

The Coastal Barrier Resources System

The Coastal Barrier Resources Act of 1982 (CBRA), and the Coastal Barrier Improvement Act of 1990 removed the federal government from financial involvement associated with building and development in undeveloped portions of coastal areas. These areas were mapped and designated as Coastal Barrier Resources System (CBRS) units and Otherwise Protected Areas. They are colloquially called “CBRA areas.” (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 law. 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 areas – there are no loans or grants to repair or rebuild buildings in those areas.

The legislation also banned the sale of National Flood Insurance Program (NFIP) 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 area was identified. CBRA areas and their identification dates are shown in the legend of the Flood Insurance Rate Maps (FIRMs).

If an owner of a building in a CBRA area wants to buy flood insurance, he or she would need a copy of the building permit showing that the building was property 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 may need to provide more documentation.

The boundaries of a CBRA area 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’s Fish and Wildlife Service, or
- Cartographic modifications by Department of Homeland Security’s FEMA 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 area, 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 (i.e., a building built before the date of designation) is substantially improved or substantially damaged, its flood insurance policy will be cancelled.

Lenders are required to notify borrowers if the structure is in a CBRA area and that NFIP flood insurance and/or disaster assistance may not be available. Many lenders are reluctant to lend without protecting their investment with flood insurance and private flood insurance may not be available.