases, a flood determination is completed automatically** (an "automated hit").
- If no automated hit is made, the address is sent to the company's trained map technicians who complete the flood determination using the FIRM and supplemental resources.

** In 2008, 10.24% of addresses received from clients were invalid or non-standard according to NFDA Member Survey responses*

*** On average, 80% of the time an automated hit is returned to the client according to NFDA Member Survey responses*

Different Roads, Same Destination: Automated Determinations

Companies may employ a series of proprietary methods to automatically make an accurate determination:

- GIS assessment utilizing property coordinates and digital map layers may include:
 - Address scrubbing/geocoding by licensed software
 - Road Map Layers
 - Flood Map Layers (DFIRM)
 - Parcel Map Layers
 - LOMA/LOMR Layers
- Check against historical databases of previously completed determinations
- Utilize databases of property assessment and parcel data

Different Roads, Same Destination: Automated Determinations

GIS assessments may entail a series of checks:

- Latitude/Longitude coordinate for property obtained from geocoding software
- Confidence codes are assigned by the software process that describe the quality of the geocode – can be used to evaluate the accuracy of the plotted location
- Utilize “buffering” of property coordinates and/or flood zone boundaries; may be dynamic depending on location quality and geography

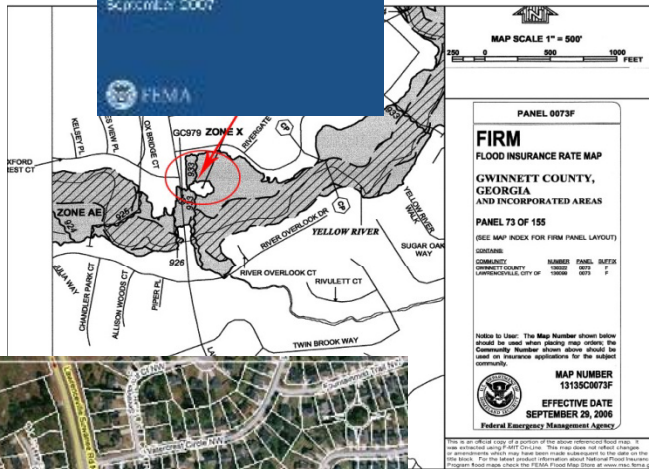
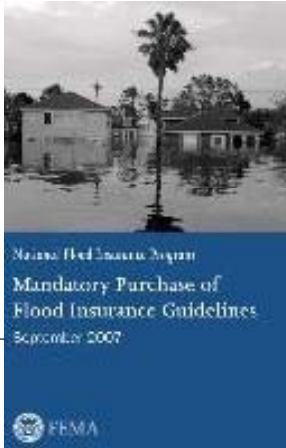
Quality Assurance for Automated Systems

Constant evaluating and adjusting processes to ensure accuracy:

- Importing new FEMA flood data for use on effective date
- Importing LOMC data upon subscription delivery
- Running test batches to ensure that new data is incorporated accurately
- New and upgraded technologies
- Regular quality assurance audits
- Evaluation and correction of any found errors
- Client feedback from dispute resolution process
- Consideration of industry concerns and challenges

NFDA Certification Program: 99% Accuracy Rate Requirement

Map Research & Flood Compliance Training

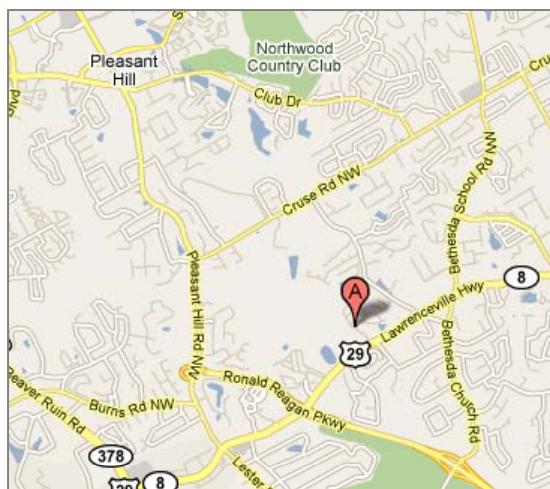


Rigorous staff training involves:

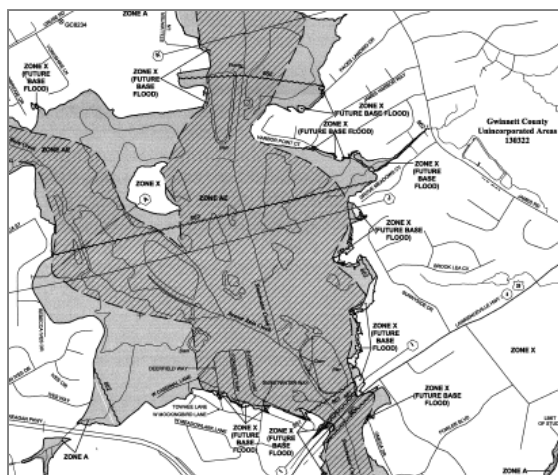
- Processes for Property Location
- Use of FEMA Resources
- Use of Supplemental Resources
- Understanding Lender Compliance
- Understanding the NFIP Flood Insurance Guidelines

From recent NFDA surveys, NFDA Member Companies each spend on average more than 2,000 hours annually training research staff.

Manual Flood Determinations... Steps to Process



1. Find the General Location of the Property on the Flood Map.
2. Find the Specific Location of the Property.
3. Identify the Structure's Location and the Flood Zone Designation.

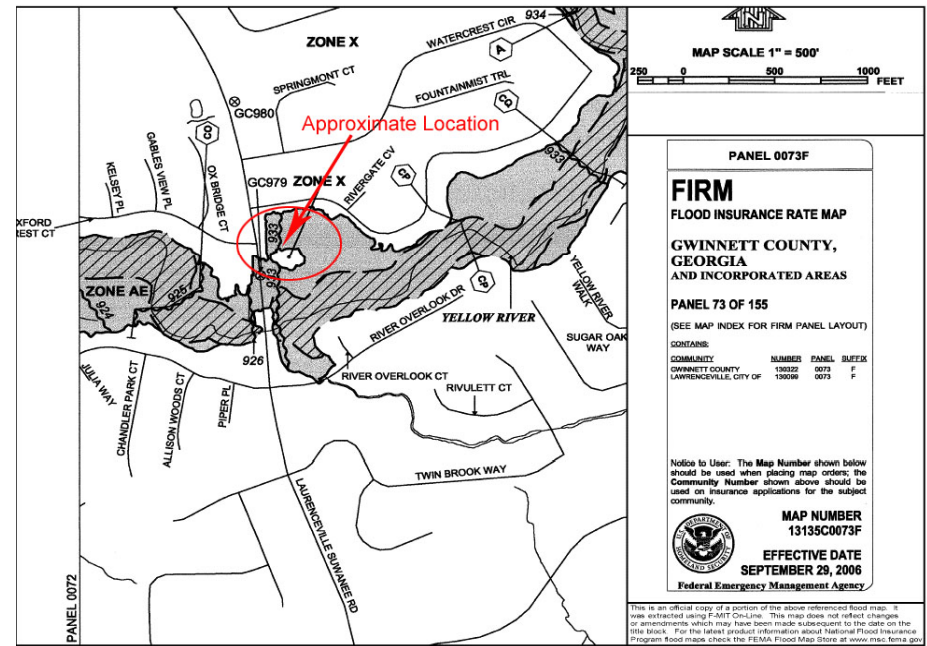
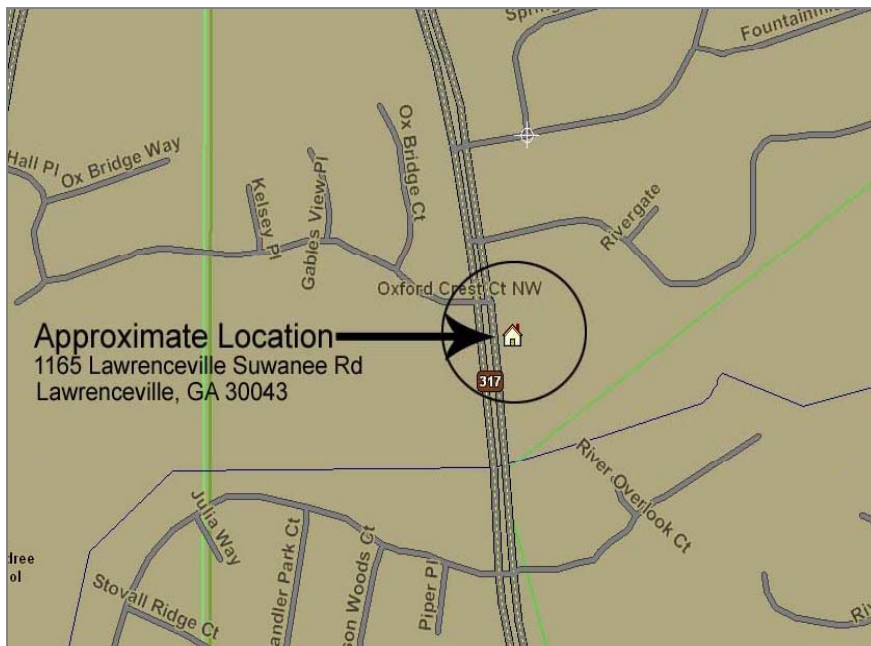


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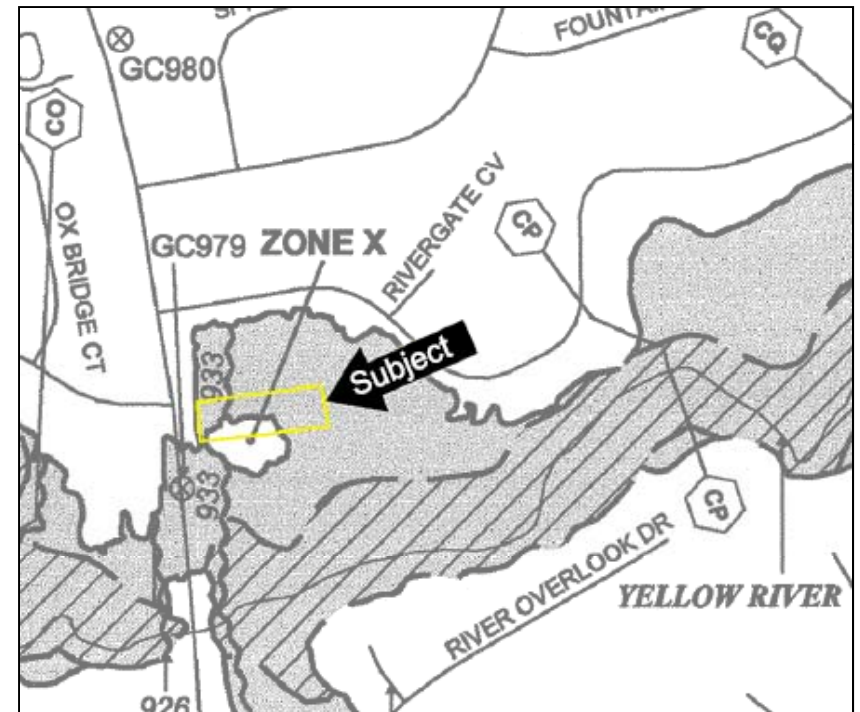
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Manual Determination Process...

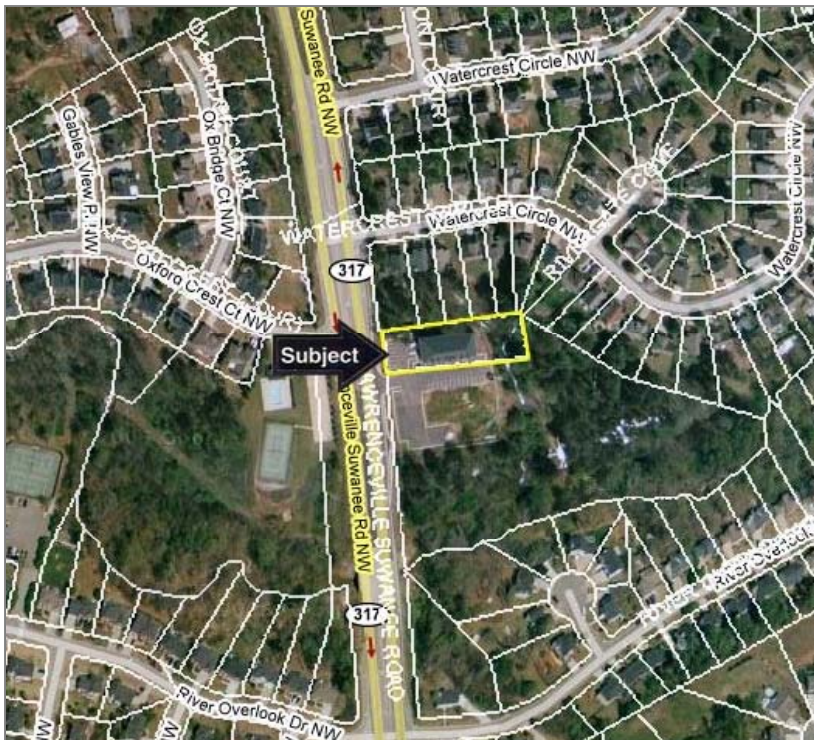
Find the General Location of the Property on the Flood Map



Manual Determination Process... Find the Specific Location of the Property



Manual Determination Process... *Identify the Structure's Location* *and the Flood Zone Designation*



Standard Flood Hazard Determination Form FEMA Form 81-93

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY STANDARD FLOOD HAZARD DETERMINATION		See The Attached Instructions	D.M.B. No. 1560-0040 Expires October 31, 2008	
SECTION I - LOAN INFORMATION				
1. LENDER NAME AND ADDRESS First State Bank 123 Main Street Anytown, USA 11111		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached)		
3. LENDER ID. NO.	4. LOAN IDENTIFIER	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		
SECTION II				
A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION				
1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number	
B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME				
1. NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input type="checkbox"/> YES Date	4. Flood Zone	5. No NFIP Map
C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)				
1. <input type="checkbox"/> Federal Flood Insurance is available (community participates in NFIP). <input type="checkbox"/> Regular Program <input type="checkbox"/> Emergency Program of NFIP				
2. <input type="checkbox"/> Federal Flood Insurance is not available because community is not participating in the NFIP.				
3. <input type="checkbox"/> Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood Insurance may not be available. CBRA/OPA designation date: _____				
D. DETERMINATION				
IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")? <input type="checkbox"/> YES <input type="checkbox"/> NO				
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973. If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.				
E. COMMENTS (Optional):				
This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.				
F. PREPARER'S INFORMATION				
NAME, ADDRESS, TELEPHONE NUMBER (if other than Lender)			DATE OF DETERMINATION	
ABC Flood Determination Company 321 Green Parkway Big City, USA 11111				

Lender
Information

Preparer's
Information
(e.g. flood determination
company information)

Lender Responsibilities:

...Document the determination of flood hazard status...on the Standard Flood Hazard Determination Form (SFHDF)...

- *Mandatory Purchase of Flood Insurance Guidelines, September 2007, section A, p. 5*

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Standard Flood Hazard Determination Form

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY STANDARD FLOOD HAZARD DETERMINATION FORM (SFHDF)		See The Attached Instructions	O.M.B No. 1660-0040 Expires December 31, 2011	
SECTION I - LOAN INFORMATION				
1. LENDER NAME AND ADDRESS		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) 1165 LAWRENCEVILLE SUWANEE RD UNIT A LAWRENCEVILLE, GA 30043		
3. LENDER ID. NO.	4. LOAN IDENTIFIER	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		
SECTION II				
A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION				
1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number	
GWINNETT COUNTY	UNINCORPORATED AREAS	GA	130322	
B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME				
1. NFIP Map Number or Community Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR <input type="checkbox"/> Yes <input type="checkbox"/> No Date	4. Flood Zone	5. No NFIP Map
13135C 0073F	09/29/06	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date	AE	
C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)				
1. <input checked="" type="checkbox"/> Federal Flood Insurance is available (community participates in NFIP). <input checked="" type="checkbox"/> Regular Program <input type="checkbox"/> Emergency Program of NFIP				
2. <input type="checkbox"/> Federal Flood Insurance is not available because community is not participating in the NFIP.				
3. <input type="checkbox"/> Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood Insurance may not be available CBRA/OPA designation date: _____				
D. DETERMINATION				
IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONE CONTAINING THE LETTERS "A" OR "V") ? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO				
If yes, flood insurance is required by the Flood Disaster Protection Act of 1973. If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.				
E. COMMENTS (Optional):				


Property

Flood Zone

Determination

“Lenders are bound by the information shown on FEMA maps unless a LOMA has been issued by FEMA for the building”

-Mandatory Purchase of Flood Insurance Guidelines, FEMA-186, September 2007, p. 17

Page 1 of 2		Date: May 29, 2007		Case No.: 07-04-3234A		LOMA	
		Federal Emergency Management Agency Washington, D.C. 20472					
		LETTER OF MAP AMENDMENT DETERMINATION DOCUMENT (REMOVAL)					
COMMUNITY AND MAP PANEL INFORMATION				LEGAL PROPERTY DESCRIPTION			
COMMUNITY	GWINNETT COUNTY, GEORGIA (Unincorporated Areas)			Building 1165, Lawrenceville-Suwanee Professional Center, Phase 1, Unit A, as described in the Security Deed recorded as Document No. 098151, in Book 23665, Pages 73, 74, and 75, in the Office of the Clerk of Superior Court, Gwinnett County, Georgia			
	COMMUNITY NO.: 130322						
AFFECTED MAP PANEL	NUMBER: 13135C0073F DATE: 9/29/2006						
FLOODING SOURCE: YELLOW RIVER				APPROXIMATE LATITUDE & LONGITUDE OF PROPERTY: 33.975, -84.020 SOURCE OF LAT & LONG: PRECISION MAPPING STREETS 7.0 DATUM: NAD 83			
DETERMINATION							
LOT	BLOCK/SECTION	SUBDIVISION	STREET	OUTCOME WHAT IS REMOVED FROM THE SFHA	FLOOD ZONE	1% ANNUAL CHANCE FLOOD ELEVATION (NAVD 88)	LOWEST ADJACENT GRADE ELEVATION (NAVD 88)
--	--	--	1165 Lawrenceville Suwanee Road	Structure (Bldg 1165)	X (shaded)	932.9 feet	933.4 feet
Special Flood Hazard Area (SFHA) - The SFHA is an area that would be inundated by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood).							
ADDITIONAL CONSIDERATIONS (Please refer to the appropriate section on Attachment 1 for the additional considerations listed below.)							
PORTIONS REMAIN IN THE SFHA							

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Form Revised to Reflect LOMA Information

LOMA
InformationUpdated
Determination

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY STANDARD FLOOD HAZARD DETERMINATION FORM (SFHDF)		See The Attached Instructions	O.M.B No.1660-0040 Expires December 31, 2011	
SECTION I - LOAN INFORMATION				
1. LENDER NAME AND ADDRESS		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal Description may be attached) 1165 LAWRENCEVILLE SUWANEE RD UNIT A LAWRENCEVILLE, GA 30043		
3. LENDER ID. NO.	4. LOAN IDENTIFIER	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$		
SECTION II				
A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION				
1. NFIP Community Name	2. County(ies)	3. State	4. NFIP Community Number	
WINNETT COUNTY	UNINCORPORATED AREAS	GA	130322	
B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME				
1. NFIP Map Number or Community Panel Number (Community name, if not the same as "A")	2. NFIP Map Panel Effective/ Revised Date	3. LOMA/LOMR	4. Flood Zone	5. No NFIP Map
13135C 0073F	09/29/06	<input checked="" type="checkbox"/> Yes 05/29/07 Date	X500	
C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)				
1. <input checked="" type="checkbox"/> Federal Flood Insurance is available (community participates in NFIP). <input checked="" type="checkbox"/> Regular Program <input type="checkbox"/> Emergency Program of NFIP				
2. <input type="checkbox"/> Federal Flood Insurance is not available because community is not participating in the NFIP.				
3. <input type="checkbox"/> Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA), Federal Flood Insurance may not be available CBRA/OPA designation date: _____				
D. DETERMINATION				
IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA (ZONE CONTAINING THE LETTERS "A" OR "V") ? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, flood insurance is required by the Flood Disaster Protection Act of 1973. If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.				
E. COMMENTS (Optional):				



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Questions?

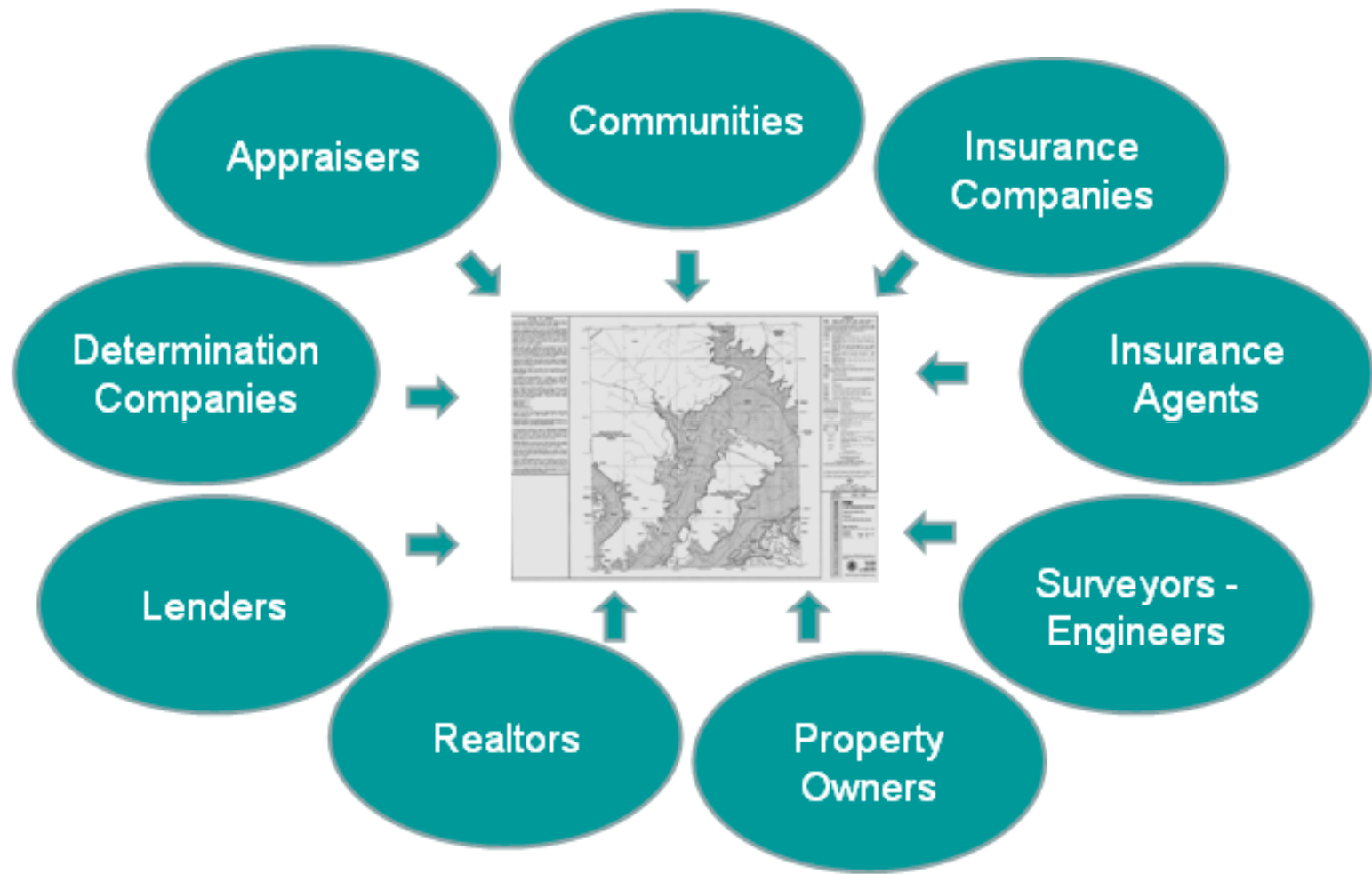
The NFDA logo is located in the top left corner. It features the acronym "NFDA" in a large, bold, blue sans-serif font. Below the acronym, the words "NATIONAL FLOOD DETERMINATION ASSOCIATION" are written in a smaller, blue, all-caps sans-serif font, stacked in three lines. A large, light blue curved graphic element starts from the left edge of the slide and sweeps upwards and to the right, passing behind the title area.

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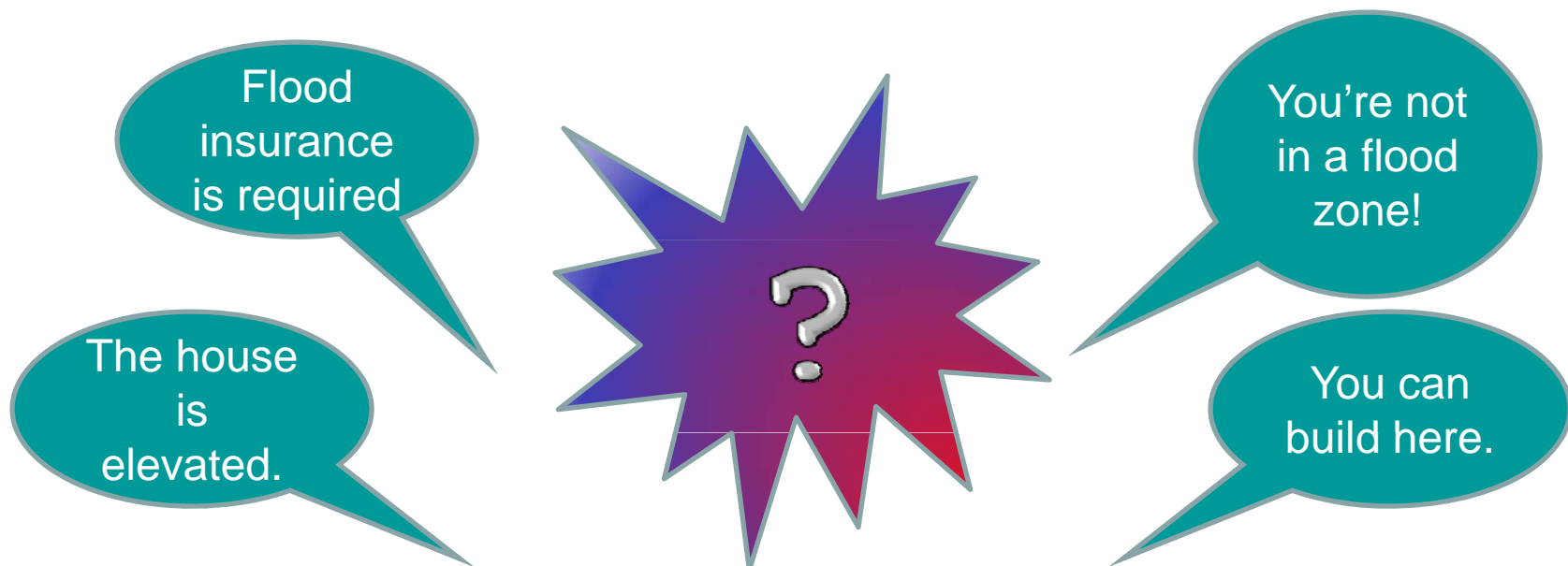
When Discrepancies Arise: Conflicts, Confusion and Resolutions

FIRMs - We're All Using Them to Understand and Communicate Risk!

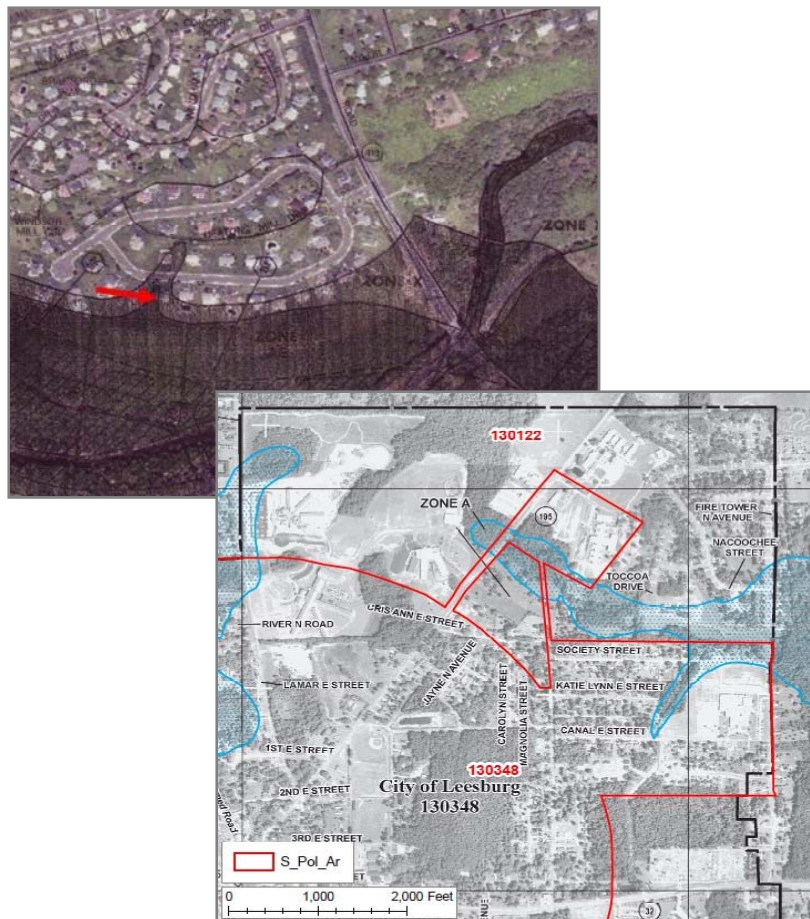


What is a “Discrepancy”?

- Different users of the FIRMs can reach different conclusions as a result of particular guidelines.
- Different users may reach different conclusions as a result of mapping issues.
- When discrepancies do occur, confusion can result and the important message about risk can be lost.




Mapping Issues & Challenges



- Flood map limitations
- Close Calls
- Discrepancies between map resources: FIRM, aerial photography, surveys/site plans, etc
- Inaccuracies on FIRMs
- Insufficient Information
- Commercial and Government Properties and New Construction

Drawing Different Conclusions – An Example

 City

OFFICE OF BEACH MANAGEMENT
(757) 427-4181
FAX (757) 427-4262
TDD (757) 427-4623

May 25, 2001

Chris G. Snyder
1700 Creekstone Court
Virginia Beach, VA 23456


Re: Flood Zone Determination

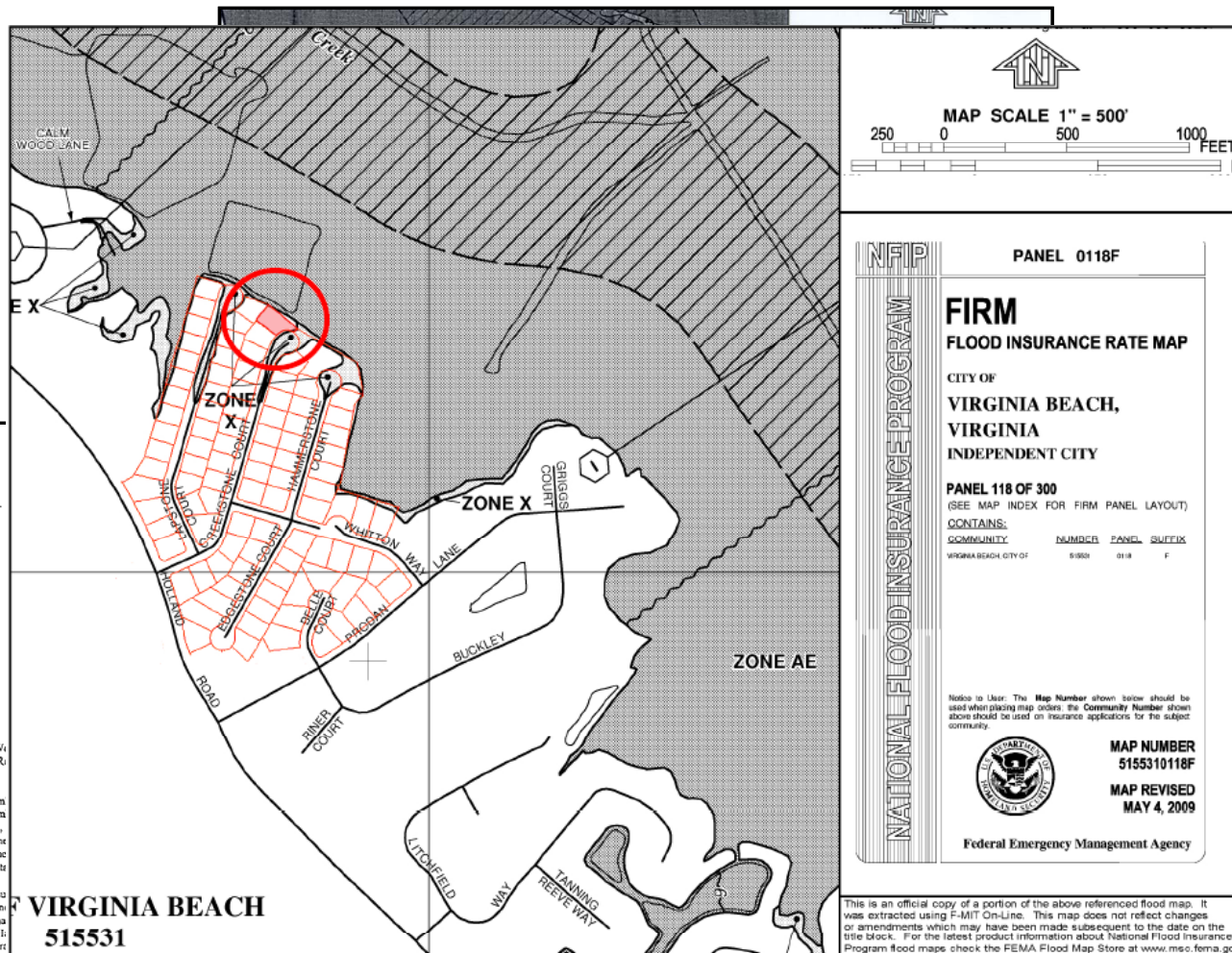
Dear Mr. Snyder:

This is to inform you that Lot 39, Holland Way, is located on the City's Flood Insurance Map provided:

- The Virginia Beach Community Number
- The property is located on Panel Number
- The date of the FIRM is December 5, 1986
- The Base Flood Elevation, BFE, at the property is
- The structure is located in FIRM Zone
- The property is not located in a Coastal

This determination is based on the Flood Insurance topographic map information and a survey and Hickman, L.S. This letter does not imply that damage. A property not in a Special Flood Hazard that predicted on the FIRM or from a local driver.

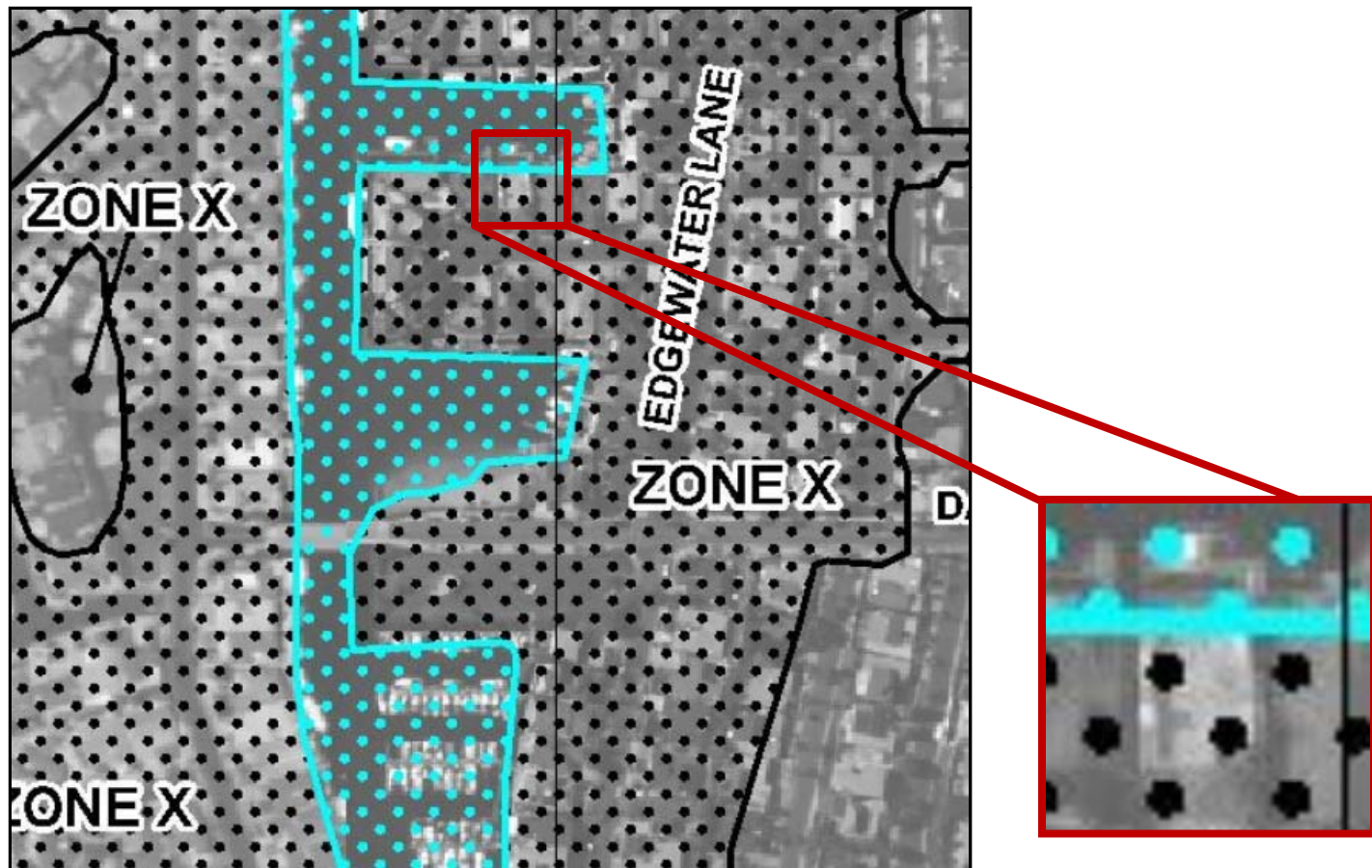
Sincerely,

Robert E. Hunt, P.E.
Civil Engineer



- In 2009, FEMA revised FIRM and removes from SFHA



Mapping Issues & Challenges: Close Calls



Mapping Issues & Challenges: Close Calls & Resource Discrepancies

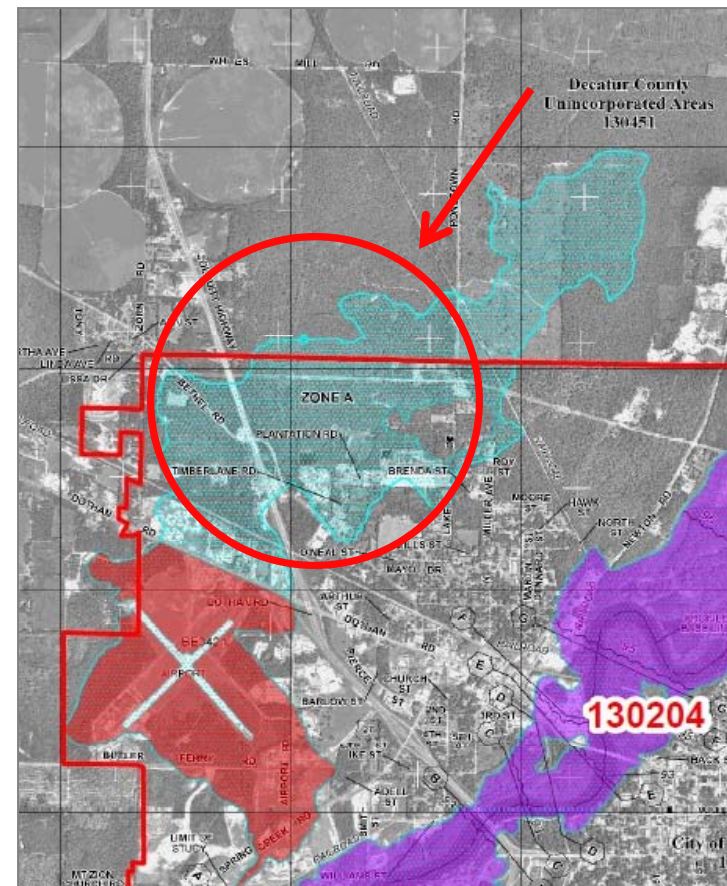
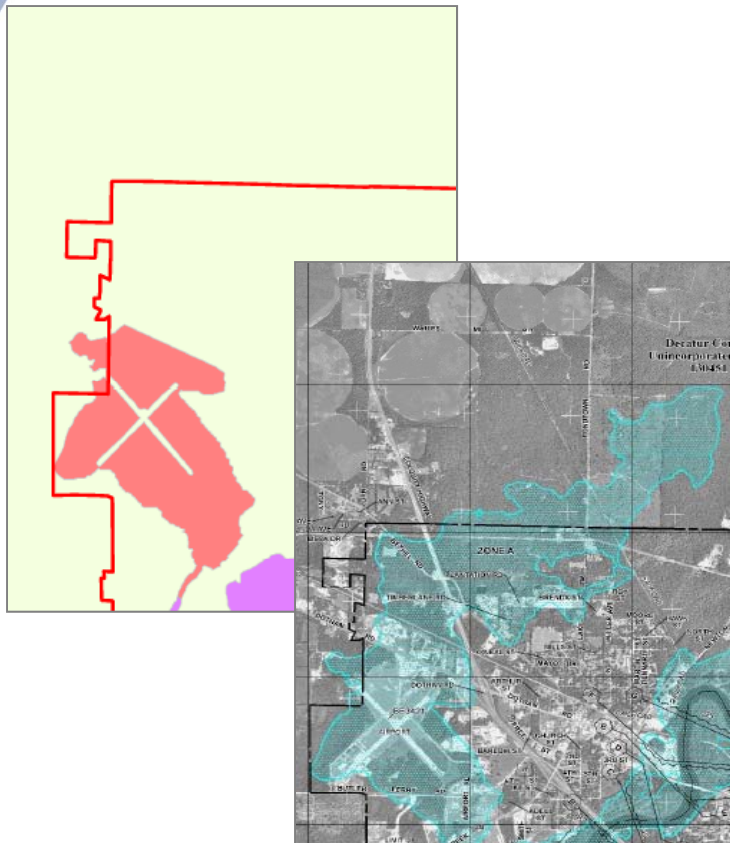
Discrepancies in the placement of roads, waterways and other map features present challenges to the verification of the zone for a subject property.



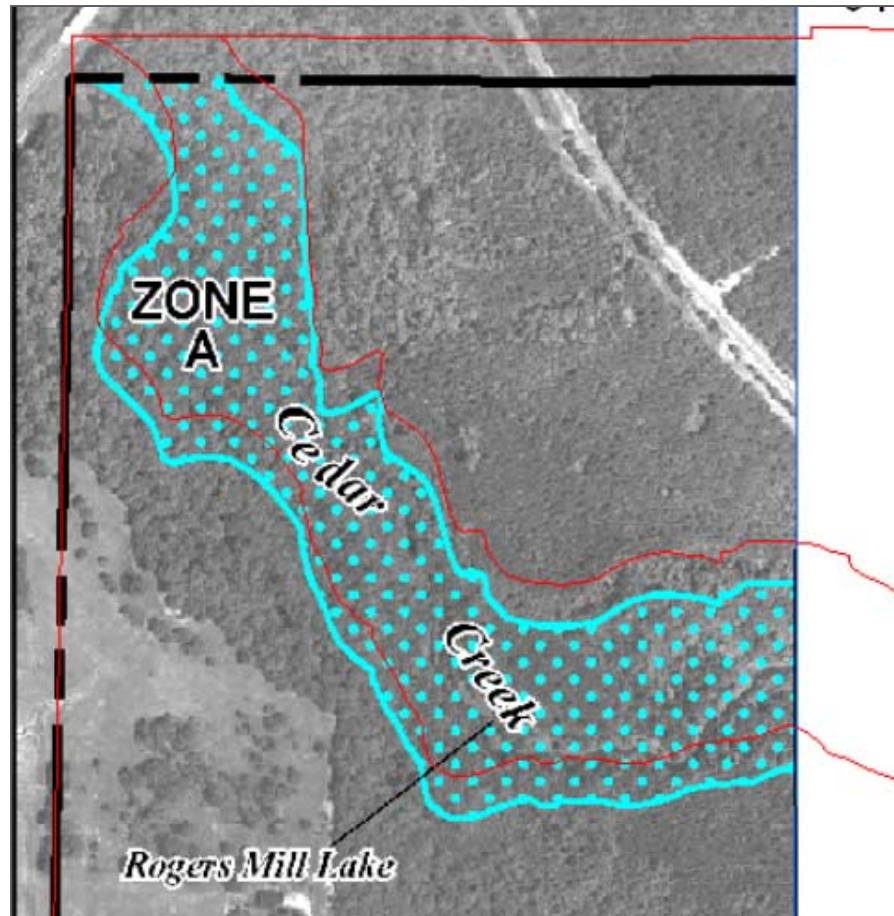
Note the impact of aligning the road-base versus the creek-line.

Mapping Issues & Challenges: Discrepancies Between FEMA Products

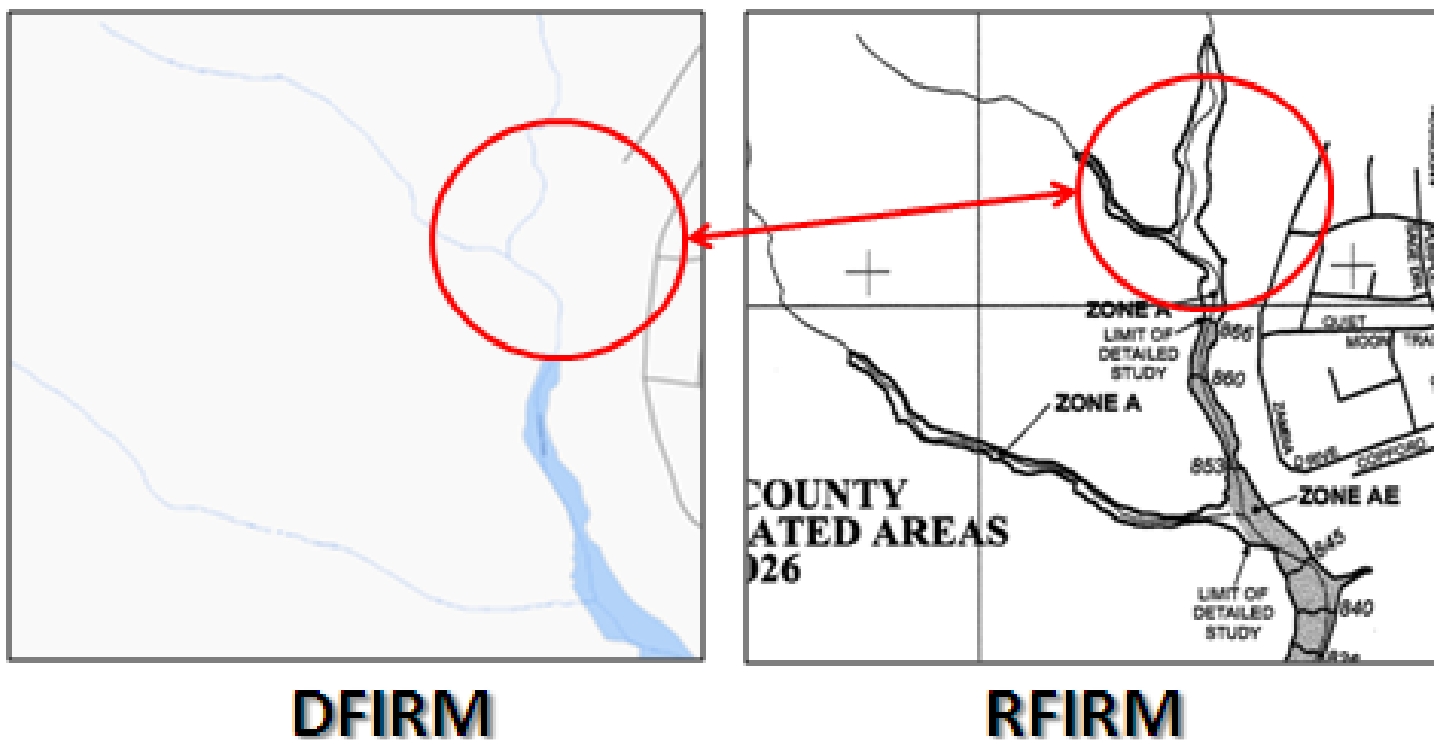
RFIRM & DFIRM Overlay



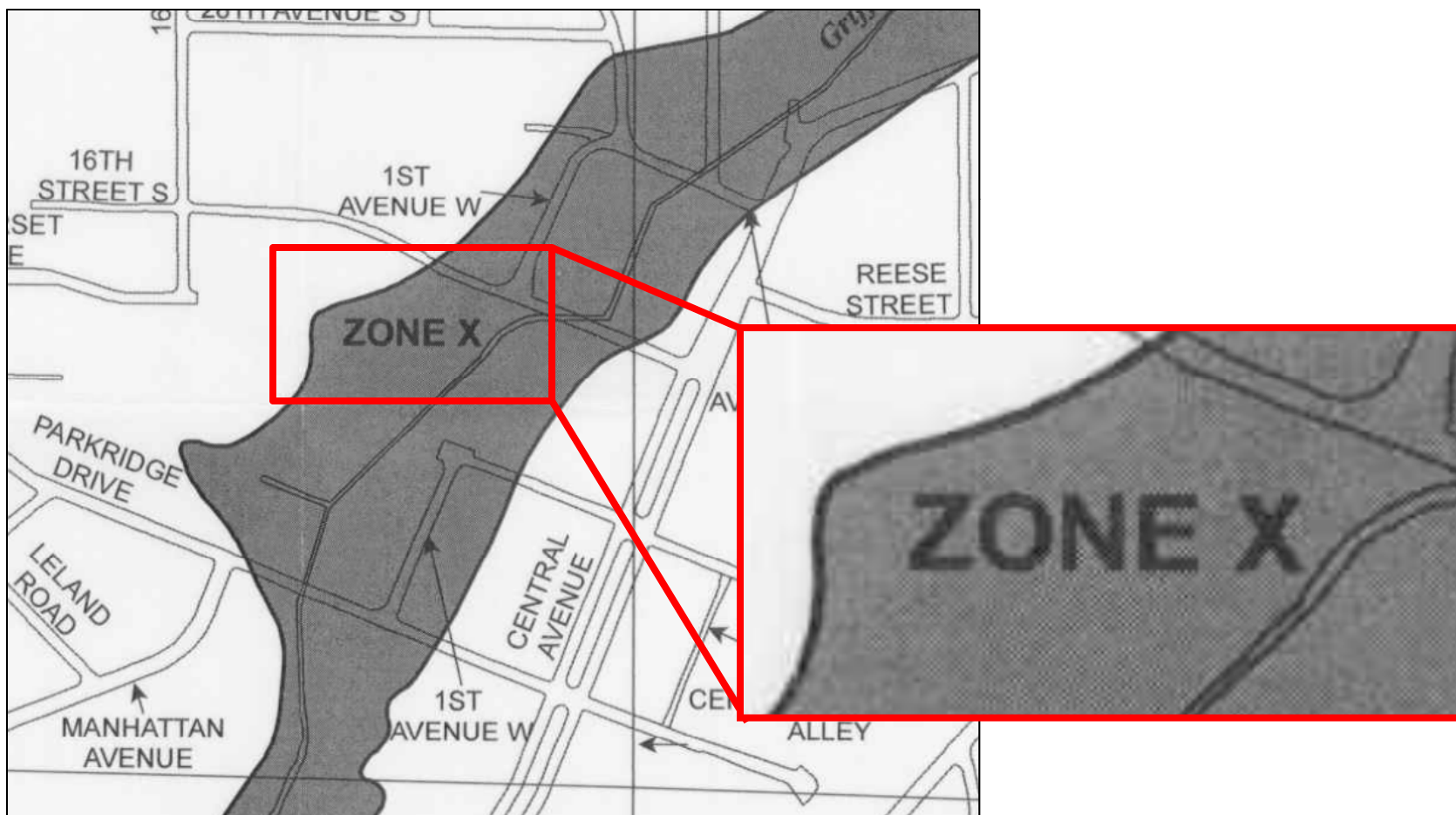
Mapping Issues & Challenges: Discrepancies Between FEMA Products



Mapping Issues & Challenges: Discrepancies Between FEMA Products



Mapping Issues & Challenges: FIRM Attribute Errors



Mapping Issues & Challenges: Contained in Channel



Santa Clara County, CA Panel 0019H

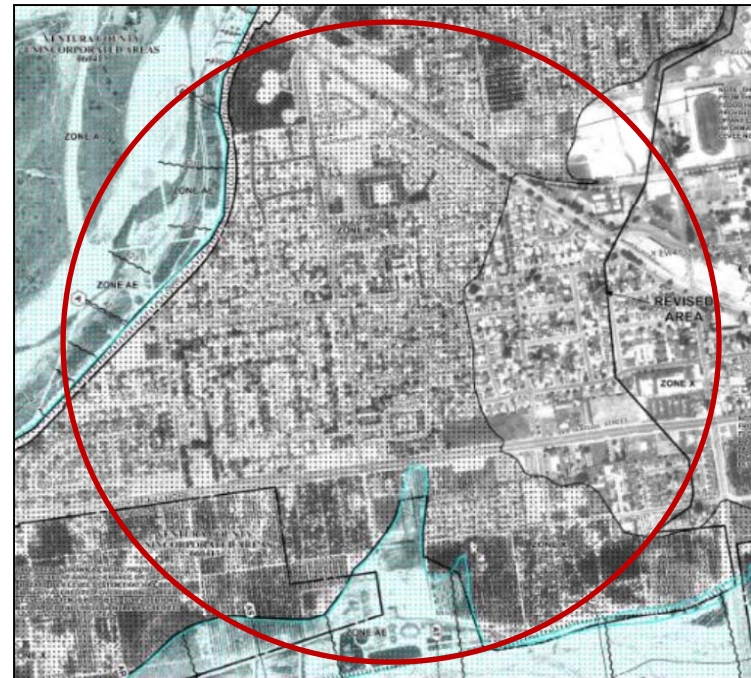


Mapping Issues & Challenges: LOMC & Revalidation Letter Delivery

- Online delivery of LOMCs and Revalidation Letters not available through FEMA's subscription service.
- LOMRs and LOMAs typically arrive 30-45 days following issuance.



FIRM Effective January 20, 2010



FIRM Revised January 21, 2010

Revalidation Letters

- Revalidation letters received anywhere from one day to eight weeks post-revision date
- Communities typically receive information ahead of revision
- SOMA is used for forecasting, but not reliable

Resulting Challenges:

- Delayed delivery means that the most current/accurate data is not being used as soon as it's issued
- Delayed delivery can lead to multiple notifications
- Creates discrepancies, confusion and misunderstandings between parties
- Results in homeowner frustration and noise

Revalidation Letter Initiatives & Solutions

- Established work group involving FEMA, FMIX and NFDA to explore delivery solutions
- Requested establishment of service delivery standard
- Ensure simultaneous delivery to all parties

LOMC Delivery Schedule

- 22,000+ LOMCs were issued via CD in 2009
- Subscribers receive LOMC CDs bi-weekly
- LOMCs are delivered to communities immediately but are typically 30-45 days old when received via subscription

Resulting Challenges:

- Creates discrepancies
- Creates errant determinations
- Creates confusion and frustration between homeowner, community, lenders, agents, and determination companies
- Approximately 20% of all disputed certifications result from not receiving new LOMC information in a timely fashion

LOMC Initiatives & Solutions

- Exploring solutions with FEMA and FMIX to receive via data feed or online tool
- Ensure consistent delivery to communities and subscribers
- More timely deliver will reduce discrepancies and disputed determinations



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ASSOCIATION

Questions?

The logo for the National Flood Determination Association (NFDA) is located in the top left corner. It features the acronym "NFDA" in a large, bold, blue sans-serif font. Below the acronym, the full name "NATIONAL FLOOD DETERMINATION ASSOCIATION" is written in a smaller, blue, all-caps sans-serif font, stacked in three lines. A decorative blue curved line starts from the bottom left of the logo and sweeps upwards and to the right across the top of the slide.

NFDA

NATIONAL FLOOD
DETERMINATION
ASSOCIATION

Industry Efforts & Ideas to Improve the Flood Program

Solutions Through Stakeholder Cooperation

- Dispute resolution support for customers
- Cooperative efforts between flood determination companies
- LOMA application assistance – traditional and via eLOMA
- Working with state, community & FEMA Region officials
- Ongoing coordination with FEMA Headquarters' Risk Analysis team to address map product issues

NFDA – FEMA Coordination Efforts

- Bi-Annual Meetings with FEMA Headquarters' Risk Analysis staff for >10 years
- Constructive discussions regarding map quality, availability and delivery timelines
- Sharing NFDA member experiences & survey data
- Exploration of new and improved solutions

Recent progress and improvements:

- NFDA Certified Professionals (CPs) granted access to eLOMA
- FEMA/CDS Product Availability Web Page
- Improved online product tools
- Significant improvement in delivery of digital products (DFIRMs & RFIRMs)

Education & Outreach

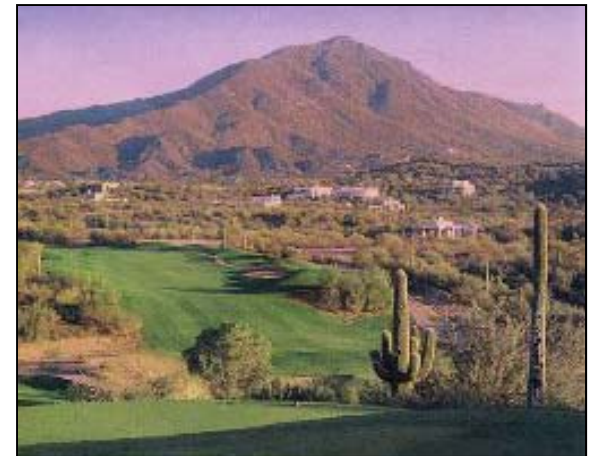
- Improved communication to NFDA members
- NFDA-hosted inter-industry workgroup
- Diligent outreach to other stakeholder groups
- Improving communication and cooperation with FEMA Regions and state and local officials

Venues for Industry Participation & Outreach Efforts

- FEMA's National Flood Conference
- FEMA Region Meetings
- ASFPM Conference
- Various State Floodplain Manager Conferences
- ASFPM Foundation's Gilbert F. White Forum
- NFIP Listening Session
- WebEx Informational Presentations
- Articles, White Papers and Letters to communicate NFDA's positions and recommendations regarding proposed legislation, regulations, and guidelines

NFDA's Annual Retreat & Conference

- Annual two-day meeting for members, affiliated partners and anyone interested in the flood determination process
- Expert speakers representing
 - FEMA
 - ASFPM
 - Financial Institutions
 - Regulatory Agencies
 - Insurance Companies
 - Other Stakeholder Associations/Organizations
- Latest and most pressing topics affecting the NFIP
- Open-forum discussions on legislative, regulatory and legal issues



2011 Conference: April 3 – 5 in Scottsdale, Arizona

Questions or Concerns about Flood Determinations?

- Questions about an individual flood zone determination should be directed to the company that produced it
 - Contact information on SFHDF
 - Membership Directory within **www.NFDAflood.com**
- Larger-scale community concerns and trends should be directed to NFDA: **info@NFDAflood.com**
- General questions about flood determination processes and services can be directed to NFDA: **info@NFDAflood.com**

Workshop Discussion

- What are opportunities for improved communication and understanding?
- What questions do you have about the flood determination industry or processes that were not addressed in this presentation?

We encourage you to contact the NFDA with questions or concerns about flood determinations, industry practices, or mapping issues that may arise.

Email: info@NFDAflood.com

Web: www.NFDAflood.com



NFDA Member Survey Results for 2006 - 2009*

Introduction

A questionnaire was prepared and circulated by Franke Greenhouse List & Lippitt LLP to NFDA member companies. For Calendar Years 2006 & 2007, the survey was distributed to sixteen member companies; eleven (11) responses were received for the survey covering Calendar Year 2006, and twelve (12) responses were received for the survey covering anticipated data for Calendar Year 2007. For Calendar Years 2008 & 2009, the survey was distributed to eighteen (18) member companies and thirteen (13) responses were received.*

Summary of Results

Question	# Respondent Companies	2009			# Respondent Companies	2008			# Respondent Companies	2007			# Respondent Companies	2006		
		Response				Response				Response				Response		
		Total	Average	Median		Total	Average	Median		Total	Average	Median		Total	Average	Median
Total New Orders Completed for Lenders	13	16,274,231	1,251,864	421,994	12	16,291,309	1,357,609	507,671	12	28,099,259	2,341,605	771,687	11	30,603,748	2,684,820	578,755
Total New Orders Completed for Others	12	5,842,150	486,846	64,709	10	4,621,493	462,149	67,226	11	3,368,373	306,216	35,000	11	2,684,820	244,075	24,000
Total Life of Loan Certificates Currently Tracking	13	184,065,290	14,158,868	9,100,000	12	165,782,732	13,815,228	6,076,801	11	176,193,252	16,017,568	11,300,000	10	144,224,493	16,024,944	6,096,542
Number of Life of Loan Certificates Impacted by Map Revision (new FIRMs and LOMCs)	13	29,684,236	2,283,403	943,416	12	24,124,818	2,093,735	730,787	10	14,988,828	1,498,883	852,267	9	10,398,797	1,155,422	577,099
Number of Life of Loan Certificates that Experienced Status Change as a Result of Map Revision	13	1,074,428	82,648	35,873	11	334,056	30,369	12,505	10	281,184	28,118	18,805	9	129,180	14,353	5,471
Life of Loan Certificate Revisions with Status Change from OUT to IN SFHA**	11	402,550	36,595	19,861												
Life of Loan Certificate Revisions with Status Change from IN to OUT of SFHA**	11	384,735	34,976	16,012												
Life of Loan Certificate Revisions with No Change in Status, Remaining OUT of SFHA**	10	25,267,717	2,526,772	1,191,581												
Life of Loan Certificate Revisions with No Change in Status, Remaining IN a SFHA**	10	1,088,562	108,856	30,554												
Total Customer Service Calls (non-sales related)	13	537,008	41,308	26,000	10	582,633	58,263	29,147	10	575,636	57,564	34,672	9	664,793	73,866	32,000
Average Talk Time for Each Customer Service Call	12		3 min 2 sec		10		4 min 43 sec		9		2 min 33 sec		8		2 min 38 sec	
Automated Hit Rate	13		83.0%	87.0%	11		80.36%	81%	11		82.42%	89%	10		79.81%	85%
Percentage of Orders Received via Electronic/Automated Methodology	12	Range: 80 - 100%	97.0%		13	Range: 72%-100%	95.38%		12	Range: 75-100%	94.45%		11	Range: 50-100%	91.43%	
Percentage of Orders Received with Invalid or Non-Standard Addresses	11	Range: 0 - 27%	8.0%		11	Range: 2%-22%	10.24%		11	Range: 0.68%-20%	7.88%		10	Range: 0.71-20%	9.42%	
Number of Claims Paid During the Year	13		9		12		9.3		12		6.3		10		7.5	
Dollar Value of Claims Paid During the Year	13	\$1,342,290.97	\$11,878.68 per claim		12	\$2,319,311.87	\$20,708.14 per claim		12	\$2,188,482.31	\$29,179.76 per claim		10	\$4,628,367.44	\$55,763.46 per claim	
Number of Hours Spent Training Clients	13	Range: 0 - 4,800 hrs	1016 hours		10	Range: 0-3,525 hrs	907 hours		9	Range: 0-2000 hrs	476 hours		8	Range: 0-2000 hrs	515 hours	
Number of Hours Spent Training Map Technicians	13	Range: 0 - 13,288 hrs	2,404 hours		10	Range: 25-7,912 hrs	2455 hours		9	Range: 0-8888 hrs	2096 hours		8	Range: 0-8160 hrs	2211 hours	

*Results for 2007, 2008 and 2009 are anticipated for companies who responded prior to December 31.

**New survey questions for 2009

**Chat Notes from
ASFPM & NFDA Flood Zone Determination Webinar 12/15/2010**

from Erika Hoover to All Participants:

For those that got on the WebEx early, thanks for bearing with us as we practiced sharing this with presenters in different locations! We will turning on the conference call portion soon!!

from Robert L. Perry (WV) to All Participants:

How many of the NFDA members have achieved certification? Are there different levels of certification?

from Ken Bouma to All Participants:

E&O Coverage? What is that?

from Robert L. Perry (WV) to All Participants:

Errors and omissions insurance (E&O)

from Jennifer Adleman to All Participants:

Thanks Robert!

from Robert L. Perry (WV) to All Participants:

What is the FFIAC?

from PEMA to All Participants:

Is the survey data available to the states?

from Erika Hoover to All Participants:

The survey is available and we will find a way to make it accessible to those interested.

from Erika Hoover to All Participants:

FFIEC is the Federal Financial Institution Examination Council. It is the organization that represents the 6 Federal Regulatory Lending Agencies.

from Erika Hoover to All Participants:

Regarding CFMs, most NFDA member companies have several CFMs on staff. The larger companies may have 10-15 or more on staff. NFDA has not surveyed that question.

from Taunnie Boothby to All Participants:

How can we see the status of a determination?

from Robert L. Perry (WV) to All Participants:

Certification question was not CFM. NFDA bullet point stated they had internal certification program.

from Leila Taha to All Participants:

Viewing determination status that Cheryl is referring to is related to flood determination company's customers viewing the status (pending, complete) of orders they have placed.

from Leila Taha to All Participants:

We will show a copy of the flood certificate and how you can find the information pertaining to the subject property

from Taunnie Boothby to All Participants:

I'm sure that an issue that arises frequently is the customer (lender or homeowner) mistaking an NFDA company for FEMA. What type of direction/steps do you take to eliminate this confusion?

from Robert L. Perry (WV) to All Participants:

Can we see an example of a "typical" dispute resolution process that we could view from any of the member companies?

from Robert L. Perry (WV) to All Participants:

Loan Officers also think these determinations have been made by FEMA.

from Alicia Benson to All Participants:

How do you evaluate the accuracy? Does your customer tell you that the determination was not correct or do you hear about LOMA-OAS?

from Robert L. Perry (WV) to All Participants:

How does lender supply data to request a determination? Is it an online form they fill in and submit?

from Taunnie Boothby to All Participants:

We in Alaska experience multiple levels of discrepancies on the automated systems. Many residents do not seem to understand the ability to request a manual determination. Is information provided to the lender for the homeowner about the manual flood determination process and how to request a manual determination.

from Erika Hoover to All Participants:

Alicia & Rober, let's bring this up at the next break.

from Robert L. Perry (WV) to All Participants:

Everything seems to key into a physical "Address" if the Lender/lendee supplied latitude/longitude would/could determination company use that instead?

from Erika Hoover to All Participants:

The next section will be covering discrepancies.

from Taunnie Boothby to All Participants:

This is Jeff- How about including a cover sheet or disclaimer notice to reinforce who is preparing the document. I concede your point about the required form. However the confusion is made worse with company names that include "federal" "national" and "american." This confusion occurs VERY frequently -two different instances in my community yesterday.

from Taunnie Boothby to All Participants:

And this cover letter could include instructions for requesting a manual determination if the owner disagrees.

from Diane Cooper to All Participants:

Can the lat and lon's be collected by the home inspectors?

from NJDEP to All Participants:

Dwelling is clear of the A Zone line however the 6" x 6" posts supporting the adjoining deck is within the A Zone area, is the entire structure in the A Zone?

from Robert L. Perry (WV) to All Participants:

Leila mentions a formal dispute resolution process can we get a copy of that process?

from Robert L. Perry (WV) to All Participants:

NJDEP Yes, if any portion of the structure (including deck) is within the boundary it is IN.

from Robert L. Perry (WV) to All Participants:

We have the citizen take an aerial photo map with floodplain overlay to the loan officer and they have no idea how to submit this to the determination company for a dispute. Does NFDA work with lender to make sure loan officers have training on dispute resolution?

from Robert L. Perry (WV) to All Participants:

We have the citizen take an aerial photo map with floodplain overlay to the loan officer and they have no idea how to submit this to the determination company for a dispute. Does NFDA work with lender to make sure loan officers have training on dispute resolution?

from Leila Taha to All Participants:

Generally: flood determination companies do spend much time working with our respective customers to train them on our dispute resolution procedures - they are trained on our systems and advised to the procedure and evidence that can be provided for further review.

from Robert L. Perry (WV) to All Participants:

Thanks Leila!, what is the best evidence that can be provided for a dispute?

from Leila Taha to All Participants:

We are finding that once the loan is closed, the responsibility for the loan resides with the servicing department...the loan officer has likely handed off the loan to servicing and has moved on (which is why they are not familiar with the dispute process).

from Robert L. Perry (WV) to All Participants:

Any plans to provide training to the servicing departments?

from Leila Taha to All Participants:

Any information can be submitted, including survey/site plan, prior flood determination, LOMA/LOMR.

from Diane Cooper to All Participants:

If residences are found to be "just outside" of the Special Hazard area. Is the home owner encouraged to still purchase flood insurance?

from Leila Taha to All Participants:

Regarding servicing and lenders in general: we are hearing from FEMA Regions that they encounter similar challenges when trying to reach the "right" person or department. NFDA is considering addressing this in a few ways: 1) our annual conference in April, 2) FEMA Flood Conference, and 3) work group forums in which we invite reps from various stakeholder groups to participate in constructive discussion about issues and how we can work better together.

from Leila Taha to All Participants:

Regarding "just outside SFHA": in some cases, yes. This is the lender's process, so it likely varies from lender to lender and is outside of the flood determination company's control. It is the lender's prerogative to require flood insurance even if the structure is outside the SFHA (because the lender is interested in protecting collateral) and some lenders to request to know if any part of the property is within the SFHA and they may recommend or require it.

from Robert L. Perry (WV) to All Participants:

If structure is found to be just outside via LOMA FEMA will provide PRP brochure and encourage purchase of low cost flood insurance as part of the LOMA mailing (at least that is what Bill Lesser at HQ assured me they were doing).

from Leila Taha to All Participants:

Yes, Robert - i am not sure if all lenders do this, but it is true that this does happen.

from Diane Cooper to All Participants:

Thank you Leila and Robert. A concern from the NWS is that people assume that if they are "not identified" in the 100 yr flood plain, then they will never flood. It has been a challenge to reshape this thought process and is reassuring to know that some lenders encourage home owners to obtain flood insurance anyway.

from Diane Cooper to All Participants:

How are you handling the revisions when a levee is decertified?

from Leila Taha to All Participants:

We only address it when there is a physical map revision or LOMR issued.

from Robert L. Perry (WV) to All Participants:

Surveyor using E-LOMA speeds up the process, makes a big difference to our citizens, they receive LOMA response before deadlinit to purchase flood insurance. Encourage your surveyors to sign up!

from Leila Taha to All Participants:

Qualifying reps of NFDA companies can also access eLOMA now on a nationwide basis, per program and access granted by FEMA. We have been using it for more than a year now.

from Robert L. Perry (WV) to All Participants:

ELOMA cannot be used in

from Robert L. Perry (WV) to All Participants:

Approximate A zones

from Leila Taha to All Participants:

We will gather all of the information required to file LOMAs - we know that only certain LOMA cases qualify for submission via eLOMA...the rest are submitted the old fashioned way.

from Taunnie Boothby to All Participants:

Can someone explain why "qualifying reps" only includes CFMs from NFDA companies, not ALL CFMs?

from Robert L. Perry (WV) to All Participants:

We have noticed some determination companies using prelim maps for determinations is this adding to the SOMA delay problem.

from Robert L. Perry (WV) to All Participants:

I don't see any outreach to Lender organizations?

from Robert L. Perry (WV) to All Participants:

The contact info on the SFHDF is mailing address no phone or email, is this typical?

from Taunnie Boothby to All Participants:

We would like to be involved in discussions for process improvement discussions and recommendations. Thank you!

from Leila Taha to All Participants:

Flood determination companies work with their respective customers, but NFDA is actually looking to establish workgroup discussions further with lenders beyond what we do currently.

from Leila Taha to All Participants:

Thanks, Taunnie! :)

from Erika Hoover to All Participants:

We will make sure everyone gets a copy of this and the survey; it may be that it is posted on the ASFPM site and you all will get an email directing you to it. I tried sending to a few who could not get on the Webinar and the pdf bounced as it was too large.

from christine.shirley to All Participants:

Thank you. This was helpful.

from Robert L. Perry (WV) to All Participants:

FYI - NFIP reform in House, proposed amendment will require lender to reimburse for cost of successful LOMA OAS.

from Taunnie Boothby to All Participants:

Thank you, I agree this was helpful.

from Kim Johnson--Wy NFIP to All Participants:

Great Webinar. Very well done. Thx.

from Joy Duperault to All Participants:

Thank you!

from Taunnie Boothby

Thank you!