



Congressional Spotlight

Letter of Map Amendment (LOMA)

The National Flood Insurance Act of 1968 sets the requirement for lenders to require flood insurance on properties with mortgages that are in the Special Flood Hazard Area (SFHA). The National Flood Insurance Program (NFIP) issued the following guidance to lenders regarding the amount of flood insurance coverage for mortgages on properties in the SFHA:

At a minimum, flood insurance purchased must cover **the lesser of:** (1) the outstanding principal balance of the loan; or (2) the maximum amount of coverage allowed for the type of property under the NFIP.

As the Code of Federal Regulation (CFR) 44, Section 70.3(a) states:

***“any owner or lessee of property who believes the property has been inadvertently included in a (Special Flood Hazard Area (SFHA) – zone letters) on a Flood Insurance Rate Map, may submit scientific or technical information to the Federal Insurance Administrator*”**

If FEMA determines a structure is eligible, a LOMA will be provided that removes the SFHA designation from the property, and the mandatory federal requirement to purchase flood insurance will no longer apply. A lender may still require flood insurance as a condition of the loan, but premiums are lower for structures outside the Special Flood Hazard Area (SFHA). Flood insurance in low to moderate risk zones is less expensive.

FORMS

(Elevation Certificate, Elevation Form and Property Information Form)

An **Elevation Certificate** may be required to develop site elevations to accurately reflect flood risk. The Certificate must be prepared and certified by a licensed land surveyor, engineer, or architect who is authorized by State or local law to certify elevation information. An **Elevation Form** may be submitted in lieu of an Elevation Certificate. An Elevation Form does not require a complete elevation survey, and requires fewer elevations that may reduce application costs. FEMA will calculate a Base Flood Elevation (BFE) for the structure on the property and make a LOMA determination based on review of the Elevation Form along with a Plat/Tax map certified by the municipality or a Deed for the property; and a **Property Information Form**. Forms can be downloaded from the FEMA website. Click: <https://www.fema.gov/forms-0>

Apply Online

LOMA applications may be submitted online. Determinations are not received until after FEMA reviews the supporting documentation, which can take up to 60 days.

Click: www.fema.gov/media/fhm/lomr/ot_loma.html

e-LOMA: Licensed land surveyors or engineers can submit simple LOMA requests to FEMA for existing single residential structures or properties, provided no fill has been placed to raise the elevations of the structure or property.

Determinations can be made within minutes Click: <http://>