

FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)  
**National Flood Insurance Program | Federal Insurance Directorate**  
*Appeal Decision for Appeal D12<sup>1</sup>*

POLICYHOLDER: Redacted  
POLICY NO.: Redacted

ADDRESS:	Redacted	BUILDING COVERAGE:	\$250,000
	Redacted	PERS. PROPERTY COVERAGE:	\$100,000

DATE OF LOSS:	September 2022	APPEAL SUBMISSION DATE:	May 2023
DATE OF DENIAL:	May 2023	APPEAL ELIGIBILITY DATE:	May 2023

PROPERTY DESCRIPTION: A three-story, elevated post-FIRM (Flood Insurance Rate Map), single-family building, with an enclosure on solid foundation walls located in special flood hazard area, flood zone AE.<sup>2</sup>

POLICYHOLDER'S APPEAL: The policyholder seeks coverage for elevator components.

**RESULT: Concur with denial**

**BASIS FOR DECISION UNDER THE STANDARD FLOOD INSURANCE POLICY (SFIP):<sup>3</sup>**

- The SFIP extends limited coverage to elevators, dumbwaiters, and related equipment, except for related equipment installed below the base flood elevation after September 30, 1987, in a post-FIRM elevated building in zone AE. (See SFIP (III)(A)(8)(a)(6)).
- Because the insured property was constructed in January 2010, the SFIP only cover the cab of the elevator and related controls in or attached directly to the cab provided it is located above the base flood elevation.<sup>4</sup>
- Related equipment includes any electrical controls, hydraulic pumps, electrical junction boxes, and circuit control panels.<sup>5</sup>
- The insurer denied the travel cable, multi cable, and wiring package because they are considered "related equipment." To be covered by the SFIP, any related equipment must be installed above the base flood elevation.
- The resting location of the policyholder's elevator cab is below the lowest elevated floor and the base flood elevation; therefore, FEMA's review finds the insurer correctly denied coverage for the travel cable, multi-cable and wiring package.
- In their letter of appeal, the policyholder questions why depreciation was applied to the elevator repair. Because depreciation was not denied by the insurer in writing, it is ineligible for review on appeal. The application of depreciation is based on the age and physical condition of each item replaced in the building and personal property estimates. All claimed replacement items must reflect depreciation, regardless of whether the loss qualifies for replacement cost or actual cost value.<sup>6</sup>

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Branch Chief/Examiner of Record

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Policyholder Services Division Director

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<sup>1</sup> 44 C.F.R. § 62.20. All appeal-related documents are on file with FEMA [hereinafter "Appeal File"].

<sup>2</sup> For more information about flood zones, please see [www.fema.gov/flood-zones](http://www.fema.gov/flood-zones).

<sup>3</sup> See 44 C.F.R. § 61.13 (2021); Dwelling Form available at 44 C.F.R. pt. 61 App. A(1).

<sup>4</sup> See National Flood Insurance Program (NFIP) Claims Manual, Section 1: SFIP Forms - Dwelling Form, pgs. 35-36 (Oct. 1, 2021).

<sup>5</sup> See NFIP, Technical Bulletin 4, Elevator Installation for Buildings Located in Special Flood Hazard Areas in Accordance with the National Flood Insurance Program (Jun. 2019).

<sup>6</sup> See NFIP Claims Manual, Section 2: Claims Processes and Guidance, 7.5 Depreciation, pg. 226 (Oct. 1, 2021).

*Delivery of this Appeal Decision concludes your appeal. 44 C.F.R. § 62.20(f)(3). If you do not agree with this decision, please refer to the SFIP for options for further action. The appeals process does not extend the one-year period to file suit against the flood insurer that began when the insurer first denied your claim in writing. 44 C.F.R. § 62.20(f)(4).*

*You may request a phone discussion with a FEMA flood insurance expert regarding this Appeal Decision by emailing [FEMA-FL-Appeals@fema.dhs.gov](mailto:FEMA-FL-Appeals@fema.dhs.gov) and referencing the FEMA Appeal Decision number. Such discussions are for informational purposes only. FEMA will not reopen the appeal or consider new information during any phone discussion.*