MEMORANDUM TO: Write Your Own (WYO) Principal Coordinators, WYO Claims Managers, and the NFIP Servicing Agent

FROM: James S.P. Shortley, Director of Claims
Claims and Underwriting Division
Federal Insurance Administration and Mitigation

DATE: June 15, 2001

SUBJECT: Use of Adjuster Preliminary Damage Assessment Form for Substantially Damaged Properties

From June 4 through June 11, 2001, Tropical Storm Allison inundated southeast Texas and Louisiana with torrential rains, causing widespread flooding and damaging residential and commercial properties. Early reports indicate that substantially damaged properties may result. Please ensure that your claims adjusters follow the guidelines below. Their cooperation will help expedite the community officials’ determination of substantially damaged buildings.

- The reporting of substantially damaged buildings over the past year has greatly improved. We encourage adjusters to continue to report the statistics promptly.
- After conducting the inspection of the building and identifying it as meeting the criteria for substantial damage, the adjuster is required to enter the information for that building on the attached "Adjuster Preliminary Damage Assessment" form. The form has been revised and will continue to be used to capture critical information during the adjustment phase.
- Even though the form allows entries for two separate policies, adjusters should not hold the form while awaiting information to complete the entire form. **The form must be submitted to the NFIP Bureau as soon as the information is complete for a single policy.**
- Adjusters are required to submit daily reports of substantially damaged properties to the NFIP Bureau & Statistical Agent, by fax at 1-800-457-4232 or by mail to P.O. Box 310, Lanham, MD 20706.
- The Bureau will ensure that the information is provided to FEMA and the local community officials.

We recognize the tremendous job that community officials have in handling the substantial damage issue. In many instances, they must survey widespread areas of damage with limited resources. However, by observing the guidelines above, adjusters can help us provide community officials with timely, accurate information that will allow them to make expeditious determinations of substantially damaged buildings.

We ask for your full support. If you have any questions, please contact me at 202-646-3418.

Enclosure

cc: Vendors, IBHS, Government Technical Representative
Required Routing: Claims and Underwriting
** This is an estimate of the cost to repair the building to its pre-flood condition.

The information contained in this transmittal is legally privileged and confidential. Its use is protected under the Privacy Act of 1974, 5 U.S.C. Section 552 (a). This information is provided, for use by States and communities participating in the NFIP to determine potential substantially damaged buildings, and should only be utilized consistent with the purposes stated in the “Routine Uses” published in the Federal Register.