National Flood Insurance Guide  
Federal Emergency Management Agency  
[**http://www.fema.gov/**](http://www.fema.gov/)

One day, you might wish you had more than a roof to protect your home and belongings from the rain.

**Consider these facts:**

* **Floods are the #1 natural hazard in the U.S., occuring in all 50 states.**
* **Floods happen in high-, medium-, and low-risk flood zones.**
* **Homeowner's insurance doesn't cover flood damage.**

Still willing to bet the house on it?

It's all about peace of mind.

[Protect](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#protect)  
**Your Home and belongings  
Business and Contents from devestating flood damage.**

[Prevent](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#prevent)  
**Flood Damage**

[Partner](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#partner)  
**With government, Community, and industry to fight flood damage.**

The National Flood Insurance Program (NFIP) reduces flood losses and provides financial protection to home and business owners.

**More than 19,000 communities across the United States and its territories participate in the NFIP by adopting and enforcing floodplain management ordinances to reduce future flood damage. In exchange, the NFIP makes Federally backed flood insurance available to homeowners, renters, and business owners in these communities.**

**Created by Congress in response to the rising cost of disaster relief for flood victims, the NFIP is managed by the Federal Emergency Management Agency's Federal Insurance and Mitigation Administration.**

**Through partnerships with communities, the insurance industry and the lending industry, the NFIP helps to reduce flood damage by almost $1 billion a year. Furthermore, buildings constructed in compliance with NFIP building standards suffer approximately 80% less damage annually than those not built in compliance.\***

**\* Source:** [**www.floodsmart.gov**](http://www.floodsmart.gov/)

PROTECT

Many of us mistakenly believe that if a flood were to hit, our homeowner's insurance would cover the cost to recover. It doesn't. National Flood Insurance does, for an average cost of about $1 a day, depending on where you live and the coverage you choose.

**FLOODS ARE THE #1 NATURAL HAZARD IN THE U.S., OCCURRING IN ALL 50 STATES.   
You may say, "Oh well, I don't live near a stream, river, lake or coastline." Even so, everyone lives in a flood zone, whether your home or business is located in a high-, medium- or low-risk flood zone.**

**FLOODS HAPPEN IN HIGH-, MEDIUM- AND LOW-RISK FLOOD ZONES.   
One never knows where or when a flood will strike. They often accompany other natural disasters such as storms, hurricanes, early snowmelts, and rising rivers. Plus, the construction of roads, shopping malls, residential and industrial complexes reduces the land's natural ability to absorb water, which increases runoff and the risk of flooding. About 25% of all flood insurance claims come from outside high-risk areas: \*\***

COMPARE!

THE AVERAGE PAYMENT FOR A $50,000 DISASTER HOME LOAN IS $311 A MONTH. THE AVERAGE PREMIUM FOR NATIONAL FLOOD INSURANCE IS $370 A YEAR\*\*\*

**FEDERAL DISASTER ASSISTANCE ISN'T THE ANSWER.****To be eligible for Federal disaster assistance, a flood must be declared a disaster by the President. Although floods can be extremely damaging to property and personal possessions, they are often too small or local to be declared Federal disasters. Even if your area did qualify for Federal assistance after a flood, this assistance is often a loan that has to be repaid with interest. Grants may also be available to those who qualify, but the average grant amount is $2,500. It pays to protect your property with National Flood Insurance! \***

**THE NFIP IS FUNDED THROUGH FLOOD INSURANCE PREMIUMS, NOT TAX DOLLARS.  
NFIP claims and operating expenses are funded by annual flood insurance premiums collected, not tax dollars. As more people protect themselves with National Flood Insurance and communities adopt measures to reduce flood damage, fewer flood victims will need taxpayer-funded Federal disaster assistance.**

**\*The approximation of Federal disaster grants is based on statistics from the year 2000.   
\*\*Federally backed flood insurance only.   
\*\*\*Flood insurance premiums and Federal disaster loan payments are based on statistics from the year 2000.**

FREQUENTLY ASKED QUESTIONS ABOUT NATIONAL FLOOD INSURANCE

[**1. WHAT IS A FLOOD?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#what-is)[**2. WHAT DOES NATIONAL FLOOD INSURANCE COVER?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#cover)[**3. HOW MUCH COVERAGE IS AVAILABLE?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#avail)[**4. HOW MUCH DOES NATIONAL FLOOD INSURANCE COST?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#how-much)[**5. WHERE CAN I PURCHASE FLOOD INSURANCE?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#where)[**6. WHAT METHODS OF PAYMENT CAN I USE TO PURCHASE A POLICY?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#payment)[**7. WHO'S ELIGIBLE FOR NATIONAL FLOOD INSURANCE?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#eligible)[**8. IF I LIVE IN A HIGH-RISK AREA, CAN I STILL BUY FLOOD INSURANCE?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#high-risk)[**9. DO 1 NEED FLOOD INSURANCE IF I LIVE IN A LOW- TO MODERATE RISK ZONE?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#low-risk)[**10. WILL I BE REQUIRED TO BUY FLOOD INSURANCE?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#require)[**11. IS THERE A WAITING PERIOD BEFORE THE INSURANCE GOES INTO EFFECT?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#wait)[**12. CAN FLOOD INSURANCE BE PURCHASED IMMEDIATELY BEFORE OR DURING A FLOOD?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#purchase)[**13. ONCE YOU'VE BEEN FLOODED, HOW CAN YOUR POLICY HELP REDUCE THE RISK OF RECURRING DAMAGES?**](http://www.pueblo.gsa.gov/cic_text/housing/natl-flood/insurance.htm#after)

1. WHAT IS A FLOOD?

**Flooding is defined by the NFIP as a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (one of which is yours) from:**

* **Overflow of inland or tidal waters**
* **Unusual and rapid accumulation or runoff of surface waters from any source**
* **Mudflows**
* **Collapse or subsidence of land along the shore of a lake or other body of water, as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood.**

2. WHAT DOES NATIONAL FLOOD INSURANCE COVER?

**Residential Policies\***

**RESIDENTIAL BUILDING COVERAGE**

**Building coverage insures a house or dwelling, attached and detached garages, as well as certain permanently installed fixtures such as built-in dishwashers, permanent shelving and cabinetry, furnaces and radiators, hot-water heaters, plumbing fixtures, stoves, ovens and refrigerators.**

**\*For details about what National Flood Insurance covers, contact your company or agent.**

COVERAGE IN BASEMENTS

**National Flood Insurance covers structural elements, essential equipment and other basic items normally located in a basement, such as:**

* **Unfinished drywall for walls and ceilings, including nonflammable insulation**
* **Electrical junction and circuit breaker boxes, and required utility connections**
* **Central air-conditioning units**
* **Furnaces, hot-water heaters, fuel tanks and the fuel inside them, and heat pumps**
* **Light fixtures**
* **Foundation elements**
* **Cleanup.**

**However, National Flood Insurance doesn't cover basement improvements such as finished walls, floors or ceilings, or personal belongings that may be kept in a basement, such as furniture and other contents.**

RESIDENTIAL CONTENTS COVERAGE

**Contents coverage insures most of your personal property and belongings, including:**

* **Clothing**
* **Furniture, housewares, bedding**
* **Decorative items, lamps and lighting fixtures**
* **Books, home electronics**
* **Area rugs and draperies**
* **Clothes washers and dryers**
* **Air conditioners**
* **Food freezers and the food in them**
* **Portable microwave ovens**

**Nonresidential Policies\***

NONRESIDENTIAL BUILDING COVERAGE

**Building coverage for nonresidential buildings includes:**

* **Unfinished drywall for walls and ceilings, including nonflammable insulation**
* **Electrical junction and circuit breaker boxes, and required utility connections**
* **Central air-conditioning units**
* **Furnaces, hot-water heaters, fuel tanks, and the fuel inside tanks and heat pumps**
* **Light fixtures**
* **Built-in cabinets**
* **Foundation elements**
* **Cleanup.**

NONRESIDENTIAL CONTENTS COVERAGE

**Contents coverage for nonresidential buildings includes:**

* **Furniture and fixtures**
* **Machinery and equipment**
* **Stock (includes merchandise held in storage for sale)**
* **Raw materials**
* **Unfinished or finished goods**
* **Packing and shipping supplies.**

**\*For more details about what National Flood Insurance covers, contact your insurance company or agent.**

3. HOW MUCH COVERAGE IS AVAILABLE?

**Coverage is available for homeowners, renters, business owners, and condominium associations and owners.**

**Homeowners:   
Up to $250,000 of building coverage and $100,000 of contents coverage are available to protect your home and its contents.**

**Business Owners:   
Businesses can be insured with up to $500,000 of building coverage and up to $500,000 of contents coverage.**

**Condominium Associations and Owners:   
Condominium associations can purchase flood insurance coverage on a residential building under the Residential Condominium Building Association Policy. Under this policy, condominium associations can purchase up to $250,000 times the number of units or the replacement cost of the building, whichever is less. This way, coverage is provided for each unit without the burden of purchasing policies for each unit separately. Eligible buildings include garden apartment-type construction, town houses, row houses, and single-family detached buildings owned by the association, as long as 75% of the units are used for residential purposes. Residents of the individual units are then advised to purchase contents coverage separately-up to $100,000-to ensure that their personal property will be covered.**

**Renters:   
You don't have to own your own house or apartment to protect your contents from floodwaters. Up to $100,000 of NFIP contents coverage is available to renters of insurable property in a community participating in the NFIP.**

4. HOW MUCH DOES NATIONAL FLOOD INSURANCE COST?

**The cost of flood insurance can be less than 50 cents a day and, on average, about $1 a day. The average flood insurance premium is only about $370 a year (much easier to budget for than a $50,000 disaster home loan that costs about $310 a month\*). Your specific premium will be determined by such factors as where you live; how much coverage you choose; the age, elevation and structure of your home; the building occupancy; and the deductible.**

**And, depending on where you live, your annual premiums could be even lower. If you live in a single-family home located in a low-risk area-B, C or X zone on the current flood insurance rate map for your area-you may be eligible for the Preferred Risk Policy. This policy starts at a little more than $100 a year, and both your home and contents are covered with one policy and one premium.**

5. WHERE CAN I PURCHASE FLOOD INSURANCE?

**To buy a National Flood Insurance policy, call your insurance agent or contact one of the Write Your Own (WYO) insurance companies, private insurance companies that write flood insurance under a special arrangement with the Federal government. If your agent does not write flood insurance or if you don't have an agent, call the NFIP's toll-free number to obtain the name of an agent in your area who does write flood insurance. The number is 1-888-RAIN 924 (724-6924).**

**\*Flood insurance premiums and Federal disaster loan payments are based on statistics from the year 2000.**

CONSIDER FLOODING CAN HAPPEN ANYWHERE. ABOUT 25% OF FLOOD INSURANCE CLAIMS COME FROM OUTSIDE HIGH-RISK AREAS.

**THESE WRITE YOUR OWN (WYO) INSURANCE COMPANIES OFFER FLOOD INSURANCE:**

|  |  |
| --- | --- |
| ***Allstate Insurance Company  American Bankers Insurance Company of Florida  American Family Insurance Group  American National Property and Casualty  American Reliable Insurance Company  Audubon Insurance Company  Auto Club South Insurance Company Auto-Owners Insurance Company Bankers Insurance Company  Brethren Mutual Insurance Company  California State Automobile Association (CSAA) Fidelity and Deposit Companies  Fire Insurance Exchange  First American  Fidelity National Property & Casualty Insurance Company Harleysville Mutual Insurance Company  Hartford Fire Insurance Company  Hartford Underwriters  Holyoke Mutual Insurance Company  IGF Insurance Company  Indemnity Insurance Company of North America Island Insurance Company, Ltd.  Liberty Mutual Fire Insurance Company  Millville Mutual Insurance Company*** | ***Mobile USA Insurance Company Inc. National Grange Mutual Insurance Company  National Insurance Company  National Lloyds Insurance Company  Nationwide Mutual Fire Insurance Company  New Hampshire Insurance Company  Old Guard Insurance Company  Omaha Property and Casualty Insurance Company  Omega Insurance Company  Pan-American Insurance Company  The Philadelphia Contributionship  Preferred Mutual Insurance Company  Prudential Property and Casualty Insurance Company  Security Insurance of Hartford  The Seibels Bruce Group, Inc.  Selective Insurance Company of America  Service Insurance Company  Southern Farm Bureau Casualty Insurance Company  State Farm Fire and Casualty Company  Travelers Property Casualty  U.S. Security Insurance Company  USAA (United Services Automobile Association)  Vesta Insurance Corporation  White Hall Mutual Insurance Company*** |

6. WHAT METHODS OF PAYMENT CAN I USE TO PURCHASE A POLICY?

**You may pay the full annual premium by cash, check or money order. You may also be able to buy flood insurance with Visa or MasterCard. Ask your insurance company or agent.**

**Another way to pay premiums is through an escrow account established by your mortgage lender. In fact, if your lender requires you to buy flood insurance and escrows for other types of insurance or taxes, the lender is required to escrow flood insurance premium payments. Ask your insurance agent or lender for details.**

7. WHO'S ELIGIBLE FOR NATIONAL FLOOD INSURANCE?

**Homeowners, renters and business owners with property in communities that participate in the National Flood Insurance Program can purchase flood insurance. Currently, more than 19,000 communities in the United States and its territories participate in the NFIP by adopting and enforcing ordinances designed to reduce flood damage.**

8. IF I LIVE IN A HIGH-RISK AREA, CAN I STILL BUY FLOOD INSURANCE?

**No matter where you live, you can buy National Flood Insurance if your community participates in the NFIP\*. The program was created to provide Federally backed flood insurance to people who live in areas at risk of flooding.**

**\*The exception is for buildings in Coastal Barrier Resources System areas.**

9. DO 1 NEED FLOOD INSURANCE IF I LIVE IN A LOW- TO MODERATE RISK ZONE?

**Even if you live in an area that does not have a high risk for flooding, it's smart to have flood insurance. About 25% of the NFIP's claims come from outside high-risk flood areas. The NFIP's Preferred Risk Policy, designed for residential properties located in low-to moderate-risk zones, is available starting at a little more than $100 per year.**

**To determine if you live in a low-, medium- or high-risk flood zone, contact your city or county government (start with the Building or Planning Department). Flood Insurance Rate Maps, published by FEMA, are available for public inspection. Maps can also be ordered by calling 1-800-358-9616 or by visiting** [**www.msc.fema.gov**](http://www.msc.fema.gov/)**. Another source for determining flood risk is** [**Risk Assessment**](http://www.esri.com/industries/insurance/business/risk_assessment.html)**.**

**If your building is located in a flood zone that begins with the letter A or V, you are in a high-risk area. If the flood zone begins with a B, C or X, you are in a lower-risk area and may be eligible for the Preferred Risk Policy.**

10. WILL I BE REQUIRED TO BUY FLOOD INSURANCE?

**You may be required by your lender to buy flood insurance if you have a Federally backed mortgage loan and the building is located in a high-risk flood area. And your lender may, at its own discretion, require that you buy flood insurance even if your building is outside the high-risk flood area. You may also be required to buy flood insurance as a condition of receiving Federal disaster assistance after Federally declared flood disaster.**

11. IS THERE A WAITING PERIOD BEFORE THE INSURANCE GOES INTO EFFECT?

**There is usually a 30-day waiting period, after applying and paying the premium, before the flood insurance policy becomes effective. The following are exceptions to this rule:**

* **There is no waiting period when flood insurance is required by a lender in connection with the making, increasing, extending or renewing of a loan. The policy will be effective at the date of the loan closing, as long as the application has been completed and the premium payment has been made at or before the closing date.**
* **There is no waiting period when flood insurance is required by a lender after a mortgage portfolio review shows that the building is in a high-risk area. The policy will be effective upon the completion of the application and receipt of the premium payment by the insurer.**
* **There is a one-day waiting period when a new policy or additional amounts of coverage are required by the lender during the 13-month period following certain map revisions. This applies when the map revision changes the structure's designation from a non-high-risk area to a high-risk area.**

12. CAN FLOOD INSURANCE BE PURCHASED IMMEDIATELY BEFORE OR DURING A FLOOD?

**You can purchase flood coverage at anytime; however, a flood policy does not cover a loss in progress. A loss in progress is one already happening as of 12:01 A.M. of the first day of the policy term.**

13. ONCE YOU'VE BEEN FLOODED, HOW CAN YOUR POLICY HELP REDUCE THE RISK OF RECURRING DAMAGES?

**Increased Cost of Compliance (ICC) coverage, included in National Flood Insurance policies, helps pay for the cost to comply with State or community floodplain management laws or ordinances. When a flood-insured building in a special flood hazard area (or high-risk area) is damaged by a flood and the State or community declares the building to be substantially damaged or repetitively damaged, ICC will help pay for the cost to elevate, demolish, relocate or floodproof\* the building, up to $20,000. This coverage is in addition to the building coverage for the repair of actual physical damages from a flood.**

**\*Floodproofing is for nonresidential structures only.**

PREVENT

You know how important it is to prepare for the unexpected, such as having a flashlight ready in case of a power outage or purchasing chains for your tires in the event of a snowstorm. Now you can take action against floods.

WHAT YOU CAN DO TO BE FLOOD ALERT.

**Take steps now to reduce potential damage or even avert a disaster. If you're building or improving your home, check to see that contractors and builders are following community codes and ordinances developed to reduce the risk of floods. Here are more suggestions for ways to reduce potential flood damage.**

**Low-cost steps you can take to protect your property.**

* **Move valuables and appliances out of the basement of your home or business if it is prone to flooding. This will increase the chance that your belongings will remain dry if a flood occurs.**
* **Clean and maintain storm drains and gutters, and remove debris from your property to allow free flow of potential floodwater.**
* **Store important documents and irreplaceable personal objects (such as photographs) where they will not get damaged.**
* **Have a family disaster plan, including evacuation plans. Know where you'd go. Plan evacuation routes that are away from low-lying areas likely to be flooded. Everyone in your family should know the telephone number of the same out-of-state contact to help separated family members get back together.**
* **Keep an emergency kit in your car that includes water, first aid, a way to signal need for help, flashlight and batteries, warm blankets, a shovel, and a battery-operated radio.**

**Preventative measures that may require planning and professional help.**

* **Elevate or relocate furnaces, hot-water heaters, and electrical panels.**
* **Provide openings in foundation walls that allow floodwaters in and out, thus avoiding collapse.**
* **Build and install flood shields for doors and other openings (after evaluating whether the building can handle the forces) to prevent floodwaters from entering.**
* **Elevate the main breaker or fuse box and the utility meters above the anticipated flood level in your home or business, so that floodwater won't damage your utilities.**
* **Install backflow valves or plugs on drains, toilets and other sewer connections to prevent floodwaters from entering your home.**
* **Buy and install sump pumps with backup power.**
* **Elevate residences above flood elevation on a new foundation.**
* **Relocate residences outside high-risk areas.**

PARTNER

You can join forces with your community and the government to reduce the damage and devastation caused by floods. The incentive is clear: A disaster-resistant community is able to bounce back with far less loss of property and less cost to taxpayers.

**WHAT YOU AND YOUR COMMUNITY CAN DO TO BE FLOOD ALERT.**

**As an Individual:**

* **Conduct a neighborhood meeting to identify vulnerabilities in your area.**
* **Install storm shutters; raise or floodproof your heating, ventilating, and air-conditioning units; and encourage and help neighbors to do the same.**
* **Purchase flood insurance to cover your home and its contents.**

**As a Businessperson:**

* **Support your local government's initiatives for disaster resistance.**
* **Share information with fellow businesspeople about what you've done to protect your business.**
* **Purchase flood insurance to cover your business and its contents.**

**As a Civic or Volunteer Organization:**

* **Host public education forums on the importance of flood disaster prevention.**
* **Take steps to integrate and streamline your disaster relief and recovery activities.**
* **Adopt a community and help it protect its homes.**

**As a Government Official:**

* **Review policies regarding the construction and maintenance of critical utilities and systems.**
* **Ensure that regulations and codes are enforced and seek to fill in any gaps.**
* **Encourage similar activities among all arms of local, regional and State governments.**

**THE COMMUNITY RATING SYSTEM REINFORCES PARTNERSHIPS, REDUCES FLOOD DAMAGE AND CAN PAY OFF FOR YOU.**

**More than 900 communities currently participate in the NFIP's Community Rating System (CRS), a program designed to encourage activities that reduce potential flood damage and lower insurance premiums in the range of 5 to 45%. Communities are rewarded for their floodplain management efforts that exceed the NFIP's minimum standards.**

**To earn CRS credit and lower premiums for its NFIP policyholders, your community can take actions such as these:**

* **Preserve open space in the floodplain**
* **Enforce higher standards for safer new development**
* **Maintain drainage systems**
* **Inform people about flood hazards, flood insurance and how to reduce flood damage.**

**Even if you don't live in a high-flood-risk area, your community's floodplain management efforts can improve your quality of life, make your neighborhood safer and save you money. In the event of a flood, CRS activities can help prevent:**

* **Property damage**
* **Lost jobs and economic devastation caused by flooding in offices, factories, farms, stores and other businesses**
* **Damage and disruption to roads, schools, public buildings and other facilities you rely on every day.**

**To participate in the Community Rating System and obtain credit for floodplain management activities, officials in your community simply need to apply. Then we'll arrange for flood insurance premium discounts. The amount of your discount depends on what type of preventative action your community takes. For more information about the Community Rating System, visit www.fema.gov/nfip.crs.htm**

FYI

**For more information about National Flood Insurance, please call the NFIP or visit the NFIP's website:**

**Phone: 1-888-RAIN 924 (1-888-724-6924)  
TDD: 1-800-427-5593**