



FANS 5 AND 6 FREQUENTLY ASKED QUESTIONS

FOR HOMEOWNERS NEWLY MAPPED OUT OF THE FLOODPLAIN

DO I STILL NEED TO CARRY FLOOD INSURANCE?

Once the flood maps become effective July 20, 2021, your structure will no longer be considered as being within a special flood hazard area (SFHA). Whether or not you will be required to carry flood insurance will be decided by your mortgage lender. If you do not carry a mortgage, then the decision to carry flood insurance will be yours to make. You always have the option of modifying your flood insurance policy to a lower premium policy.

CONVERTING AN SFHA POLICY

Your insurance agent can convert your existing flood insurance policy to either a policy rated for Zone X (outside of the 100-year floodplain) or possibly a preferred risk policy (PRP). A PRP provides lower premiums on structures that are located outside of a SFHA and that have not had any previous flood insurance claims.

CANCELLING AN SFHA POLICY

You will need to provide your mortgage company with documentation showing your structure has been removed from the SFHA. You may also request your mortgage company to perform a floodplain determination for your property, which should result in them identifying that the structure has been removed from the SFHA.

In order to cancel your flood insurance policy, you will be required to obtain a letter from your lender removing the requirement for flood insurance. Your insurance agent will need to attach your lender's letter to the cancellation request in order to have your flood policy cancelled. Be sure a revised map is included with the documentation.

It is important to note that a request to cancel must be received during the policy year or within six months of the policy expiration date. Additionally, if a claim has been paid or is pending during a policy year for which cancellation is requested, the policy cannot be canceled.

CAN I RECEIVE A REFUND OF MY PREMIUM?

Please check with your insurance agent for refund information specific to your policy.

Generally speaking, premium refunds are only given out if flood insurance has been required by a mortgage lender. However if you are converting a SFHA policy to a PRP policy, you may be able to receive a refund for the difference between the current policy premium and the new PRP policy premium.

If you decide to cancel your flood insurance policy, your premium will be refunded based on the unused portion remaining on your policy term, provided your cancellation request is received within six months of your policy expiration date (pro-rata refund).