



Basic Facts about the National Flood Insurance Program

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Q: I have a homeowner's insurance policy. Why would I buy flood insurance?

A: Flood damage is not typically covered by a homeowner's insurance policy.

Q: If my home is flooded, won't federal disaster assistance pay for my damages?

A: Not necessarily. Most forms of federal disaster assistance require a presidential declaration. Plus, federal disaster assistance typically comes in the form of a low-interest loan to help cover flood damage, not compensation for your losses. Those loans must be repaid.

Q: Am I eligible for flood insurance, even if I rent?

A: First, you must live in a community that participates in the National Flood Insurance Program (NFIP) to qualify for national flood insurance. If so, you can purchase flood insurance for your home, or for the contents of the home you rent and/or your business.

Q: I live in a low-risk flood zone. Do I really need flood insurance?

A: People outside of high risk flood zones file more than 20 percent of all NFIP claims and receive one-third of federal disaster assistance for flooding. Flooding can occur anywhere. In fact, flooding is the number 1 natural disaster in the United States. From 2006 through 2015, total flood insurance claims averaged more than \$1.9 billion per year.

Q: Why does my mortgage lender require me to buy flood insurance?

A: Congress has mandated federally regulated or insured lenders to require flood insurance on properties that are located in areas at high risk of flooding.

Q: Is there a low-cost policy for homes in moderate- to low-risk areas?

A: Yes. A Preferred Risk Policy provides both building and contents coverage for properties in moderate- to low-risk areas for one low price.

Q: My home was damaged in a flood, and I received federal disaster assistance. Do I need to purchase flood insurance now?

A: Yes. If you live in an area designated as a Special Flood Hazard Area and have received disaster assistance in the form of a federal grant or loan, you must cover the building with flood insurance for as

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long as you own it. Should you sell the building, you are required to inform the new owner of the necessity to purchase and maintain flood insurance. Failure to carry flood insurance could result in the denial of future federal disaster assistance. In some cases, FEMA may provide a Group Insurance Flood Insurance Policy for three years after a disaster after which the homeowner would need to buy a Standard Flood Insurance Policy.

Q: How do I purchase flood insurance?

A: A list of private insurance companies that sell and service NFIP flood insurance policies is available online (www.fema.gov/nfipinsurance/). You can also contact your insurance agent or company to find out more about federal flood insurance or find an agent serving your area by filling out the Flood Risk Profile.

Q: What if I want to purchase more insurance than the NFIP offers?

A: Many private insurance companies offer Excess Flood Protection, which provides limits over and above those of the NFIP. For more information, contact your insurance agent or company.

