



NATIONAL FLOOD INSURANCE PROGRAM

Bureau and Statistical Agent

W-03030

MEMORANDUM TO: WYO Company Principal Coordinators and
NFIP Direct Servicing Agent

FROM: WYO Clearinghouse

DATE: June 20, 2003

SUBJECT: Clarification of Edit Error Procedures for Coastal Barrier
Resource System (CBRS) Areas

This memo provides clarification regarding the procedures for appealing the policies that receive the PL011170 edit error (Policy is Invalid - Property address indicates building is located in a CBRS area), as outlined in the June 26, 1998, Clearinghouse memo from Gloria Schleith, Insurance Examiner.

The PL011170 error code was developed to assist in identifying properties that are **possibly** located within a CBRS area. The Q3 FIRM data and GIS data used to identify possible CBRS errors are not perfect. Therefore, some properties that are close to the CBRS area boundary may receive a CBRS error. In addition, the NFIP Bureau & Statistical Agent's system uses the earliest CBRS Act Date for each panel. As a result, some properties where the construction date or substantial improvement date is earlier than the "actual" CBRS legislation's effective date are assigned an error based upon the "earliest" CBRS effective date for the FIRM panel. The accuracy of both the property address and the construction / substantial improvement date contained on the policy file is a critical factor in determining policy eligibility.

Here are some guidelines for resolving these potential CBRS violations:

- If you agree that the property is located within the CBRS boundary, and the policy has been inadvertently written and is invalid, please notify your Program Coordinator in writing and cancel the policy back to its inception date. Upon cancellation, the error will be removed.
- If you disagree and are sure the property is not located in a CBRS area, please notify your Program Coordinator in writing that you have verified that the property is not within the CBRS, and the error will be removed. You can make this determination by checking the location of the property in relation to the CBRS boundary line shown on the FIRM. The policy record will be flagged to indicate that the company has verified the property's eligibility for coverage through the NFIP. This type of appeal will be associated with the company number and policy number, and not with the property address. If these numbers change, then the error will be reassigned.

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- If you disagree and the property address or construction / substantial improvement date on file is not correct, endorse the policy to correct that information. This should remove the error, and it will not be necessary to proceed with the appeal process.
- If you disagree and want a location determination from the U.S. Fish & Wildlife Service (F&WS), or in cases where the location of the property is too close to the CBRS boundary, then the F&WS will make an official determination and provide the NFIP Bureau & Statistical Agent with the actual effective date of the CBRS legislation that applies to that location. This type of appeal will be associated with the property address, and will apply to the property regardless of the company number and policy number. If the property address on the policy record is changed, then the error may be reassigned.

Please forward the following information to your Program Coordinator for handling and submission of your appeal to the U.S. Fish and Wildlife Office:

- A copy of the Flood Insurance Application or the Declaration Page of the policy.
- A legible copy of the FIRM panel showing the community number, map suffix, and FIRM date. The location of the risk should be clearly marked. **Please do not submit faxed copies of the maps.**
- A copy of a plat or tax map marked with the location of the property. A broad view of the map is required showing the cross streets and, if possible, a body of water in relation to the location of the property.

Please review the information package for consistency. Ensure that the property address (including city, state, and zip code), community number, FIRM name, and flood zone match across all documents, including the Declaration Page, Zone Determination Form (if any), FIRM Map, and Survey Map. If this information does not match the policy data, please note and explain any discrepancy. Upon receipt of the required information, the Program Coordinator will send the documents to the appropriate U.S. Fish and Wildlife Field Office. F&WS will provide a written determination, including the effective date of the CBRS legislation affecting the location. Once a response is received from the F&WS, the Program Coordinator will send you a copy of the official determination. You will be responsible for notifying the agent, lender, and insured. Also, please keep in mind that a change in the construction / substantial improvement date may affect a property's eligibility for NFIP insurance, if it is located within a CBRS area.

Should you have any questions, please contact your Program Coordinator.

cc: Vendors, IBHS, FIPNC, WYO Standards, WYO Marketing Committee, and Government Technical Representative

Suggested Routing: Data Processing, Underwriting