



## STATE OF CONNECTICUT DEPARTMENT OF ENVIRONMENTAL PROTECTION

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### NFIP PROBATION AND SUSPENSION

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#### **Overview**

The National Flood Insurance Program (NFIP) is based on a cooperative agreement between the local community and the Federal Emergency Management Agency (FEMA). FEMA can only make flood insurance available in those communities that agree to regulate development in the floodplain. To join the NFIP, a community must adopt a floodplain management ordinance or regulation that meets or exceeds the minimum NFIP criteria and enforce these requirements for new or substantially improved structures and other development within the floodplain. The community's overall floodplain management program is reviewed periodically by the FEMA Regional Office or the State NFIP Coordinating Agency (Connecticut Department of Environmental Protection). Either agency may inspect records as part of a community assistance visit (CAV). If a community does not uphold its part of the agreement and fails to adequately uphold or enforce its floodplain management requirements, FEMA has three methods of recourse: 1) reclassification under the Community Rating System (CRS), 2) probation, or 3) suspension from the NFIP.

#### **CRS Reclassification**

The Community Rating System (CRS) provides a discount in flood insurance premiums for properties in communities that participate in the CRS program. CRS Communities in Connecticut are: East Haven, East Lyme, Newtown, Stamford, Stonington (Town and Borough), West Hartford, Westbrook and Westport. CRS communities that are deemed to no longer be in full compliance with the NFIP requirements can be reclassified to Class 10 and residents would not receive a discount on flood insurance.

#### **Probation**

Probation represents formal notification to the community that FEMA regards the community's floodplain management program as non-compliant with the NFIP criteria. Prior to imposing probation, FEMA provides the community a 90-day written notice and lists specific deficiencies and violations. It also notifies all policyholders of the impending probation, telling them that an additional \$50 premium will be charged on policies sold or renewed during the probation period. The objective of this surcharge is to bring the policyholders' attention to the fact that the community is not compliant and failure to correct the problems may lead to suspension.

The community has 90 days to avoid this sanction by correcting deficiencies and remedying identified violations.

Probation may be continued for up to one year after the community corrects all program deficiencies. This ensures that the community has corrected its compliance issues and that all policyholders are advised of the situation when their policies are renewed.

## **Suspension**

If, after a period of probation, a community fails to remedy its program deficiencies, it will be suspended from the NFIP. Suspension means the community no longer participates in the NFIP. It is subject to the sanctions for non-participation, including: no resident will be able to purchase a flood insurance policy (or receive a federally-backed mortgage since the purchase of flood insurance is a requirement of a mortgage for homes located in the flood zone), existing flood insurance policies will not be renewed, no Federal grants or loans for development may be made in identified flood zones under programs administered by Federal agencies (such as HUD, EPA, or SBA), no Federal disaster assistance may be provided to repair insurable buildings located in identified flood zones for damage caused by flood, no Federal mortgage insurance or loan guarantees may be provided in identified flood zones, federally insured or regulated lending institutions such as banks and credit unions must notify applicants seeking loans for insurable buildings in flood hazard areas that the property is not eligible for Federal disaster relief and is located in a flood hazard area. These sanctions are severe on any community with a substantial number of buildings in the floodplain, such as a coastal community.

FEMA grants a community 30 days to show why it should not be suspended and then issues the community a 30-day suspension letter. FEMA may also conduct a written or oral hearing before suspension takes effect. A community can automatically be suspended if, following due notice, it failed to adopt revisions to its floodplain ordinance or regulation in response to flood map revisions or amended minimum NFIP criteria. A community suspended from the NFIP may apply to the FEMA Regional Office for reinstatement by submitting the following: a local legislative or executive measure reaffirming the community's intent to comply with the NFIP criteria, evidence that all program deficiencies have been corrected, and evidence that any violations have been remedied to the maximum extent possible. FEMA may reinstate the community to full program status, bring it to a probationary status, or withhold reinstatement for up to one year after a satisfactory submission from the community.

## **For More Information**

For more information please contact the FEMA website at [www.fema.gov](http://www.fema.gov) or please contact Diane Ifkovic or Karen Michaels, CTDEP, at (860) 424-3706.

*This overview is designed to answer general questions and provide basic information. You should refer to the appropriate federal, state or local statutes and regulations for the specific regulatory language and requirements. This document should not be relied upon to determine whether or not a permit is required. It is your responsibility to comply with applicable laws, and obtain and comply with all required permits.*