

## The Coastal Barrier Resources System

The Coastal Barrier Resources Act of 1982 (CBRA), and later amendments, removed the federal government from financial involvement associated with building and development in undeveloped portions of coastal areas (including the Great Lakes). These areas were mapped and designated as Coastal Barrier Resources System units or “otherwise protected areas.” They are colloquially called “CBRA zones.” (pronounced “cobra” but not spelled that way).

Any federal program that may have the effect of encouraging development on coastal barrier islands is restricted by CBRA. These programs include “any form of loan, grant, guarantee, insurance, payment, rebate, subsidy or any other form of direct or indirect Federal assistance” with specific and limited exceptions. For example, federal disaster assistance is limited to emergency relief in CBRA zones—there are no loans or grants to repair or rebuild buildings in those areas.

CBRA also banned the sale of National Flood Insurance Program flood insurance for structures built or substantially improved on or after a specified date. For the first CBRA designations, that date is October 1, 1983. For all subsequent designations, it is the date the CBRA zone was identified. CBRA zones and their identification dates are shown in the legend of Flood Insurance Rate Maps (FIRMs).

If an owner of a building in a CBRA zone wanted to buy flood insurance, he or she would need a copy of the building permit showing that the building was properly built before the designation date and a signed statement from the floodplain ordinance administrator that it had not been substantially damaged or improved since then. The insurance agent would provide more information on the format for this documentation.

The boundaries of the CBRA zones cannot be revised through the Letter of Map Amendment or Revision (LOMA/LOMR) process. They can only be revised through:

- Congressional action,
- Interpretation of boundaries by the U.S. Department of the Interior, Fish and Wildlife Service, or
- Cartographic modifications by the Federal Emergency Management Agency to correct errors in the transcription of the Department of the Interior maps onto FIRMs.

If an NFIP policy is issued in error in a CBRA zone, it will be cancelled and the premium refunded. No claim can be paid, even if the mistake is not found until a claim is made.

If a grandfathered building with flood insurance is substantially improved or substantially damaged, the policy will be cancelled.

Banks can only make conventional loans. While they cannot require flood insurance on newer buildings in CBRA zones, lenders are required to notify borrowers of the flood hazard and the lack of disaster assistance. Many lenders are reluctant to lend without protecting their investment with flood insurance and private flood insurance is not readily available.