

# WATERMARK

2005, Number 2

National Flood Insurance Program

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## 15 Years and Growing Strong

Averting floods before they happen is a pretty tall order, but with 15 years of success behind it, the Federal Emergency Management Agency's (FEMA's) Community Rating System (CRS) is doing just that. How? By providing national recognition of local flood mitigation efforts and by offering incentives to communities that engage in mitigation activities exceeding the NFIP's floodplain management requirements.



### A Class System

The CRS is a voluntary program that began implementation in the fall of 1990, when FEMA accepted its first CRS applications from prospective member communities. Similar to fire insurance, the CRS decided to use a class rating system to determine flood insurance premium reductions for residents. Although all communities enrolling in the CRS received a 5-percent premium discount during its first year of operation, by October 1991, the first CRS classes became effective and the percentage of premium discount a community earned became tied to the rating it received, depending upon the mitigation activities it accomplished.

*continued on page 3*

## Policy Sales Grow with FloodSmart

To help the National Flood Insurance Program (NFIP) reach its goal of 5-percent annual policy count growth, the FloodSmart campaign has divided its communications efforts between bringing new customers into the flood insurance program, reacquiring lapsed customers, and retaining existing policyholders.



NATIONAL FLOOD INSURANCE PROGRAM

*continued on page 7*



# FEMA

## Message from the Acting Director

Dear *Watermark* Reader,

This year we are working harder than ever to promote flood protection and risk prevention. I hope to report to you at the end of 2005 that we have met our goals of growing the NFIP policy base by 5 percent and of reducing the number of repetitive loss properties in the floodplain. This edition of *Watermark* features several articles that describe our progress in meeting those goals.



The Flood Insurance Reform Act of 2004 (FIRA '04) has been part of our focus as we achieve our 2005 goals of policy growth and education. In the article about the Act on page 11, we give you details about this important legislation and how it affects the NFIP's stakeholders.

I'm encouraged by the policy growth that already has resulted from the NFIP's FloodSmart marketing campaign initiatives. Several articles in this edition describe the initiatives and their results.

On the mitigation front, "15 Years and Growing Strong" details the achievements of one of the NFIP's most successful mitigation programs: the Community Rating System.

Another article, "ICC Works," highlights how one floodplain manager is using the Increased Cost of Compliance (ICC) coverage to speed up mitigation efforts for repetitive loss properties. Finally, this edition of *Watermark* contains more than a dozen articles about issues such as marketing to renters, responding to flood disasters, "demystifying" mandatory purchase requirements, and improving claim processing.

I hope that you will enjoy reading the articles in this *Watermark* and profit from the information they provide. Through them I am pleased to be able to share with you some of the ways FEMA is working with its stakeholders to continuously improve the NFIP—a program that makes the difference between loss and recovery for so many people each year.

Sincerely,

A handwritten signature in black ink that reads "David I. Maurstad". The signature is written in a cursive, slightly slanted style.

David I. Maurstad  
Acting Director  
Mitigation Division  
Emergency Preparedness and Response Directorate

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We welcome your comments and suggestions, as well as submissions for articles and departments. In addition, we encourage you to reproduce articles and departments contained in the *Watermark* and include them in your own newsletters or other communications. Send your questions, comments, suggestions, and submissions to:

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Click on the mailbox icon in the lower left corner of the page to access the EMail List.

**15 Years and Growing Strong,**  
continued from page 1

CRS classes are rated from 10 to 1. A community that does not apply for the CRS or that does not obtain the minimum number of credit points is a Class 10 community. Today, most communities enter the program at a Class 9 rating, which earns residents in Special Flood Hazard Areas a 5-percent discount on their flood insurance premiums. As a community engages in additional mitigation activities, its NFIP policyholders become eligible for increased discounts. Each class improvement produces a 5-percent greater discount on flood insurance premiums, with a Class 1 community receiving the maximum 45-percent premium reduction.

**Class Distribution**

By October 1, 1991, the CRS was made up of 293 Class 9 communities. By May 1, 2005, the number of CRS communities had grown to 1,018. Nearly 70 percent of CRS communities now receive a premium discount of 10 percent or better. Twenty-six communities receive a 25-

percent discount; two communities receive a 30-percent discount, and one community—Tulsa, Oklahoma—now engages in so many flood mitigation activities that its residents enjoy a 40-percent discount on their flood insurance premiums. See the table below for a distribution of CRS communities by class.

Any community that is in full compliance with the NFIP's minimum floodplain management requirements may apply to join the CRS. Twelve communities joined the CRS just between October 1, 2004, and May 1, 2005. Of these, seven entered as Class 9 communities (with 5-percent discounts), and five entered as Class 8 communities (with 10-percent discounts). During this same time period, 15 more CRS communities engaged in enough extra mitigation activities to improve their rating. Seven communities moved from Class 9 to Class 8—improving their discount to 10-percent—and eight communities moved from Class 8 to Class 7, now earning their residents 15-percent premium discounts.

What kinds of communities participate in the CRS? They range in size from small (Poquoson, Virginia) to large (Los Angeles, California) and have a mixture of flood hazard risks from coastal (New Orleans, Louisiana) to riverine (Davenport, Iowa).

Participating communities are well distributed across the country, though Florida—which has more flood insurance policies than any other state and a high level of awareness of its exposure to flooding—has the highest density of CRS communities. Relatively high participation rates in California, Colorado, Florida, Louisiana, New Jersey, North Carolina, and Texas are also due to active state programs that help promote the CRS.

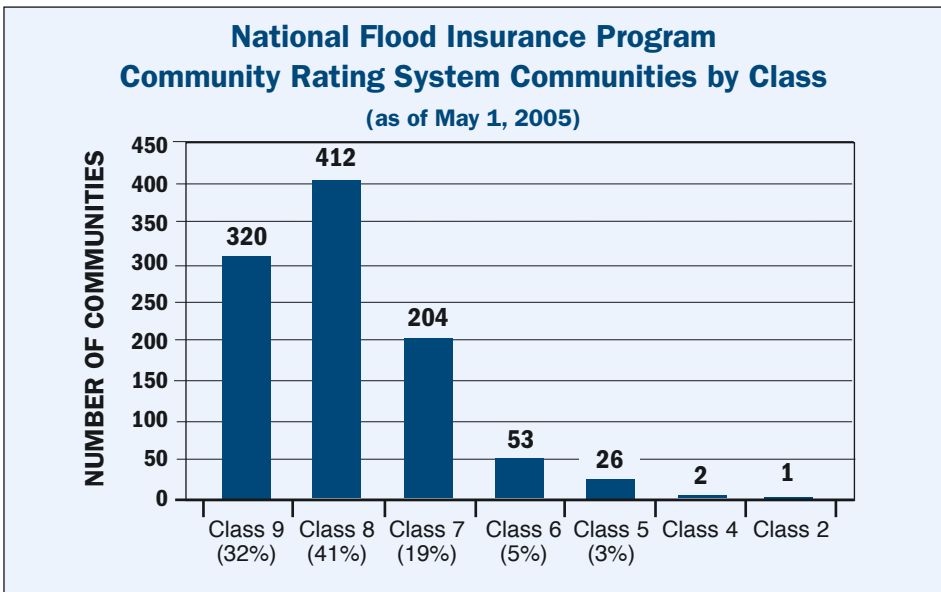
See the map on page 4 for the distribution of CRS communities by region and state.

**THREE GOALS OF THE CRS**

- 1. Reduce flood losses**
- 2. Facilitate accurate insurance rating**
- 3. Promote the awareness of flood insurance**

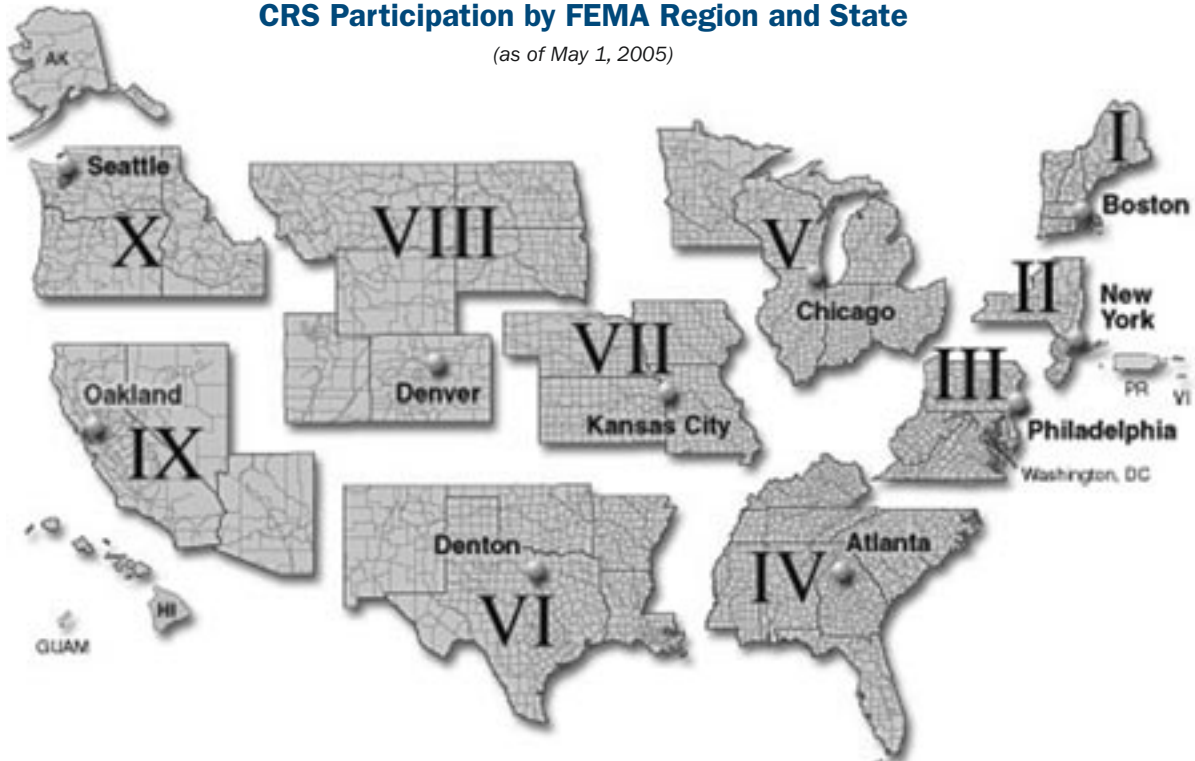
**Their Credit Is Good**

CRS credit is assigned to 18 floodplain management activities designed to reduce property damage, personal suffering, and financial hardship caused by floods. These activities are organized under four categories: public information, mapping and regulation, flood damage reduction, and flood preparedness (see table on page 5). Formulas and adjustment factors are used to



## CRS Participation by FEMA Region and State

(as of May 1, 2005)



Region I	CT	ME	MA	NH	RI	VT	TOTAL
	10	20	13	5	4	3	55

Region II	NJ	NY	TOTAL
	44	27	71

Region III	DE	MD	PA	VA	WV	TOTAL
	7	6	13	16	1	43

Region IV	AL	FL	GA	KY	MS	NC	SC	TN	TOTAL
	13	209	27	16	19	75	31	7	397

Region V	IL	IN	MI	MN	OH	WI	TOTAL
	31	16	15	3	13	11	89

Region VI	AR	LA	NM	OK	TX	TOTAL
	13	35	10	11	43	112

Region VII	IA	KS	MO	NE	TOTAL
	2	4	2	2	10

Region VIII	CO	MT	ND	SD	UT	WY	TOTAL
	42	12	1	1	10	5	71

Region IX	AZ	CA	HI	NV	TOTAL
	25	61	1	8	95

Region X	AK	ID	OR	WA	TOTAL
	3	19	28	25	75

calculate credit points for each activity.

- **Public Information**—Credit is given for programs that advise people about local flood hazards, flood insurance, and ways to reduce flood damage. These activities also provide data needed by insurance agents for accurate flood insurance rating. Public information programs generally serve all members of the community and work toward all three goals of the CRS.
- **Mapping and Regulation**—Credit is given for programs that provide increased protection from new

development in the floodplain. These activities include mapping areas not shown on the Flood Insurance Rate Map, preserving open space, enforcing higher regulatory standards, and managing storm water. The credit is increased as communities grow. These activities work toward the first and second goals of the CRS, damage reduction and accurate insurance rating.

- **Flood Damage Reduction**—Credit is given for programs in locations in which existing development is at risk. Credit is provided for a com-

prehensive floodplain management plan, relocating or retrofitting flood-prone structures, and maintaining drainage systems. These activities work toward the first goal of the CRS, damage reduction.

- **Flood Preparedness**—Credit is given for flood warning, levee safety, and dam safety programs. These activities work toward the first and third goals of the CRS, damage reduction and hazard awareness.

Communities that are affected by one or more of eight special hazards, such as coastal erosion, tsunamis, or



## Credit Points Awarded for CRS Activities

ACTIVITY	MAXIMUM POSSIBLE POINTS <sup>1</sup>	AVERAGE POINTS EARNED <sup>2</sup>	MAXIMUM POINTS EARNED <sup>3</sup>	PERCENTAGE COMMUNITIES CREDITED <sup>4</sup>
<b>300 Public Information Activities</b>				
310 Elevation Certificates	162	69	142	100%
320 Map Information Service	140	138	140	95%
330 Outreach Projects	380	90	290	86%
340 Hazard Disclosure	81	19	81	61%
350 Flood Protection Information	102	24	66	87%
360 Flood Protection Assistance	71	53	71	48%
<b>400 Mapping &amp; Regulatory Activities</b>				
410 Additional Flood Data	1,346	86	521	29%
420 Open Space Preservation	900	191	756	83%
430 Higher Regulatory Standards	2,740	166	1,041	85%
440 Flood Data Maintenance	239	79	218	68%
450 Stormwater Management	670	98	490	74%
<b>500 Flood Damage Reduction Activities</b>				
510 Floodplain Management Planning	359	115	270	20%
520 Acquisition and Relocation	3,200	213	2,084	13%
530 Flood Protection	2,800	93	813	6%
540 Drainage System Maintenance	330	232	330	69%
<b>600 Flood Preparedness Activities</b>				
610 Flood Warning Program	255	93	200	30%
620 Levee Safety	900	198	198	1%
630 Dam Safety	175	66	87	81%

<sup>1</sup>The maximum possible points are based on the 2005 **CRS Coordinator's Manual**.

<sup>2</sup>The average points earned are based on the scores for those communities receiving this credit as of May 1, 2005, and do not include growth adjustments or the new credits provided in the 2005 **CRS Coordinator's Manual**.

<sup>3</sup>The maximum points earned are the highest scores attained by a community as of May 1, 2005, and do not include growth adjustments. In some cases many communities have attained the maximum points listed.

<sup>4</sup>The percentage of communities credited is as of May 1, 2005.

ice jams, have the opportunity to earn additional credit under several activities.

### Easy Enrollment

The first step in joining the CRS is taken when a community appoints a CRS coordinator to handle the application work and serve as a liaison with FEMA. Next, the community obtains a copy of the *CRS Coordinator's Manual*, which

describes the program and gives details about the eligible activities. The manual and CRS application form are available online ([www.training.fema.gov/emiweb/crs](http://www.training.fema.gov/emiweb/crs)). Hard copy of either document also can be obtained by calling 317-848-2898.

The next step in joining the CRS is to submit the application to the appropriate FEMA Regional Office (see page 39 of this *Watermark* or Appendix A in the *CRS Coordinator's*

*Manual* for contact information) along with documentation demonstrating that the community is engaged in activities recognized by the CRS. Technical assistance from trained CRS field representatives is available on request (see Appendix G in the *CRS Coordinator's Manual* for contact information). All publications and computer software for completing the application are available at no charge to NFIP communities.

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After conducting a field verification of the activities described in the application, the CRS arranges for NFIP flood insurance premiums to be reduced in the community. But CRS support for participating communities doesn't stop here. Throughout the year, CRS specialists participate in informational and coordination meetings hosted by prospective and participating communities. Additionally, CRS workshops and comprehensive floodplain management workshops are held year-around to support local jurisdictions, and week-long CRS training courses (conducted at FEMA's Emergency Management Institute in Emmitsburg, Maryland, twice each year) now are also available in the field.

### Everyone Benefits

For 15 years, the CRS has not only saved NFIP policyholders money by discounting their premiums; the mitigation programs undertaken by participating communities also have saved lives and preserved property. Since 1990, 50 percent of all CRS


communities have improved their class ratings, indicating that more flood loss reduction activities are being undertaken.

In addition, the CRS has improved its operation during that period. Recommendations for change come from the CRS Task Force, which was established to advise FEMA about the CRS. The group is made up of representatives from FEMA headquarters and regional offices, the Association of State Floodplain Managers, local governments, the National Oceanic and Atmospheric Administration, state emergency management agencies, the National Association of Storm and Flood Management Agencies, WYO insurance companies, and the NFIP Bureau and Statistical Agent, with assistance from the Insurance Services Office and floodplain management experts in private practice.

Over the years, the CRS Task Force has made substantial increases in the maximum points assigned to creditable activities; simplified the

application, scoring, and documentation procedures; and produced and updated a range of technical guidance materials for the local public officials who coordinate community participation in the CRS.

Communities that implement mitigation activities provide benefits to all their residents—insured or not—and thereby reduce the need for taxpayer-funded flood response and recovery efforts. CRS communities collectively save their residents more than \$140 million in premiums each year. And, although CRS communities represent only 5 percent of the 20,000 communities participating in the NFIP, more than 66 percent of all flood insurance policies are written in CRS communities.

Visit the CRS web site ([www.fema.gov/nfip/crs.shtm](http://www.fema.gov/nfip/crs.shtm)) for more information about this successful program. 

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## NFIP Tops 20,000!

The village of Elba, Nebraska, was recognized as the NFIP's 20,000th participating community in a ceremony held April 14 in Elba.

Michael Buckley, acting deputy director for FEMA's Mitigation Division, praised Elba's leadership during the ceremony. Lieutenant Governor Rick Sheehy, key staff from Nebraska's Senate offices, and members of U.S. Congressman Tom Osborne's staff also participated in the event.

"The state of Nebraska is proud of Elba for taking this step to participate in the NFIP," said Sheehy. "We have 340 participating NFIP communities across the state, which is certainly a testament to our belief in the importance of regulated floodplain management."

FEMA Region VII Director Richard Hainje echoed Sheehy's praise of the relationship between the state and FEMA in regard to the NFIP, adding that, "As a result of this

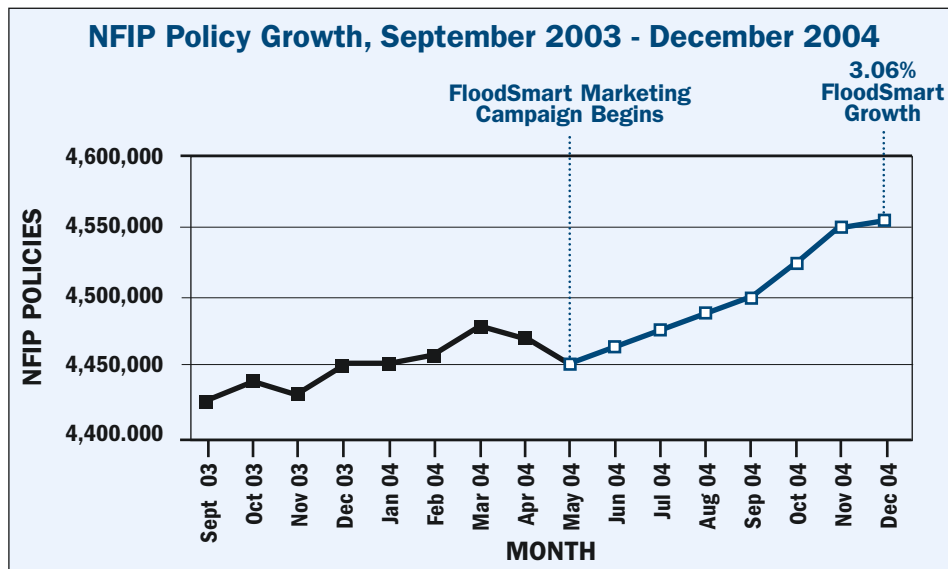
[partnership], there are 13,525 flood insurance policies in force in the state. These policies are worth more than \$1.5 billion dollars in insurance coverage for flood risks."

"Equally important has been the state's efforts with regard to flood hazard mapping," Hainje continued. "The state has been very proactive and creative in partnering with FEMA to create flood hazard maps through FEMA's Cooperating Technical Partner program." 

**Policy Sales Grow with FloodSmart,**  
continued from page 1

Since the campaign's launch in May 2004, FloodSmart has gained significant exposure for the NFIP. Results through December 2004 demonstrate the campaign's success:

- 3.06 percent growth
- More than 680,000 FloodSmart.gov visitors
- More than 71,000 on-line risk assessments provided to web site visitors
- More than 50,000 calls into the toll-free telephone lines
- 349,000 direct-mail pieces delivered
- 360 new agents in the FloodSmart Agent Referral Program
- 66 million+ media circulation and viewership



- Flood insurance mentions in the *New York Times*, *Los Angeles Times*, *Wall Street Journal*, and on National Public Radio.

As designed, the campaign is convincing consumers that they are at risk of floods and encouraging them to request our free information about buying and retaining flood insurance.

You can look forward to more efforts to motivate and educate agents, more retention strategies, and more messages about extreme weather events and map modification efforts.

To learn about this program, visit the FloodSmart web site ([www.FloodSmart.gov](http://www.FloodSmart.gov)).

## Modest Rate Hikes Head May 1 Program Changes

Michael McFadden, NFIP Bureau and Statistical Agent

Premium rate increases averaging 1.2 percent head the list of NFIP changes that became effective on May 1, 2005. That and other annual and semiannual program changes are documented in the May reissue of the NFIP *Flood Insurance Manual*.

### Rate Adjustments

Actuaries at FEMA and the NFIP Bureau and Statistical Agent annually reevaluate the efficacy of the NFIP's overall rate structure. They consider the program's recent loss experience by flood zone, policy type, Pre-FIRM/Post-FIRM building status, and other criteria. They also consider such factors as revisions of Flood

Insurance Rate Maps and inputs from Congressional committees.

The May 1 increase in flood insurance rates was only 1.2 percent on average. Adjustments ranged from "no change" for the Preferred Risk Policy, V Zones, and several A Zones in which loss experience has been favorable to 6 percent increases in AR and A99 Zones. Complete details are provided in the summary on page 9.

Rate tables and rating examples in the Rating, Condominiums, and Endorsement sections of the manual have been updated accordingly.

### Application Instructions

In the Application and Condominiums sections, the instructions for completing Parts 1 and 2 of the Flood Insurance Application have been reworded and, in some instances, rearranged. This was done to make the instructions correspond more closely to the wording and layout of the application form itself.

In the Preferred Risk Policy (PRP) section, the instructions for completing the PRP Application were revised for the same reason. Also, the instructions for completing the "Signature" area of the PRP Application were greatly expanded

along the lines of the "Signature" instructions in the Application section of the manual.

## PRP Section

Other changes in the Preferred Risk Policy section of the manual were made to page PRP 2. There, a paragraph about required documentation was revised and reformatted as a bulleted list. The paragraphs about deductibles and endorsements were clarified. Finally, the information about cancellation/nullification was extensively revised under the new heading "Conversion of Standard Rated Policy to PRP Due to Misrating or Map Revision."

## General Change Endorsements

On page END 2, information about current and prior term refunds to correct a rating error was revised under two new headings—"Misrated Policy" and "Conversion of Standard Rated Policy to PRP Due to Misrating or Map Revision." In addition, a paragraph about "Changing Property Locations" was revised as "Correcting Property Address."

## Cancellation Codes

In the Cancellation/Nullification section of the *Flood Insurance Manual*, the twenty-three reason codes have been expanded and reformatted. Now, beneath the text discussing each reason code, is a bulleted list that itemizes type of refund (full or pro rata), number of years eligible for refund, cancellation request guidelines, and documentation required. The purpose of the new format is to make it quicker and easier for agents to find what they need in the Cancellation/Nullification sec-

tion—and to reduce uncertainty, especially about the documentation to be submitted.

## CRS List

Twelve communities have qualified for the NFIP's Community Rating System (CRS) since October 2004—seven in Class 9, five in Class 8. They bring the CRS list to a new record of 1,018 participating communities that, together, make up more than 66 percent of the NFIP's policy base. See the "15 Years and Growing Strong" article on page 1 for more details about the CRS.

## Additional Changes

As always, the Table of Contents and the Index of the May 1 reissue of the NFIP *Flood Insurance Manual* were updated to reflect revisions in the text. Other changes include the following:


- REF 4: Updated contact information for the NFIP Marketing and Advertising Campaign—FloodSmart—and for the Agent Referral Program (formerly called the Leads Referral Program).
- GR 4: Inserted a reminder that "Solid perimeter foundation walls are not an acceptable means of elevating buildings in V/VE Zones."
- MPPP 1: Placed the following note beneath the rate table for the Mortgage Portfolio Protection Program (MPPP)—"MPPP policies are not eligible for Community Rating System premium discounts."
- POL 20, 39, 60: Added, to each of the three Standard Flood Insurance Policy forms, the electronic signature and signature block of David I. Maurstad in his capacity as Acting Administrator, National Flood Insurance Program, Federal

Emergency Management Agency, U.S. Department of Homeland Security.

- CBRS 4-6: Added Miami-Dade County, Florida, to the list of Coastal Barrier Resources System communities. Revised the Massachusetts listings to reflect the renaming of the Town of Gay Head as the Town of Aquinnah.
- RL 3, 5: Added, to each of the two repetitive loss notification letters, the electronic signature and signature block of David I. Maurstad in his capacity as Acting Director, Mitigation Division, Emergency Preparedness and Response Directorate, U.S. Department of Homeland Security.
- DEF 3: Expanded the definition of "Expense Constant" to point out that, although that fee was eliminated in May 2003, it may "affect the calculation of refunds going back prior to May 1, 2003, for policy cancellations and endorsements."

## Accessing the Flood Manual

Subscriptions to the NFIP *Flood Insurance Manual* expired with the distribution of the October 1, 2004, revisions supplement. You can photocopy the order form on page 21 to start or renew your subscription to the manual.

The *Flood Insurance Manual* is also available (free of charge, in Adobe PDF format) at the FEMA web site ([www.fema.gov/nfip/manual.shtm](http://www.fema.gov/nfip/manual.shtm)). 

*Michael McFadden has worked with flood insurance for 7 years as a member of the NFIP Bureau and Statistical Agent's Technical Assistance and Communications Department.*



## Summary of May 1, 2005, Rate Changes

Premiums for NFIP flood insurance have increased an average of 1.2 percent for policies written or renewed on or after May 1, 2005. The premium increase varies by zone, as summarized below.

### A-Zones (non-velocity, primarily riverine zones)

There are modest increases that will keep Post-FIRM rates at actuarial levels and slightly decrease the amount of subsidy in Pre-FIRM rates.

- **Post-FIRM AE Zones**—Premiums have increased 2.5 percent as indicated by the NFIP's actuarial rate model.
- **Pre-FIRM AE Zones**—No change.
- **AO, AH, AOB, and AHB Zones (shallow flooding zones)**—No change. Experience has been favorable in these zones.
- **Unnumbered A Zones (remote A Zones where elevations have not been determined)**—Premiums have increased 4.4 percent to keep these rates in line with Post-FIRM AE Zones.
- **A99 Zones (approved flood mitigation project—e.g., levees—still in the course of construction)**—Premiums have increased about 6 percent.
- **AR Zones**—Premiums have increased about 6 percent.

### V-Zones (coastal high-velocity zones)

There are no rate changes for V-Zone policyholders.

### X-Zones (outside the Special Flood Hazard Area)

Moderate increases have been implemented in these zones.

- **Standard Risk Policy**—Premiums have increased about 6 percent, as supported by underwriting experience.
- **Preferred Risk Policy**—No change.

## Excellent, Dude!

**D**ateline: Beverly Hills, February 12, 2005. Picture the red carpet, the cheek kisses—and, yes, the NFIP

The NFIP? Okay, it wasn't the Oscars. It was the Art Directors Guild (ADG) 2004 Excellence in Production Design Awards in seven categories of feature film and television production design. Winners were announced during a ceremony at the International Ballroom of the Beverly Hilton Hotel in Beverly Hills, California.

The NFIP was awarded the 2004 Excellence in Production Design Award for Commercials for our FloodSmart "Ignoring the Storm" television ad. This innovative commercial uses lots of special effects to show viewers a family that chooses to ignore the risks of flooding and finds themselves emotionally and economically devastated by the result—only their dog is "aware of the storm" and keeps his head above water.

"Ignoring the Storm" is airing on a number of national cable stations. It was produced for the FloodSmart campaign by the NFIP's marketing and advertising representative, J. Walter Thompson (JWT).

The Excellence in Production Design Awards, presented each year since 1996, are given in the following categories: Feature Film (includes Period/Fantasy Film and Contemporary Film) and Television (includes Single-Camera Television Series; Multi-Camera Television Series; Television Movie or Mini-Series, Television Variety or Awards Show, Music Special, or Documentary; and—new this year—Commercials). Special recognition awards also are given.


The NFIP's award for "Ignoring the Storm" is among good company, including the award for a Fantasy Film, which went to "Lemony



Water rises in the NFIP's award-winning TV ad.

Snicket's a Series of Unfortunate Events," and the award for Single-Camera Television Series awarded to "Desperate Housewives."

These awards are given by members of the Art Directors Guild to recognize the finest achievements from within their own ranks. Unlike the Oscars, which recognize only the production designer and set decorator, the ADG awards recognize all members (production designers, art directors, and assistant art directors) who worked on a film.

"Ignoring the Storm," we salute you, FloodSmart, and JWT! 

## Fastest Delivery

In an effort to deliver updates about the NFIP to our stakeholders as quickly as possible and to reduce the need for paper copies of the *Watermark*, we encourage the use of the NFIP's free online notification service. When a new edition of the newsletter is placed on FEMA's NFIP web site, an announcement of its availability (with a link directly to it) is sent to all e-notification subscribers, giving them the opportunity to read *Watermark* online months before paper copies of the newsletter are printed and mailed.

### Paperless or Hard Copy?


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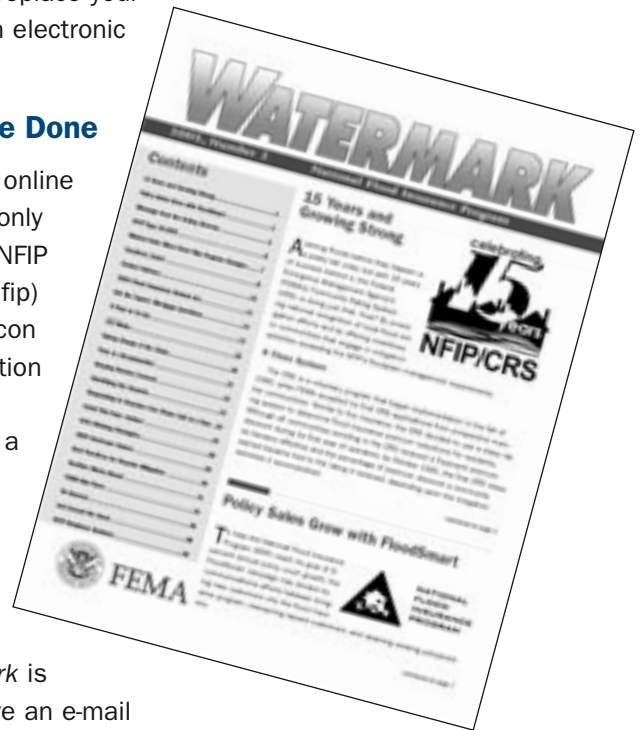
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The next time *Watermark* is placed online, you'll receive an e-mail

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Once your request has been processed, you will no longer be mailed paper copies of the *Watermark*. However, you will remain in the NFIP database and may continue to receive other NFIP communications by mail.

# 2004 Flood Insurance Reform Act

On June 30, 2004, the President signed into law the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004. The signing is good news for the NFIP, insured property owners, and other stakeholders because, among other things, it extends authorization of the NFIP through September 30, 2008.

Additionally, the reform act provides authority for the NFIP to launch initiatives in two areas of long-standing importance to the program—mitigating repetitive loss properties and educating policyholders.

## Mitigating Repetitive Loss Properties

Among several provisions in Title I of the reform act, Amendments to the Flood Insurance Act of 1968, the most significant is the establishment of a pilot program for mitigation of severe repetitive loss properties.

Title I authorizes the NFIP to "provide financial assistance to States and communities that decide to participate in the pilot program . . . for taking actions with respect to severe repetitive loss properties . . . to mitigate flood damage to such properties and losses to the National Flood Insurance Fund from such properties."

As noted in the Congressional Findings section of the act, "repetitive-loss properties comprise approximately 1 percent of currently insured properties but are expected to account for 25 to 30 percent of claims losses."

What is needed to remedy this situation, according to the Congressional Findings, is "a strategy of making mitigation offers aimed at high-priority repetitive-loss properties and shifting more of the burden of

### Read All About It

The full text of the reform act is available at [www.gpoaccess.gov](http://www.gpoaccess.gov). In the middle column (**GPO Access Resources by Branch**), click on "Congressional Bills" under the **Legislative Resources** heading." On the **Congressional Bills: Main Page**, scroll down to **Previous Congresses** and click on "Search bills by Congress." When the **Select a Congress(es)** box opens, highlight "108th Congress (2003-2004)." Then, in the **Search** box, enter "Bunning-Bereuter" and click "Submit." In item **[1]S.2238(enr)**, click "PDF."

recovery costs to property owners who choose to remain vulnerable to repetitive flood damage."

### Definitions

For one- to four-family residences, Title I defines a "severe repetitive loss property" as any NFIP-insured property that meets either of two criteria for paid flood losses:

- Four or more separate claim payments, each greater than \$5,000 and with a total greater than \$20,000; or
- Two or more separate claim payments with a total greater than the value of the property.

In the case of other residential

properties, loss criteria for a "severe repetitive loss property" will be determined by the NFIP.

### Other Provisions

To support the pilot program, Title I includes provisions for:

- Eligible activities
- Fund matching requirements
- Identification of severe repetitive loss properties
- Notification of owners of buildings selected for the pilot program
- Standards for mitigation offers in general
- Standards for purchase offers
- Increased premiums in cases of refusal to mitigate
- Discretionary actions in cases of mitigation fraud
- Establishment of rules and procedures
- Funding

Title I also stipulates that individual flood mitigation grants will be awarded for those properties that "will result in the greatest amount of savings to the National Flood Insurance Fund in the shortest period of time."

## Educating Policyholders

Title II of the reform act, Miscellaneous Provisions, contains measures to educate policyholders about the main coverages, limitations, and exclusions of the Standard Flood Insurance Policy (SFIP) and to familiarize them, in advance, with how claims are handled.

It is an unfortunate reality that few consumers carefully read their insurance policies of any kind—life, disability, auto, home, or flood. It is equally unfortunate that the NFIP and its sales agents can't do much about that. But if we work together, we can see to it that policyholders have a good, basic understanding of their coverages and that any surprises policyholders experience at claims time will be pleasant ones.

That is the purpose and the goal of some of the provisions in Title II. Other provisions direct the NFIP to establish a claims appeal process and minimum training requirements for flood insurance agents.

### **What the NFIP and Write Your Own Companies Are Doing**

In accordance with the policyholder education provisions of Title II, the NFIP is developing several new documents. Currently referred to as the supplemental and acknowledgment letters, summary of coverage, and NFIP claims handbook, the documents are intended to be short, "easy reads" expressed in simple, everyday language.

Some of the information included in these items will be:

- Coverages purchased;
- Coverage exclusions; and
- How damages will be valued if a claim is filed.

The acknowledgment letter is to be signed by the policyholder to indicate that he or she has received the SFIP and the supplemental form. If the policyholder has purchased only building coverage, the signature will

also indicate that the policyholder has been offered contents coverage.

The NFIP claims handbook will explain:

- Steps in filing a claim and seeing it to completion;
- Procedures for filing supplementary claims, proof of loss, and other information; and
- The claims appeal process mandated by Title II.

### **What Agents Can Do**

First, as always, briefly "walk" your clients, whether first-timers or renewers, through the main sections of the SFIP—Agreement, Definitions, Property Covered, Property Not Covered, Exclusions, Deductibles, Coinsurance (RCBAP only), General Conditions, Liberalization Clause, What Law Governs, and Claim Guidelines in Case of a Flood. In particular, make sure that they understand the SFIP definition of "flood." These measures are especially important with first-time purchasers of flood insurance.

When you have clients who think that they need only building coverage, tell them up front about the availability, desirability, and cost of contents coverage.

Urge your policyholders to read the information you give them thoroughly and at least to thumb through the flood insurance claims handbook. Encourage them to sign and return the acknowledgment letter. Beyond that, you might want to share with clients your experience with any specific flood perils common in your geographic region. For instance, some areas of the United States are sub-

ject to mudflow. Thus, agents in parts of the Pacific Northwest probably would find it beneficial to acquaint clients with the difference between mudflow and mudslide—and the fact that, while the former is covered by the SFIP, the latter is not.

Agents on the Gulf Coast or Atlantic Seaboard could offer clients a brief primer on hurricanes. The primer could include the facts that:

- Hurricanes typically cause both wind damage and flood damage.
- Damage from wind-driven rain is not considered flood damage and, consequently, is not covered by the SFIP.
- If their insured property sustains both wind damage and flood damage, a single adjuster might be assigned to work with them on their claims for both kinds of damage.

Finally, let policyholders know that you really appreciate their business. Give them your card with your office address, telephone number, and e-mail address. Let them know that you are at their service and that you will welcome any question or concern about their flood insurance coverage.

With these and other policyholder education measures of your own design, you will ensure repeat business and word-of-mouth recommendations. You will also help the NFIP gain ground on its goal of making sure that any policyholder surprises are pleasant ones. 🌊



## The Work of Many Hands

The Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 was the work of many hands—and the product of years of research, committee sessions, debate, and negotiation.

Originating in the U.S. House of Representatives, the reform act was bipartisan in character from the outset. The chief architect of the act was Rep. Doug Bereuter, Republican of Nebraska. He was joined very early in the going by Rep. Earl Blumenauer, Democrat of Oregon, well-known advocate of legislation to promote "livable communities."

Together, Reps. Bereuter and Blumenauer devoted 6 years, including preliminary fact finding conducted with the assistance of FEMA officials, to hammering out the act's provisions for mitigation of severe repetitive loss properties.

Reps. Bereuter and Blumenauer jointly introduced the initial bill in the U.S. House of Representatives in August 1999. On its long route to the President's desk, the act had 15 House and Senate sponsors and cosponsors from both parties. A broad-based coalition of prominent national organizations supported the act and urged passage.

Here are some of those who helped to bring this much-needed legislation into being.

### U.S. House of Representatives

Rep. Doug Bereuter (R-NE), Sponsor  
Rep. Earl Blumenauer (D-OR), Cosponsor  
Rep. Martin Frost (D-TX), Cosponsor  
Rep. Tom Petri (R-WI), Cosponsor  
Rep. Lee Terry (R-NE), Cosponsor

### U.S. Senate

Sen. Jim Bunning (R-KY), Sponsor  
Sen. Wayne Allard (R-CO), Cosponsor  
Sen. Elizabeth Dole (R-NC), Cosponsor  
Sen. Chuck Hagel (R-NE), Cosponsor  
Sen. Tim Johnson (D-SD), Cosponsor  
Sen. Barbara Mikulski (D-MD), Cosponsor  
Sen. Zell Miller (D-GA), Cosponsor  
Sen. Paul Sarbanes (D-MD), Cosponsor  
Sen. Charles Schumer (D-NY), Cosponsor  
Sen. Richard Shelby (R-AL), Cosponsor

Not to be overlooked are the contributions of the legislative staff members, in both houses of Congress, on both sides of the aisle, who handled the detail work.

### Supporting Organizations

American Bankers Association  
American Planning Association  
American Rivers  
America's Community Bankers  
Association of State Floodplain Managers  
Citizens Against Government Waste  
Coast Alliance  
Friends of the Earth

Heritage Foundation  
Mortgage Bankers Association  
National Association of Professional Insurance Agents  
National Association of Realtors  
National Taxpayers Union  
National Wildlife Federation  
The Ocean Conservancy  
Taxpayers for Common Sense  
U.S. Public Interest Research Group

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# Ask the Expert: Mortgage Questions

Susan Bernstein, FEMA

I wear several hats here in FEMA's Mitigation Division. I am both the editor of *Watermark* and the legal liaison with the WYO companies. Another hat I've donned recently is that worn by our "Ask the Expert" responders. Visitors to the NFIP web site ([www.fema.gov/nfip](http://www.fema.gov/nfip)) may be familiar with this service, available by clicking on the link listed in the left column of the NFIP homepage. Visitors type in their questions and then we go to work getting them answers. I heartily enjoy this role, one that I share with several other people, and I have learned so much from it.

We get 50-75 visitors to the "Ask the Expert" section of the NFIP web site each day. We respond to a wide variety of questions ranging from simple to quite complex. I'd like to share with you our responses to three recent questions about the requirements for mandatory purchase of flood insurance.

## "My Pocketbook Can't Take It"

**Question:** My mortgage loan is only for 30 percent of the cost of my home, but my lender requires me to have flood insurance for the entire amount. Can she do that?

**Answer:** Yes, she can. The amount of flood insurance coverage required by the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, is the lesser of the following:

1. The maximum amount of NFIP coverage available;
2. The outstanding principal balance of the loan; or
3. The value of the property minus the land.

Thus, the law establishes a "minimum," not a "maximum," on how much insurance a lender may require. In the hazard clause of your loan document, your lender may have reserved the right to compel the purchase of insurance above the amount required by law.

FEMA encourages lenders to follow the same general business practices in calculating the flood insurance coverage amount on a building as they do in placing other hazard coverage. The terms and conditions of the hazard clause contained in the loan document fully describe the rights and responsibilities of the parties.

The NFIP encourages property owners to insure their buildings to full replacement value, or at least to 80 percent of the replacement cost, as they do when purchasing homeowners insurance. That way, at the time of loss, single family buildings that are primary residences and insured to 80 percent or more of their replacement cost value would be settled on a replacement cost basis. Buildings insured to less than 80 percent of replacement cost value would be settled on the basis of actual cash value, which deducts for depreciation.

It would appear that your lender is taking the more prudent approach by requiring insurance representing at least 80 percent of the replacement cost value, rather than the loan balance. This approach benefits both the borrower and the lender because it protects the borrower's financial interest—not just the lender's, as when only the loan balance is insured.

## "I'm Just Sitting Here Waiting"

**Question:** I'm planning to close on a loan for property that is not in an SFHA, and my lender now tells me that I must wait 30 days before my flood insurance becomes effective. What's he talking about?

**Answer:** Timing is important when it comes to the purchase of flood insurance. The 30-day waiting period for NFIP flood insurance policies has two basic exceptions, both of which are linked to initial purchase. One is for the initial purchase of insurance in the event of loan activity; the other is for the initial purchase pursuant to a map revision.

You can find the exact language in our *Mandatory Purchase of Flood Insurance Guidelines* booklet, page 34 ([www.fema.gov/pdf/nfip/mandpur1.pdf](http://www.fema.gov/pdf/nfip/mandpur1.pdf)).

Basically, the waiting period is imposed to avoid a cycle of cancellation/renewal. In the past, when there was only a 5-day waiting period, people would let their policies lapse and get new policies if there were weather reports indicating big flood/rain events. This left a lot of homeowners without flood insurance for less large-scale events, of which there are many.

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## "Shack of My Dreams"


**Question:** [This inquiry came from Wanda Hofkamp, a Business Banking Administrative Manager with Wells Fargo in Burlington, Washington.] This is our scenario: We grant a loan to a borrower for a piece of land that currently has a falling-down shack that we give no value to in the appraisal built on it. No one can live in it. The purpose of the loan is simply to purchase the land. The intent is that, later on, they will apply for a construction loan to further develop the land, tear down the building, and build one or more houses on it. That will be a separate loan from the current one. My questions are:

1. Is a flood certification required because of the building sitting on the land even though no building value is given?
2. If not, is a flood certification required because the borrower intends down the road to obtain another loan to begin construction?

**Answer:** Take a look at the *Mandatory Purchase of Flood Insurance Guidelines*, page 25 ([www.fema.gov/pdf/nfip/mandpur1.pdf](http://www.fema.gov/pdf/nfip/mandpur1.pdf)). This is a really useful part of the guide-

lines that covers (4) No Coverage if Land Loan Only; (5) Low-Value Building on High-Value Land; (6) Buildings in the Course of Construction.

Since the structure has been appraised at no value, generally, there is no coverage requirement. But make sure you note the part of section (4) that emphasizes that, if the purpose of the loan is to facilitate the purchase of land for future development and the improvement would be of nominal value, the mortgage language must specifically exclude the building as part of the security.

Thus, no flood certificate would be needed at present. However, notification requirements under the 1994 Reform Act must be adhered to when the construction loan is made. 


*Susan Bernstein is the Editor of Watermark and also the FEMA Mitigation Division Legal Liaison to WYO Companies and the FEMA Office of General Counsel. She's been handling WYO flood insurance lawsuits for 8 years.*

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## It Pays to Co-Op

The NFIP Co-Op Program is open to all agents, WYO companies, and insurance associations. The program provides pre-approved customizable ad templates for local and regional advertising. No approval is needed for the ads; they are pre-produced and customizable. Options include print, radio, and Yellow Pages ads, as well as radio scripts. Under the streamlined reimbursement process, participating agents can receive as much as 50 percent of the cost of ad placement. Agents who have completed a state-approved continuing education flood insurance course within the past 12 months are eligible for an additional 25-percent reimbursement. WYO companies and insurance

associations can list multiple agents together in the same print ad and save 50 percent on its cost. The NFIP's ad agency will create and place the grouped ads.

Visit the FloodSmart web site ([www.FloodSmart.gov/agent](http://www.FloodSmart.gov/agent)) to get more information about the Co-Op Program and to see the many advertising options available. 



**NATIONAL  
FLOOD  
INSURANCE  
PROGRAM**

## ICC Works

Following are excerpts from an interview with Ray Nees, Floodplain Manager for Rock Island County, Illinois, who received the Association of State Floodplain Managers (ASFPM) Floodplain Manager of the Year Award for 2003. Nees spoke to us about his successful use of the NFIP's Increased Cost of Compliance (ICC) coverage to mitigate repetitive flood loss properties. When consumers purchase flood insurance, they qualify for the ICC benefit if there is a flood. When properties are substantially damaged, policyholders and communities benefit because ICC makes financial assistance available to meet local floodplain ordinance requirements.

I'm the Director of Zoning and Building for Rock Island County, Illinois. Where the Rock River dumps into the Mississippi River is actually the middle of our jurisdiction. Inspectors in my office enforce building codes, zoning codes, floodplain ordinances, and property maintenance codes. We are always looking at ways to avoid wasting taxpayer money. Mitigation projects are probably the most effective ways that somebody at the local level can undertake to save taxpayer dollars. We've done buy-outs galore. When I started as a Zoning Investigator in 1995, we had more than 200 repetitive loss properties. Now we are down to 48. We've mitigated more than 50 substantially damaged houses with ICC [the NFIP's Increased Cost of Compliance coverage] just in the last 3 years.

We have done buy-outs for insured flood victims, and we enforce the



*Flooding on the Mississippi River in Illinois, April 2001. (Photo by Ray Nees)*

same regulations on those people who don't have insurance. I think that the toughest part of a local floodplain manager's job is when you've got somebody whose property is substantially damaged, and you have to look them in the eye and tell them that they must elevate or tear down their house. Period. In one of the worst situations, you'll get somebody who doesn't have insurance, is living in a floodplain, and is probably not real well-to-do financially. But, in order for floodplain management to work, the local official has to be hard-nosed enough to say, "Look, I don't like this situation either, but wouldn't you rather elevate the house or go somewhere else to live?" It is a question of tough love. Be hard-nosed about it and get flood victims to put themselves in a better situation. The results of taking this position in my jurisdiction have been phenomenal, especially using ICC.

### Putting ICC in Place

Of course, if your community has repeat flooding like ours does, to be able to use ICC fully, the community first must adopt in the local jurisdiction's ordinances cumulative loss wording that looks at flood damages over a 10-year period. Otherwise, if the structure is damaged by several floods over 10 years, and no one flood hits the 50 percent mark but the cumulative damage is 50 percent or more, the property owner will not be eligible for ICC assistance. Once this wording is in place, when someone suffers repeat flood damage, you find the address on the tax assessment rolls and figure out what the fair market value of the house was before the flood. Your tax assessor can tell you how to do this. Next, you go look at the house and figure how much flood damage it has had during the last 10 years and total it up.



Compare the fair market value and the cumulative damage estimates. If the cost of repairing the damage is more than half of the building's fair market value, ICC can kick in.

Any local floodplain manager who is not using ICC is completely missing the boat. It is one of the least time-consuming mitigation projects that any floodplain manager can undertake. There is software out there that walks you through substantial damage declarations. All you have to do is inspect the damaged building, plug in the numbers, and the software produces the declaration information. The software is called RSDE [Residential Substantial Damage Estimator] and it is free to communities that participate in the NFIP [see "Additional Resources" sidebar to the right]. If you are going to use this software, get with your jurisdiction's Information Systems people to assist you. This software works well, but requires some effort to get set up specifically for your community.

Once you have adopted cumulative loss wording in your local ordinances and you have familiarized yourself with the substantial damage software, mitigating with ICC is really pretty easy. Before a flood, I would highly recommend that the floodplain manager call the local newspaper, do some press releases, and send out notices to the community to let people know that ICC funding is available for flood victims. This will help get people to purchase flood insurance, reducing the number of uninsured you have to force to elevate or demolish.

## Additional Resources

FEMA provides several ICC-related items to public officials who request them. These are available without a charge from the FEMA Distribution Center at 800-480-2520. Request the items by using the document numbers provided below.

### **Substantial Damage Software**

FEMA has developed a software program to help local officials make substantial damage determinations. While it is based on Microsoft Access, the software is self-contained and does not require any software in addition to Windows.

The software comes with a manual, *Guide on Estimating Substantial Damage Using the NFIP Residential Substantial Damage Estimator*, FEMA 311. The manual includes worksheets that allow the calculations to be done manually.

### **ICC Guidance**

FEMA has prepared guidance for local officials about how to help property owners in their communities qualify for ICC benefits. It is the NFIP's *Increased Cost of Compliance Coverage: Guidance for State and Local Officials*, FEMA 301.

## After a Flood Disaster

Processing ICC claims is easy, because you are catching the homeowners while the carp is still flopping on their couch. Timing is everything. On the day that your river floods, contact your sheriff's department, get out there in a boat with a digital camera and photograph every flooded house so that you can document the water levels. If you can't find the houses on your plat map by looking at them after taking their picture, you are not out in the jurisdiction enough.

Right now, Rock Island County has 13,000 parcels and 600 miles of road, and practically all of it is in the floodplain at one point or another—we are spread out that far. After taking 400 photographs over a 2-day period when the flood crested in 2001, we came back to the office

and were able to pinpoint an address for every single photo.

After the water goes down, the stereotypical guy who rows his couch with his banjo during the flood will call you and say, "Hey, I've heard about this ICC. What is it?" In many cases, he will come to you with flood claims for the last 10 years and ask if you can use them. This is important because we cannot go out and research past flood insurance claims—requiring this information is an invasion of the Right to Privacy. But if the homeowner brings the claims paperwork to you, then you can use it.

I once had an ICC claim on a house that had very, very little damage to it because its new owners had sandbagged it. But when they found out about ICC, these people went

back to the previous owner, got copies of all the prior flood claims, and brought them to me. Altogether, these claims from within a 10-year period allowed us to knock their substantial damage over 50 percent, and they were able to use ICC to elevate their house. Since May 1, 2003, anyone whose property is declared substantially damaged gets up to \$30,000 instead of \$20,000.

Once you get all your ducks in a row and document how high the water is, you run the numbers on the software and then compare the results with the pre-flood fair market value of the property. Next, you prepare a letter that says, "Here's the fair market value of your house, here is the amount of damage that you had, and, comparing the two, this means that your structure is substantially damaged." Your letter also says, "You may elevate this house, move it to higher ground, or tear it down." You also put in the letter, "If you have flood insurance, you may be eligible for up to \$30,000 for assistance. Please call me for more information." Then you send the letter to the homeowner by Certified Mail. When homeowners receive this letter, they have to sign off that they got it. They can't say that they didn't know about the substantial damage declaration. When they call, you tell them to take the letter to their insurance adjuster and, from there on, you are pretty much done. You can turn it over to the Building Department. You don't have to go out and find mitigation funding because the insurance adjuster does that with the homeowner. You don't even have to go and get bids because the homeowner does that.



*Campbell's Island, Illinois flooding, April 2001. (Photo by Ray Nees)*

This is why it is possible to do 20 or 30 ICCs at a time. Let's face it, when you get done with a flood and you've got 50 people saying, "Wait a minute, I want to move back in...what do you mean I can't?" you are going to have to mitigate many at a time. This is possible because you don't have to do all the paperwork every step of the way. You use the software, you run the numbers, you insert these in the form letter, and then you send it out. It takes about 10 minutes per house. From this point on, all you do is basically handle the phone calls.

Homeowners will call you with lots of questions such as "What do I do now?" We respond with "Do you have bids?" They say, "Yep," and then we say, "Okay, give them to your claims adjuster," and then you move on to the next one. If you get your ducks in a row beforehand, when you get back into the office after the flood, you only have to work hard for about 3 weeks or so and you can take care of 10, 20, or even 30 of your repetitive loss properties.

## **The Payoff**

We had a significant ice jam on the Rock River 2 years ago. Water was approximately 13 inches higher than it had been during the Midwest Flood of 1993. When all of that water was up, a local reporter went into the Southshore Drive area, which had been affected by floodwaters. During the previous flood, most of the properties on Southshore Drive had been substantially damaged, and they all were elevated as a result. Although the reporter had gone in to find someone who would give him their sob story, he came into my office the next day and said that all he could find were people standing around on their decks drinking beer. When he asked them how it was going, they answered, "Oh, pretty good. We're just waiting on the boat that is shuttling people around to their houses." Nobody was crying. Nobody cared about the flood. There was no damage. Yes, ICC is working.

The last major flood that we had was when the Mississippi River flooded Campbell's Island. We made

national headline news when the river peaked twice over a 36-day period. Campbell's Island is home to about 175 residential dwellings, and during this flood the water was 3 inches higher than it was in either the 1965 or the 1993 floods. When the water went down, we sent notices to the homeowners, we were interviewed on the local television, and it was in the newspapers that ICC was available. The biggest complaint we had was that the flood victims couldn't find contractors to elevate their houses. There were only three contractors in this area that would elevate, and they were cutting people a drastic deal. "Look, we are going to jack up your house and leave. You buy the cribbing and put it in, and we'll come back later and set your house down when the foundations are done."

At one time, we had nine houses at once being jacked up on Campbell's Island. One of the houses was jacked up by a guy who did it himself by renting heavy equipment. It was a small house—about 600 square feet—and it had to be elevated 9 feet. So, by the time he got the house up high enough to put a foundation under it, it was probably 12, 13 feet in the air. I mean, this thing looked like the leaning tower of Pisa. And during the flood we had in 2000, the water was coming across the road to his house the same day that he was out there jacking it up. He got the house up in the air, then the water came and flooded for maybe a couple of weeks. When the flood waters went back, the owner got his foundation in and then set his house down without problem. So during the flood, his house was above the water, sitting on cribbing with a cable tying it

to a couple of trees so that, if it got hit by ice or something like that, it wouldn't move. They saved that house.

The following year, the sheriff's deputy, the State Floodplain Manager, the local reporter, and I were in a boat and, as we came around the corner, we see the owner of the little house, Dave, out on his porch just sitting there watching the river go by. The water is about 2 inches from the bottom of the joists on his deck. We pull over and drop anchor and say, "How you doin', Dave?" "Oh, pretty good," he answers. "I know I had this thing in the air when the water come up last time, but when you told me how high I actually had to go, I thought you were nuts. But now I'm looking at this flood and I'm thinking, 'Man, I sure wish I had went up another foot!'"

### Being Prepared

Frankly, ICC is about the only thing you can process by yourself. Everything else requires 50 other people. But if you are going to do ICC for mitigation, get a copy of the manual. The *NFIP Flood Insurance Manual* is the handbook that goes out to insurance agents and claim adjusters. If nobody in your area has heard of ICC and especially if you are a community that has never done one, you will get calls from agents and adjusters who have no idea what to do. If the adjuster calls you and says, "Hey, this guy says that you told him \_\_\_\_\_," you'll need to be at least a little bit familiar with the NFIP manual so that you can respond with, "Yeah, it's in there on page such and such." You don't have to memorize the flood manual, but, if you are going to do

ICC for mitigation, get a copy of it, look in the back Index under "Increased Cost of Compliance," write the ICC information on a sticky pad, and put this next to your phone. You are going to get a dozen or more calls asking about this after a flood.

The way I look at it, every time I get a house in compliance, after the next flood, I'll have less to do. It is tough when you have a real bad flood. But if you are set up for ICC, in one flood season you can knock off maybe half the work you would have to do after the next flood season.

The only time you get any kudos is when, several years after a house is elevated, the property is flooded again. People have sent me cards or come to my office and said, like Dave on Campbell's Island, "When you told me how high I had to go, I thought you were nuts." They show me a picture of what their house looks like now and they point out that there is no flood damage this time. And then they say, "Thank you." 🙏



Ray Nees, Floodplain Manager for Rock Island County, Illinois. (Photo by Paul Osman)

## Taking Charge of the Claim

After a major disaster, claims processing may take time. The bigger the disaster, the longer the wait. WYO companies are well staffed with adjusters who know how to evaluate flood damage. But, if you are an agent, a local community representative, or a FEMA staffer, you may get questions from flood insurance policyholders who feel like they've been waiting months to have their property damage calculated. This is a stressful time for these flood victims, and it also can be a tough time for NFIP stakeholders who are trying to help them. We want to make claims processing as easy as possible for all of you.


### The Role of the Adjuster

Adjusters are employed by insurance companies to evaluate all types of damages. They arrive at the loss site after the disaster and establish the benefits due a claimant under their insurance policy. Adjusters do not make the final decision about the amount of a claim payment; the insurance company does that. Flood victims should never trust an adjuster who gives them a final quote or offers to mediate with their insurer—for a price. The NFIP just doesn't work that way.

The adjuster will inspect your client's itemized list of damaged or

destroyed property. He or she will work with the insured to calculate the value of the items on the list and review estimates to repair the damage to the property.

### What to Do Before the Adjuster Arrives

While waiting for the adjuster to arrive, an insurance claimant can do a few things to make the entire process go smoother. See the box below for some good advice to share with your clients before and after a flood disaster. 

### Waiting for the Claim Adjuster

- Take a look at your policy to get an idea about what's covered and what's excluded. If you have questions, write them down. This is a traumatic time. You don't need the added confusion of wondering if you've forgotten anything.
- Take photos of any water in the house.
- If possible, save damaged property. This may not be feasible. Call your insurance agent or insurance company if you feel it's necessary to get rid of the damaged items. They may determine it's permissible to get photos of the damage that show what it was, where it was, and how damaged it was.
- Get wet items, like rugs, out of the house to allow things to dry and avoid mold and mildew. Wipe down surfaces to speed drying.
- Begin the clean-up process. Do a room-to-room search to separate damaged from undamaged items, and wet from dry things. Often things like clothing and wooden furniture can be restored by simple cleaning methods or minor repairs.
- It's very important to be available to work with the adjuster when he or she arrives, or have someone you trust there to act on your behalf.
- If you obtain damage estimates from a licensed contractor, have these available for the adjuster. The Disaster Contractors Network is an online information source for this purpose ([www.dcnonline.org](http://www.dcnonline.org)).
- Take charge of your claim to make sure you receive the maximum settlement to which you are entitled.
- Before the flood hits, remember to put your insurance policy and insurance agent information in a safe place—like a strong-box that can outlast a flood—so that it will be readily available after the storm passes. If your insurance agent's office is in the same area as your home, the office may not be able to open immediately after a disaster and phone lines may also be down. Plan for all contingencies.
- Finally, your state Insurance Commissioner's office can also be a good source of general insurance information. Check out the web or your local Yellow Pages for their number.




## Time to (Re)subscribe!

**N**FIP *Flood Insurance Manual* subscriptions expired with the distribution of the October 1, 2004, revisions supplement.

To subscribe, or resubscribe, use a photocopy of the order form below. You'll receive the new May 2005 reissue of the manual, plus semiannual revision supplements through October 2007.

As in the past, the Full Set of the manual includes both the comprehensive, 400-page Main Edition and the abbreviated Producer's Edition. The Producer's Edition is also available separately.

Subscribers to the Full Set may now choose either print format or CD-ROM. All prices include shipping and handling. 



NATIONAL FLOOD INSURANCE PROGRAM  
**Flood Insurance Manual**

**FEDERAL EMERGENCY MANAGEMENT AGENCY**  
**FEMA**

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The National Flood Insurance Program (NFIP) *Flood Insurance Manual* is the official source for rates, instructions, and procedures to be used in placing business with the NFIP.

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500A	Full Set, Print Format (Main Edition & Producer's Edition)		\$25.00	
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<b>TOTAL COST OF ORDER</b>				

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I am paying the above Total Cost of Order by:     Check or money order made payable to "NFIP"

MSC Deposit Acct. No. \_\_\_\_\_     Visa     MasterCard     American Express

Credit Card Number \_\_\_\_\_    Expiration Date \_\_\_\_\_

Name \_\_\_\_\_    Daytime Phone \_\_\_\_\_

Credit Card Order: Authorized Signature \_\_\_\_\_

Organization \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_    State \_\_\_\_\_    ZIP Code \_\_\_\_\_

**Orders paid by check or money order should be mailed to:**  
 FEMA Map Service Center  
 P.O. Box 1038  
 Jessup MD 20794-1038

**Orders paid by deposit account or credit card may be faxed to the Map Service Center at:**  
 1-800-358-9620

*Thank you for your order.*

# Keeping Renters Covered

Tuula Young, FEMA

An NFIP contents-only policy, which covers personal property, is a big help for flood victims who rent their homes. As much as 10 percent of the policy's contents limit can be applied to repairing the building elements of a renter's apartment or house, if the rental agreement specifies that the renter is responsible for providing such repairs. Because contents that are located in a basement are not eligible for NFIP contents coverage, the contents-only policy available to renters would not cover a rented basement apartment.

Renters may not understand their exposure to flood loss. Even renters who realize that flooding can occur, may believe that the landlord has purchased insurance for the building and the personal property within it. In fact, sometimes the landlord has purchased flood insurance, but the policy covers only the landlord's property, which is the building. It is important for landlords to advise their renters to purchase their own flood insurance policies to protect their personal property. And, insurance agents are well-positioned to offer renters flood insurance protection.

Renters often are unprepared to pay a security deposit plus a new first and last month's rent to a new landlord. They often are unprepared to replace their belongings. Federal and state disaster assistance may be available, but only if the flood event has been declared a Federal disaster. And even when a disaster is declared, renters typically receive far less disaster assistance than do

homeowners. Assistance available to renters includes 1- or 2-month rental assistance grants from FEMA (based on local needs) as well as minimal State assistance to replace essential personal property. However, if the flooding event is not declared a disaster, the uninsured renter is on his or her own for recovery.

## Good Business


A business owner who rents a commercial property should protect his or her livelihood and credit rating with an NFIP contents-only flood policy. Without this coverage, after a flood, the only form of Federal assistance available to commercial renters comes in the form of Small Business Administration (SBA) loans. However, an SBA loan is available only if the flood event is declared a Federal disaster. FEMA does not provide disaster assistance grants to businesses.

## A Product That Can Grow More Business

Rental coverage is one of the least expensive forms of flood insurance available. And, since May 2004, in low-to-moderate flood risk areas, renters of both residential and commercial buildings that have an acceptable loss history are eligible for the NFIP's moderately priced Preferred Risk Policy.

Helping renters—an under-served segment of the flood insurance market—to protect their property could significantly expand an agent's policy base. Residential renters are often young couples who will later purchase

their own homes, raise families, and want to purchase many other types of insurance as well as flood. Business owners who rent commercial space may later buy property for their firms and will require a variety of commercial and personal insurance coverages, as well.

Offering contents-only flood insurance coverage in your community makes sense. Purchasing contents-only coverage may well determine how quickly your customers can begin to rebuild their lives after the floodwaters recede. 

*Tuula Young has worked as a Program Specialist in the Risk Communications Branch of FEMA's Mitigation Division for more than 5 years. Before coming to FEMA, she owned an insurance agency and had 20 years' experience in multiple lines of insurance and financial services.*



*Renters can protect their belongings with contents-only coverage.*

## Identifying the Hazards

FEMA has embarked on a 5-year plan known as Map Modernization, or "Map Mod," to update the aging flood hazard maps. Approximately 70 percent of the floodplain maps in the United States are more than 10 years old and may not show an accurate representation of flood risk in a given area. Because Map Mod was initiated by a user- and industry-driven demand for accurate, accessible, updated flood maps, it is based on a solid foundation of needs and requirements.

FEMA and its flood-mapping partners have prepared the first-ever national plan for how they will collaborate in updating flood maps under Map Mod. It is called the Multi-Year Flood Hazard Identification Plan (MHIP). Developed in cooperation with state, local, and regional entities and other stakeholders, the MHIP outlines a 5-year schedule and budget for conducting flood studies and providing reliable digital flood hazard data and maps to support the NFIP.

Creating and refining the MHIP has been an ongoing collaborative process designed to strengthen relationships among stakeholders and encourage greater participation in Map Modernization. Mapping needs identified by the Mapping Needs Update Support System as well as information derived from ongoing hazard studies also are being incorporated into the MHIP. As needs are clarified, FEMA's Regional Office business planning process then determines the sequencing and spending levels for each region within the constraints

of available funding. The MHIP ultimately balances national risk management requirements with local community needs.


The MHIP will be formally updated every spring and fall. FEMA encourages feedback about the MHIP's effectiveness from flood mapping stakeholders, including State and local community officials, engineering and mapping contractors, Cooperating Technical Partners, national organizations that represent flood map users (e.g., insurance agents, lenders, real estate professionals), as well as the general public. Comments will be collected and evaluated each summer and winter and incorporated, as appropriate, into the next scheduled update.

Insurance agents, WYO companies, real estate agents, and lenders can use the MHIP to staying informed about when their community will start the map modernization process. These community leaders will then be able to help prepare their clients to understand how map changes may affect them so they may make informed decisions about their true flood risk.

The MHIP is available on FEMA's Flood Hazard Mapping web site

### Cooperating Technical Partners (CTP) Program

FEMA developed the CTP Program for communities and regional and State agencies that have the interest, capabilities, and resources to be active partners in FEMA's flood hazard mapping program. By becoming a CTP, a community formalizes contribution and commitment to help ensure better overall floodplain management and multihazard risk identification through production of reliable, up-to-date flood maps. For more information see page 15 of the 2004, Number 2 issue of *Watermark*.

([www.fema.gov/fhm/mh\\_main.shtm](http://www.fema.gov/fhm/mh_main.shtm)). For more information, you may contact a map specialist through a link at the web site ([www.fema.gov/fhm/tsd\\_emap.shtm](http://www.fema.gov/fhm/tsd_emap.shtm)) or you may call 877-FEMA-MAP (877-336-2627) with questions. 



# Responding to Disasters One Phone Call at a Time

Gloria Prince, FEMA

The 2004 hurricane season was a particularly active one and affected not only Florida, but numerous other states including Alabama, Mississippi, and Louisiana on the Gulf Coast. Other states impacted were Georgia, North Carolina, South Carolina, Virginia, West Virginia, Ohio, and Pennsylvania as were Puerto Rico and the Virgin Islands. Wind and tornadoes caused a great deal of damage, but flooding was also a significant cause of loss. All of these states and territories received Presidential Disaster Declarations.

## Maximizing Our Effectiveness

When a Declaration of Disaster is signed by the President, FEMA is charged with responding to assist those in need. Disaster Recovery Centers (DRCs) are opened in the affected area, and FEMA maintains a cadre of Disaster Assistance Employees (DAEs) to respond to disasters and to work in the DRCs. Each DAE has an area of specialty; one of these is the Insurance Specialist. Insurance Specialists answer questions about the NFIP from policyholders, agents, lenders, community officials, and other interested parties. The magnitude of the 2004 hurricane disasters stretched the small cadre of Insurance Specialists beyond its breaking point. There were simply not enough of us to go around.

When the number of disasters began to increase and it was clear there were not enough Insurance Specialists available to respond to

questions, a creative strategy was implemented to allow the limited number of Insurance Specialists available to provide the maximum service. All of us were deployed to




Gloria Prince (front center) and the staff at the DRC in Orlando, Florida.

one DRC in Orlando, Florida. A toll-free telephone system was set up, and its number was distributed to counselors located in DRCs in all the impacted states. With this approach, not only were we able to help more people than if we'd been spread out among just a few DRCs, but we also were able to give new Insurance Specialists on-the-job-training, right here in the trenches.

Property owners who visited a DRC with an insurance question were connected by telephone with an Insurance Specialist in the Orlando DRC to get answers to their questions or to receive advice or assistance with solving their insurance-related problems. What kinds of questions did we receive? Most were about insurance coverage—underwriting and claims issues, as well as Increased Cost of Compliance and floodplain management issues. Often we could respond with simple answers; sometimes our response

was more complex. Sometimes the best advice we could give was to ask the insured to go back and talk to his or her insurance agent, WYO company, or claims adjuster.

## Being Here

Beginning on August 20, 2004, I spent more than 7 months working in Orlando as an Insurance Specialist in the DRC. This was a very satisfying experience for me. Although there was a turnover of specialists during that time, the number of Insurance Specialists on duty at any one time has remained at three to four. We have assisted more than 1,000 policyholders with their issues, and we are still receiving approximately 15 calls per day. And, in addition to the many telephone calls I've taken, I've also attended numerous public meetings where I answered the same types of questions asked by callers. Sometimes, the best help you can provide is just to "be there" when people need you the most. 

*Since 1973, Gloria Prince has worked for insurance agencies, companies, the Independent Insurance Agents of Houston, and spent 5 years with the NFIP Regional Office in Houston, Texas. In 1996, she became a Disaster Assistance Employee for FEMA and since then has enjoyed helping policyholders understand the NFIP and solve their flood insurance problems. She especially appreciates helping policyholders successfully complete Increased Cost of Compliance claims, knowing that these insureds will be safer from future floods.*



## Catch This Train—Online!

Learn the ins and outs of the NFIP in the comfort of your own home or office? You bet!

For nearly 4 years, NFIP training has been available online, and new courses are being added each year. Although most of the NFIP's training modules were developed specifically for insurance agents, all are entertaining and informative, and any NFIP stakeholder or private citizen can benefit from them. In addition to the availability of online flood insurance training, surveyors can access a training module that clarifies FEMA's Elevation Certificate, and web site visitors can view an array of NFIP videos devoted to flood-related topics.

ifies three training levels—Basic, Gold, and Platinum—and describes the modules in each. Opening screens guide visitors through the tutorials and introduce short section quizzes, as well as contact and online support information.

To complete a training level, visitors take a final exam online. Those who pass the exam receive an NFIP Certificate of Completion by e-mail.

### Basic Agent Tutorial

The Basic Agent Tutorial, the first NFIP training course to be made available electronically, is a stand-alone module that helps insurance agents market, sell, and service flood insurance policies. Users click on-screen

buttons to move through the tutorial, take quizzes, access reference material, and review information covered. The estimated time to complete this module is 1.5 hours.

### Module 1: Elevation Certificate

An introduction to the NFIP's Elevation Certificate (EC) form, this module includes a video of a surveyor discussing how a building's lowest floor is determined and why this measurement is important for insurance rating. The module reviews each section of the EC and demonstrates how to fill out the form correctly.

According to the Gold Level Agent Training developers, Module 1 provides background of the EC that is helpful to have before taking Module 2 in the Gold Level. Although users do not have to take the modules of either level in any set sequence, it is the most effective way to take this training.

### Module 2: Elevation Rating

Information collected from different sections of the EC is applied to rating a flood insurance policy in this tutorial. The module has 3-D diagrams of the layouts of most houses. Just looking at the diagrams will help users determine whether they are dealing with an elevated building or a slab-on-grade building. It is clear where the lowest floor is, which helps users determine which rate table to select in order to properly rate and write the policy.

### Module 3: Claims Lite

This module explains the agent's role and responsibilities in the claims process. It provides an overview of how to best support an insured who has had a loss. This tutorial covers tips that the agent can use to help the homeowner feel at ease in preparing for the claims adjuster. In



### The Training Station

The first stop for many traveling the program's training route is the NFIP Training Station (<http://training.nfipstat.com>). After visitors register to enter the site, a screen identi-

### Gold Level Agent Training

The four modules that comprise the Gold Level demystify some of the aspects of the NFIP most encountered by insurance agents.

addition, this module clarifies the policyholder's responsibilities in the event of a flood loss. It also provides an overview of the claims appeal process in the event that an insured decides to appeal the claim determination.

#### **Module 4: Increased Cost of Compliance**

The Gold Level's final module focuses on NFIP coverage for substantial damage. This module explains how Increased Cost of Compliance (ICC) coverage works and guides insurance agents through the process of submitting an ICC claim after a property experiences significant flood damage.

#### **Course Completion**

There are section quizzes in each Gold Level module. The final exam tests knowledge of all four modules. An estimated 2.5 hours is needed to complete all modules in the Gold Level, and an additional half-hour is needed to complete the final exam.

### **Platinum Level Agent Training**

The four training modules that make up the new Platinum Level of training tackle several advanced NFIP issues. Module 1—Commercial

Coverage—and Module 4—Marketing—are still under development. However, Modules 2 and 3—Condominium Coverage and the NFIP's Community Rating System—are now available.

#### **Module 2: Writing Flood Insurance for Condominiums**

Module 2 of the Platinum Level explores the five methods for insuring condominiums and their contents under the NFIP. This tutorial explains what a condominium is, how to rate it, what is covered by the various policies—such as common building elements, machinery and equipment—as well as many of the other nuances involved in writing a policy for a condominium building.

#### **Module 3: The Community Rating System (CRS)**

A thorough introduction to the benefits of the CRS, this module contains information about CRS eligibility requirements and the system used to accrue points for earning premium discounts. It also provides an overview of the four categories of creditable CRS activities. The module explains the CRS application process and describes the financial and safety benefits to the community of participating in the CRS.

The module concludes with a section of additional CRS resources that includes links to the current *CRS Coordinator's Manual* plus numerous technical publications produced by the CRS to assist communities planning to initiate creditable CRS activities.

### **Surveyor's Guide to the EC**

The FEMA web site links to another web site ([training.nfipstat.com/ecsurveyor/](http://training.nfipstat.com/ecsurveyor/)) containing a training module designed to assist surveyors, engineers, and architects in correctly completing the Elevation Certificate (EC).

The training module includes a surveyor's video that briefly describes the process of obtaining required elevations. The "Building Diagrams & Photos" section of the tutorial contains photos and illustrations that closely resemble each of the eight building diagrams on the EC. Each photo includes clear instructions for surveyors, engineers, and architects for taking elevation measurements applicable to the selected building diagram.

Although this module was designed for surveyors, local community officials should also find it useful.

### **NFIP Video Portal**

Since 2002, Internet visitors have been able to access videos about flood topics ranging from the flood risks posed by the 2003 California wildfires, and keynote speeches from recent National Flood Conferences to classes about floodplain management, rating, and claims adjusting. "Real Estate Agent to the Rescue" is the newest addition to the NFIP video portal. This video highlights a real estate agent whose proactive approach convinces a homeowner to buy flood insurance.

The NFIP video portal ([training.nfipstat.com/webcast/mediabox/index.htm](http://training.nfipstat.com/webcast/mediabox/index.htm)) contains dozens of video clips—some as short as 2 minutes,



others as long as an hour or more. Produced by the NFIP Bureau and Statistical Agent, most of these videos provide guidance to a range of NFIP stakeholder constituencies (including insurance agents, public officials, lenders, and real estate agents) about how to promote flood protection and prevention.

### On-Site Training

In addition to the training modules available online, the NFIP offers a range of on-site courses about how to implement the flood insurance program. Numerous NFIP workshops are scheduled each year for insurance agents and lenders across the United States. See the list of upcoming workshops on page 38 or visit the workshop page ([www.fema.gov/nfip/a\\_wshop.shtm](http://www.fema.gov/nfip/a_wshop.shtm)) of the NFIP web site frequently for updated information about where and when these workshops will be held. Public officials and other NFIP stakeholders are welcome to attend any NFIP workshop.


Claims adjusters and other claims processing personnel must attend the NFIP claims presentations held from January through May each year to become certified and to recertify before they can process NFIP claims. Information about what is covered in these presentations as well as where and when they are held is available online ([www.fema.gov/nfip/ca1.shtm](http://www.fema.gov/nfip/ca1.shtm)) or by calling the NFIP claims presentation coordinator (800-426-6347, ext. 746).

WYO companies provide their own flood insurance training and should be contacted directly for their workshop schedules. WYO contact information is available online ([www.fema.gov/nfipInsurance/companies.jsp](http://www.fema.gov/nfipInsurance/companies.jsp)).

The annual National Flood Conference is one of the best venues for learning about flood insurance and mitigation initiatives as well as the basics for rating policies, processing insurance applications, and processing claims. Each year, "Agent Day" at the flood conference gives

insurance agents the opportunity to attend an abbreviated portion of the conference, including a Basic Agent Workshop. Continuing education credits are often available for participation. A claims presentation is included to provide adjusters with their required annual training and recertification.

### More Information

For more information about on-site NFIP training, call the nearest NFIP Regional Office. Contact information for the NFIP and FEMA Regional Offices is available on page 39 of this edition of *Watermark*. 

## DEFINITION

### Submit-for-Rate

Ever wondered how to figure out the flood insurance premium for a lighthouse? How about an igloo or a train station or a greenhouse?

Although most policies are fairly easy to rate with the tables in the NFIP's *Flood Insurance Manual*, occasionally a property owner will request coverage for a building of a type not included in the rate tables. In cases like these, or whenever there is confusion about what the appropriate rate should be, the application should be turned over to the NFIP's underwriters for rating.

The *Flood Insurance Manual* describes a submit-for-rate as:

**"An application for flood insurance on a building for which no risk rate is published in the *Flood Insurance Manual*. Insurance coverage can be obtained only after the NFIP has approved the application and has established the risk premium rate."**

# HAI's Winning Strategies

Kimberly Tompkins, Housing Authority Insurance Group

Housing Authority Insurance (HAI) Group began operation in 1987, serving a niche market of apartments owned by public housing authorities. With just four full-time employees, the company began by writing general liability insurance nationally using its risk retention group, Housing Authority Risk Retention Group, Inc. (HARRG). Over time, the company evolved from a single risk retention group into a larger group of companies that now provides a full spectrum of coverages and related services. Today, Housing Authority Insurance Group has nearly 100 employees, eight companies, and serves not only public housing, but also non-profit and for-profit apartment owners.



HAI Headquarters, Cheshire, Connecticut.

Embracing a total account strategy and one-stop service, HAI Group continuously explores the addition of new coverages to its product offerings. No longer just a direct writer of liability insurance, the company manages fronted programs, is licensed and admitted as a property insurance carrier, serves as a managing general agent, and maintains in-house claims and risk management departments. By continually diversifying, HAI is less reliant on revenue from any particular

coverage and is more financially stable. A.M. Best rates the company at A- (excellent). Housing Insurance Services, the company's full-scale agency division, works with outside markets and carriers to provide additional coverages not offered by the company's existing programs.

Continually looking for opportunities to bring better products and services to its customers, HAI became interested in adding a flood insurance program with a Write Your Own (WYO) carrier to its national property insurance program for public housing and affordable housing apartments owners.

## Developing Strategies That Work

The success of a new program doesn't depend on the weather. Rain or shine, finding new ways to build value for customers takes commitment, resources, and talent. Ensuring a good fit with the insurance carrier you partner with is an important first step. HAI Group developed a new and successful flood insurance program using a simple but effective formula, comprised of five simple steps.

### Step 1—Hire the Right People

With the need to develop a marketing plan, research insurance carriers, and carry out implementation of the new program, HAI Group created a new position to coordinate these tasks. Customer service is an integral part of any program created by HAI Group, and it was important to fill the position with someone who fit this corporate philosophy. As a recipi-

ent of the Professional Insurance Agents National 2003 Customer Service Representative of the Year Award, I was asked to join HAI Group's team and set up the new flood insurance program.

### Step 2—Perform a Needs Assessment

HAI Group is licensed to write in 48 states, and wanted to partner with an insurance carrier that could do the same in order to serve all of its customers across the country in one program. A.M. Best rating requirements of lenders and government agencies were also a consideration.

It is crucial to determine what is needed for your program to be successful. More than 100 insurance carriers provide flood insurance. We conducted a needs assessment to help narrow down the list. Next, we compiled a Marketing Plan specific to our program goals. Some useful statistics are available at the FEMA web site to assist in this process.

### Step 3—Screen and Select a WYO Carrier

We learned that not only do you need to prepare to conduct interviews of potential insurance carriers, you must also be prepared to be interviewed as well. Carriers will want to understand more about your organization, and the type and amount of business you will bring. Review their web sites and compile a list of questions to discuss during your telephone interviews. Areas to cover in your discussions with potential carriers might include the following.



- **Technology:** Online capabilities are no longer cutting edge—they are necessary to do business. Find out about the WYO company's current system and any system requirements. Additional issues should be discussed, such as access to flood zone determinations, availability of deductible and payment options, and reporting considerations.
- **Claims Handling and Processing:** How and where claims are processed will be important to your customer service department. Find out who at the WYO company handles claims, the physical location of claims staff, and the procedures used.
- **Marketing Resources:** Ask about available marketing materials and additional training and educational opportunities.
- **Contractual Issues:** Obtain a specimen copy of the contract that will be required to become appointed. Discuss commission arrangements.

What better way to evaluate carriers than to visit them? Reviewing the work process and procedures first-hand can assist in determining which company has the right fit to be your flood program provider. A chance to see the technology and watch the policy fulfillment process roll out can be helpful. Ask for guest access to systems so that you may test the system capabilities and determine

compatibility, availability, and quality.

#### **Step 4—Communicate and Train**

Gather tutorial information and training materials for staff and hold training sessions about the program and the coverage provided. FEMA provides detailed online training, and the NFIP Bureau offers on-site training regionally.

To ensure a smooth transition for your new program, work out the procedures and service issues by creating guidelines and forms before the program begins.

#### **Step 5—Market the Program**


HAI Group began implementing its marketing plan with the release of a 3,700-piece mailing to its clients. We used marketing materials supplied by the NFIP and FEMA along with custom marketing pieces. Consider including the following activities in your marketing plan:

- Update your web site to include information about the NFIP
- Use targeted mailings to reach existing customers. FEMA's Co-Op Program [see page 15 for details] allows you to reduce your marketing and advertising expenses by reimbursing 10-75 percent of costs associated with pre-approved marketing campaigns. FEMA also provides free marketing materials upon request [call 800-480-2520].

- Promote flood insurance in your company newsletter.
- Attend trade shows.
- Contact your customers personally to let them know about your new flood insurance program. Meeting face to face is still the most effective method of marketing.

### **Off to a Strong Start**


In just over a year, HAI Group has written more than \$300,000 of business in its new flood insurance program. The program continually grows, meeting the goals initially set for it.

What's next? HAI Group is rolling out the current marketing plan, and developing plans to write higher limits in a new, companion program for excess flood insurance. 

*Kimberly Tompkins, AIS, PHM, ACSR, CPIW, CPIA, is the Program Coordinator for HAI Group's Marketing & Agency Operations Department. She has worked in insurance for nearly 18 years and is active in numerous insurance associations such as the Connecticut Professional Insurance Association and the National Association of Insurance Women. HAI Group received the NFIP's Agency of the Year Award at the 2004 National Flood Conference for Tompkins' work.*

## **2005 Hurricane Names**

For more than 50 years, the names of Atlantic tropical storms have originated at the National Hurricane Center. Six sets of names are now in rotation. For more information about Atlantic tropical storms and for lists of the tropical storm names for each of four Pacific regions, visit the National Hurricane Center web site ([www.nhc.noaa.gov](http://www.nhc.noaa.gov)).

The 2005 Atlantic hurricane names are listed, along with a brief message about the importance of buying flood insurance, on the 2005 edition of the NFIPs "Worst Guest List." This stuffer is available in bulk, free of charge, by contacting the FEMA Distribution Center (see page 39) and asking for publication number F-078. 



# Best Practices for Disaster Mitigation

In the wake of disasters, people often wonder whether there are better ways to protect individuals and their property from future damage. FEMA has a web page designed to help do just that.

## What Exactly Are "Best Practices"

Throughout the United States, many individuals, businesses, and communities have initiated projects to avert future disasters. Their efforts are now successfully mitigating a variety of catastrophes.

The "Best Practices" page on the FEMA web site ([www.fema.gov/fima/bp.shtm](http://www.fema.gov/fima/bp.shtm)) promotes effective mitigation projects that have been collected in the Mitigation Division's Best Practices and Case Studies portfolio. Included in the articles about mitigation ideas, activities, and projects contained in the portfolio is information about the mitigation-funding source that was used to perform the activity. Documented accomplishments include community education and out-

reach activities as well as training and academic initiatives.

Visitors to the Best Practices and Case Studies page can browse through more than 275 successful mitigation examples as if they were window-shopping in a "mitigation mall" where they can see what has been done and what ideas might be applicable to their community. Featured activities range from making buildings more earthquake resilient by using Precast Hybrid Moment Resistant Frame (PHMRF) systems that act as shock absorbers during earthquakes to making the lower floor of a historic hotel into a parking area—a creative way to elevate a building above the base flood!

## It's All About Communication

FEMA's Best Practices site not only offers visitors ideas for mitigation activities in their own communities as well as information about how to get these started; it also provides a communication strategy for documenting successes and informing the public about risks, to compel citizens to take action.

The Best Practices Communication Strategy builds on more than three decades of work by Federal, State, local, and private-sector entities that have invested resources to implement and document effective mitigation measures. The Best Practices and


Case Studies portfolio uses a team approach to documentation and promotion. Federal and State mitigation and public affairs experts identify, research, write, photograph, distribute, and promote their projects using the Best Practices Communication Strategy. The strategy presents a formalized process and operational procedures—including staff roles and responsibilities—to guide the team's efforts most effectively. The strategy also provides objectives, criteria, key

## Best Practices and Case Studies Web Site

- "Telling the Tale" Guidebook
- Search Profile
- Sample Best Practices
- Submission Worksheet

messages, a delivery plan, and additional resources to help with documentation efforts.

## Growing "Best Practices"

The Best Practices and Case Studies portfolio web page is intended to serve as an informational resource for community and state officials, private organizations, and individuals. So, users can simply write and submit for review their new Best Practices narratives directly to FEMA's Mitigation Best Practices portfolio. Our goal is to make this a vital, ever-developing, and public web site. We invite you to visit it and see how we are doing. 



## NextGen Moves Ahead

The NFIP NextGen project continues to develop and pilot e-commerce processes and technologies that are securely increasing access to NFIP data and services for stakeholders.

Joint working groups—made up of personnel from WYO companies, vendor companies, the NFIP Bureau, and FEMA—have generated requirements that continue to drive NextGen development. By early 2005, all states, FEMA Regional offices, and WYO com-

panies were pilot testing SQANet reports and lookups (see the SQANet description below). The NextGen web site has become the source for online address verification and validation, up-to-date NextGen project information, and procedures for accessing NextGen's secure pilot applications. Most recently, FEMA underwriters began testing the Flood Rating Engine Environment (FREE), a centralized and authoritative means of rating Submit-for-Rate and conventional risks.

Below are some of NextGen's current and upcoming initiatives and their capabilities.

Visit the NextGen web site (NFIPNextGen.com) for more information about the technologies this project is using to efficiently deliver flood insurance products that are accurate, accessible, beneficial, and seamlessly provided to NFIP customers and partners. [W](#)

### LOCATION VALIDATION

- Web-based Address Lookup
- Integrated Validation with SQANet and FREE
- Batch Validations

### FREE rating

- Web-based Centralized Flood Insurance Rating Engine
- SFR and Standard Quoting
- Piloting throughout 2005
- Preparation for Batching
- Your Quotes Custom Browser
- Quote, Save, and Retrieval Features

### NG security

- Authentication
- Authorization
- Secure Single Sign-On
- Federated Security

### SQANet

- Web-based NFIP Reports
- WYO Co., FEMA, Region, and State Access
- Lookup Capabilities
- Custom User Dashboards
- Repetitive Loss Dashboards

### Claims NextGen

- Online Claims Prototype
- Piloting Begins in Fall 2005
- Online Claim e-Forms

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# FEMA Was There

Lynd Morris, NFIP Bureau and Statistical Agent

Local and State governments share the responsibility for protecting their citizens from disasters, and for helping them to recover when a disaster strikes. However, in some cases, a disaster is beyond the capabilities of the State and local government to respond adequately.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988 and its amendments established a process for requesting and obtaining a disaster declaration by the President. This Act also defined the type and scope of assistance available from the Federal government and set the conditions for obtaining that assistance. FEMA is responsible for coordinating the response.

## Emergency or Major Disaster?

According to Section 102 of the Stafford Act, an "emergency" is any occasion for which, in the determination of the President, Federal assistance is needed to supplement State and local efforts and capabilities to save lives, protect property, and ensure public health and safety, or to lessen or avert the threat of a catastrophe.

A "major disaster" is any natural or human-caused catastrophe in the United States, which, in the determination of the President, causes damage of sufficient severity and magnitude to warrant major disaster assistance under the Act to supplement the efforts and available resources of States, local governments, and disaster relief organizations. Such disas-

ters include hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, wildfire, volcanic eruption, landslide, mudslide, snowstorm, or drought.

## Forms of Assistance

The Stafford Act allows the President to authorize any Federal agency to repair or reconstruct any Federally owned facility that is damaged or destroyed by a major disaster. The President also may provide:


- Contributions to State or local governments to help repair or reconstruct public facilities, as well as issue grants to help repair or reconstruct private nonprofit educational, utility, emergency, medical, and custodial care facilities;
- Either by purchase or lease, temporary housing for those who require it as a result of a major disaster;
- Assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of those who, as a result of financial hardship caused by a major disaster, have received written notice of dis-possession or eviction;
- Funds for State-issued grants to individuals or families to meet disaster-related expenses or serious needs; and
- Loans to any local government that suffers a substantial loss of tax and other revenues as a result of a major disaster, demonstrates a need for financial assistance, and develops procedures for administration of such loans.

Additional relief programs for major disaster areas, including distribution of food coupons and food commodi-

ties, relocation assistance, legal services, crisis counseling assistance and training, emergency communications, emergency public transportation, and fire suppression grants also are provided for under the Stafford Act.

## Keeping Track Online

Visitors to the 2004 Disaster Declarations page of the FEMA web site (<http://www.fema.gov/news/disasters.fema?year=2004>) will see an expanded version of the tables included with this article. By clicking on the event designation number in the column located at the far left of each table, visitors will be linked to more information about each event (such as press releases, a list of the declared counties, etc.) as well as to resources about the type of disaster encountered (fact sheets about hurricanes, booklets about winter storm preparedness, etc.).

In many cases, disaster declarations are made within days or weeks of the event. But sometimes declarations are made a month or more after the event. Specific information about the date(s) of each disaster can be found by clicking on the designation number for the events listed on the web site. 

*Lynd Morris has worked with the NFIP Bureau and Statistical Agent as a communications specialist since 1983 and has been the writer and publication coordinator for the Watermark for more than 7 years.*



## Federal Major Disaster Declarations, Calendar Year 2004

	Date*	Location	Event
<p><b>Major Disaster Declarations</b></p> <p>As shown in this table, there were 68 major disaster declarations in 43 States and Territories during 2004. Most of the affected States and Territories received only one major disaster declaration last year. However, 16 states—as well as the Northern Mariana Islands—had two or more major disaster declarations. Six states (Florida, New York, Ohio, South Carolina, Virginia, and West Virginia) had three or more major disaster declarations in 2004. In most cases, flooding was a factor.</p>	1/13	California	Earthquake
	1/13	American Samoa	High winds, high surf, and heavy rainfall associated with Tropical Cyclone Heta
	1/26	Ohio	Severe storms, flooding, mudslides, and landslides
	2/5	Maine	Severe storms, flooding, snowmelt, and ice jams
	2/13	South Carolina	Severe ice storm
	2/19	Oregon	Severe winter storms
	4/10	Micronesia	Typhoon Sudal
	4/21	Massachusetts	Flooding
	4/23	Illinois	Severe storms and tornadoes
	4/29	New Mexico	Severe storms and flooding
	5/5	North Dakota	Severe storms, flooding, and ground saturation
	5/7	Arkansas	Severe storms, flooding, and landslides
	5/25	Nebraska	Severe storms, tornadoes, and flooding
	5/25	Iowa	Severe storms, tornadoes, and flooding
	6/3	Ohio	Severe storms and flooding
	6/3	Indiana	Severe storms, tornadoes, and flooding
	6/7	West Virginia	Severe storms, flooding, and landslides
	6/8	Louisiana	Severe storms and flooding
	6/10	Kentucky	Severe storms, tornadoes, flooding, and mudslides
	6/11	Missouri	Severe storms, tornadoes, and flooding
	6/15	Virginia	Severe storms, tornadoes, and flooding
	6/18	Wisconsin	Severe storms and flooding
	6/30	Michigan	Severe storms, tornadoes, and flooding
	6/30	Arkansas	Severe storms and flooding
	6/30	California	Flooding as a result of a levee break
	7/16	New Jersey	Severe storms and flooding
	7/20	South Dakota	Severe storms and flooding
	7/29	N. Mariana Islands	Flooding, high surf, high winds, and wind-driven rain associated with Typhoon Tingting
	7/29	Guam	High winds, flooding, and mudslides as a result of Tropical Storm Tingting
	8/3	New York	Severe storms and flooding
	8/3	Kansas	Severe storms, tornadoes, and flooding
	8/6	West Virginia	Severe storms, flooding, and landslides
	8/6	Kentucky	Severe storms and flooding
8/6	Pennsylvania	Severe storms and flooding	
8/13	Florida	Hurricane Charley and Tropical Storm Bonnie	
8/26	Nevada	Wildland fire	
8/26	N. Mariana Islands	Flooding, high surf, storm surge, and high winds as a result of Super Typhoon Chaba	
9/1	Indiana	Tornadoes and flooding	
9/1	South Carolina	Hurricane Charley	

\* Most declarations were made within days or weeks of the disaster. On occasion, declarations were made a month or more after the event.

## Major Disaster Declarations (continued)

Date*	Location	Event
9/3	Virginia	Severe storms, flooding, and tornadoes associated with Tropical Depression Gaston
9/4	Florida	Hurricane Frances
9/10	North Carolina	Tropical Storm Frances
9/15	South Carolina	Tropical Storm Gaston
9/15	Louisiana	Hurricane Ivan
9/15	Alabama	Hurricane Ivan
9/15	Mississippi	Hurricane Ivan
9/16	Florida	Hurricane Ivan
9/17	Puerto Rico	Tropical Storm Jeanne and resulting landslides and mudslides
9/18	North Carolina	Hurricane Ivan
9/18	Georgia	Hurricane Ivan
9/19	Pennsylvania	Severe storms and flooding associated with Tropical Depression Frances
9/19	Ohio	Severe storms and flooding
9/19	Pennsylvania	Tropical Depression Ivan
9/20	West Virginia	Severe storms, flooding, and landslides
9/23	Vermont	Severe storms and flooding
9/24	Georgia	Tropical Storm Frances
9/26	Florida	Hurricane Jeanne
9/30	Kansas	Severe storms, flooding, and tornadoes
10/1	New Jersey	Tropical Depression Ivan
10/1	New York	Severe storms and flooding
10/1	New York	Tropical Depression Ivan
10/7	South Carolina	Tropical Storm Frances
10/7	US Virgin Islands	Tropical Storm Jeanne
10/7	Tennessee	Severe storms and flooding
10/7	Minnesota	Severe storms and flooding
10/18	Virginia	Severe storms and flooding from the remnants of Hurricane Jeanne
11/15	Alaska	Severe winter storm, tidal surges, and flooding

## Federal Emergency Declarations, Calendar Year 2004

	Date*	Location	Event
<b>Emergency Declarations</b> There were seven Federal Emergency Declarations in 2004. All resulted from heavy winter and spring snow storms.	1/15	Maine	Snow
	1/15	Massachusetts	Snow
	1/15	Connecticut	Snow
	1/15	New Hampshire	Snow
	1/26	Maine	Snow
	3/3	New York	Snow
	4/2	North Dakota	Snow

\* Most declarations were made within days or weeks of the disaster. On occasion, declarations were made a month or more after the event.

## Fire Management Assistance Declarations, Calendar Year 2004

	Date*	Location	Event
<b>Fire Management Assistance Declarations</b>	4/1	Colorado	Picnic Rock Fire
	4/26	California	Pleasure Fire
The Stafford Act also authorizes the President to provide assistance—including grants, equipment, supplies, and personnel—to any State or local government for the mitigation, management, and control of any fire on public or private forest land or grassland that threatens so much destruction as to constitute a major disaster.	5/4	California	Cerritos Fire
	5/4	California	Eagle Fire
Wildfires can increase the risk of floods. The thunderstorms can deliver more precipitation to burned areas than they can absorb. Without a canopy of trees to break rain as it falls or groundcover to absorb water or cushion the impact of rainfall, runoff can produce flooding and mudslides. In addition, buildings located near streams and rivers in or downstream from burn areas are more susceptible to flooding from waterways swollen by increased runoff.	5/25	New Mexico	Peppin Fire
	6/5	California	Gaviota Fire
Last year, there were 42 Fire Management Assistance Declarations. Most declarations were made for fires in California (21) though Washington had 5 Fire Management Assistance Declarations, Nevada had 4, and Alaska had 3. Arizona, Colorado, Oregon, and New Mexico each had 2 declarations during the year.	6/9	Arizona	Three Forks Fire
	6/16	Utah	Brookside Fire
	6/18	New Mexico	Bernardo Fire
	6/28	Arizona	Willow Fire
	7/1	Alaska	Boundary Fire
	7/3	Colorado	McGruder Fire
	7/6	Washington	Beebe Fire
	7/14	California	Lakeview Fire
	7/14	California	Hollow Fire
	7/14	California	Mataguay Fire
	7/14	California	Pine Fire
	7/14	Nevada	Waterfall Fire
	7/18	California	Foothill Fire
	7/18	California	Melton Fire
	7/21	California	Crown Fire
	7/26	Nevada	Robbers Fire
	7/30	Washington	Deep Harbor Fire
	7/30	Washington	Elk Heights Fire
	8/4	Oregon	Redwood Highway Fire
	8/7	California	Calaveras Fire Complex
	8/8	California	Stevens Fire
	8/10	Alaska	Bolgen Creek Fire
	8/11	California	Oregon Fire
	8/11	California	Bear Fire
	8/11	Washington	Fischer Fire
	8/12	Washington	Mud Lake Fire
	8/14	California	Lake Fire
	8/14	California	French Fire
	8/20	Oregon	Bland Mountain #2 Fire
	8/26	Nevada	Andrew Fire
	9/1	Alaska	Taylor Complex Fire
	9/2	California	Bear Fire
	9/3	California	Pattison Fire
	9/4	California	Geysers Fire
	9/13	California	Old Highway Fire
	9/14	Hawaii	Kawaihae Road Fire

\* Most declarations were made within days or weeks of the disaster. On occasion, declarations were made a month or more after the event.

# Re:Sources

**W**atermark seeks to serve its readers with as wide a variety of resources as possible. We remain dedicated to disseminating information about flood insurance. As our readership expands to include more engineers, surveyors, and community planners, we hope to increase the available resources to ensure that all of our stakeholders can provide themselves, their clients, and their community members with the tools needed to better protect against flood losses.

We offer this information for reference but do not necessarily endorse any organization, product, or service. Unless otherwise noted, resources cited are free of charge. Web site addresses may have changed since this edition of *Watermark* went to press.

## Publications

*Water Resources Engineering: Handbook of Essential Methods and Design*

Published by the American Society of Civil Engineers Press, this hand-

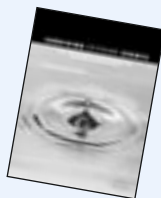


book presents practical methods of solving problems commonly encountered by water resources engineers working in the fields of hydrology, hydraulics and hydraulic design, groundwater, and hydropower. Well-known theoretical equations are transformed into easy-to-use solutions. Cost and ordering details for *Water Resources Engineering* are available through the ASCE web site ([www.pubs.asce.org](http://www.pubs.asce.org)) or by calling 800-548-2723.

## CDs

*Surviving Extreme Events*

This book on CD-ROM by Daniel Alesch and James Holly focuses on how the owner of a small business can increase the chances of financially surviving an extreme event, such as a natural disaster. For nearly a decade, the authors interviewed hundreds of small business owners in communities



affected by hurricanes, floods, earthquakes, and wildfires. They identified five key variables critical to the long-term survival of a small business in the wake of a community disaster. The 19-step survival strategy they created based on these key variables is included in this guide, as well as a training presentation and a report about what happens when small businesses and not-for-profit organizations encounter natural disasters. You can order this CD-ROM online from the Public Entity Risk Institute ([www.riskinstitute.org](http://www.riskinstitute.org)). The cost is \$23, including shipping.

## Videos

*Flood Mitigation Planning—The First Steps*

This community-based flood hazard mitigation training video was produced by the Association of State Floodplain Managers (ASFPM) under a grant from the Public Entity Risk Institute. The video and accompanying materials are designed to help focus a community on specific tasks to avoid future flood problems, from initial approach and organization through implementation. The video has two parts, each approximately 15 minutes long. The first part is intended to be shown to a general audience—i.e., on cable TV or at a public meeting. The second part is designed for the planning committee/decision-makers, and discusses how to start the mitigation planning process. The materials provide instruction on use, as well as originals for reproduction. See the ASFPM web site for cost and ordering information (<http://www.floods.org/publications/pubs.asp>).

## Web Sites

[www.fema.gov/hazards/floods/floodf.shtm](http://www.fema.gov/hazards/floods/floodf.shtm)

FEMA's backgrounder pages on floods and its "Fact Sheet: Floods and Flash Floods" provide basic, but essential, information about flood hazards and flood damage and injury prevention.

[www.usgs.gov/themes/flood.html](http://www.usgs.gov/themes/flood.html)

The U.S. Geological Survey (USGS) "Theme Page" on floods provides links to other USGS Web resources on floods, as well as a link to fact sheets on this hazard.



**<http://water.usgs.gov/realtime.html>**

The U.S. Geological Survey's "Water Resources of the United States" page offers current U.S. water news; extensive current (including real-time) and historical water data; numerous fact sheets and other publications; various technical resources; descriptions of ongoing USGS water programs; local water information; and connections to other sources of water information. From the real-time streamflow page visitors can monitor stream levels around the nation and watch as floods evolve.

**<http://www.floodplain.org>**

The Floodplain Management web site was established by the Floodplain Management Association (FMA) to serve the entire floodplain management community. It includes sections containing full-text articles, a calendar of upcoming events, a list of positions available, an index of publications available free or at nominal cost, a list of associations, a list of firms and consultants in floodplain management, an index of newsletters dealing with flood issues (with hypertext links if available), a section on the basics of floodplain management, a list of frequently asked questions (FAQs) about the Web site, and, of course, an extensive catalog of Web links.

**[www.ag.ndsu.nodak.edu/flood/home.htm](http://www.ag.ndsu.nodak.edu/flood/home.htm)**

The North Dakota State University Extension Service offers this thorough Web section entitled Coping with Floods, which covers resources for homeowners and family members and discusses both how to prepare for flooding and steps to take after a flood. It includes detailed information on everything from assessing damaged electrical systems and appliances to dealing with financial concerns.

**[www.louisianafloods.org](http://www.louisianafloods.org)**

The Louisiana State University Agricultural Center's Cooperative Extension Service maintains a Web page with much information about various types of flooding—from hurricane storm surge to flash floods. The site has sections on flood conditions, safety and recovery, emergency protection, and flood damage prevention. It provides numerous downloadable publications on flood mitigation and floodproofing, including a publication prepared by the Extension Service entitled *Beyond the Basics*, which covers flood risk and flood protection.

**[www.nws.noaa.gov/ohd](http://www.nws.noaa.gov/ohd)**

**[www.nws.noaa.gov/hic](http://www.nws.noaa.gov/hic)**

The National Weather Service's Office of Hydrologic Development (OHD) and its Hydrologic Information Center (HIC) offer much information on floods and other aquatic disasters. Besides information about the various components of the office, the OHD site provides current and historical data including an archive of past flood summaries, information on current hydrologic conditions, water supply outlooks, as well as an Automated Local Flood Warning Systems Handbook, Natural Disaster Survey Reports, and other scientific publications on hydrology and flooding. The site also provides information and order forms for the office's video on the dangers of Low Water Crossing.


**[www.earthsat.com/wx/flooding/index.html](http://www.earthsat.com/wx/flooding/index.html)**

The Earth Satellite Corporation Web site includes a "Flooding Weather Services" section with subsections on real-time flood forecasting, floodplain management strategies, and watershed modeling. The "FloodCast" subsection includes a suite of on-line flood forecast maps that show the vulnerability of counties in the U.S. to flooding as well as maps of forecasted flood danger in the U.S. for the next 24 hours.

**[www.dartmouth.edu/~floods/index.html](http://www.dartmouth.edu/~floods/index.html)**

The Dartmouth College "Flood Observatory" is the work of a team of geographers at Dartmouth who are using satellite technology and other means to develop up-to-the-minute flood maps to support flood management and relief efforts and to further flood prediction around the world. This site includes an evolving database of extreme floods and a collection of satellite images of several major events—in short, a wealth of data on recent major floods around the world for response agencies and researchers alike.

**[www.floodsafety.com](http://www.floodsafety.com)**

Sponsored by Disaster Ready Austin and the Texas Environmental Center, this web site is a clearinghouse for a variety of information regarding flood safety and the reduction of flood-related fatalities and property damage. 

# Just Around the Bend

More workshops will have been scheduled since publication of this issue. For updated workshop information, visit the NFIP web site ([www.fema.gov/nfip/wshops.shtm](http://www.fema.gov/nfip/wshops.shtm)).

For information about NFIP events for agents, lenders, and other stakeholders, call the NFIP Bureau and Statistical Agent Regional Offices (listed on the next page).

STATE/EVENT	CITY	DATE
<b>COLORADO</b>		
Agent and Lender Workshop	Lakewood	July 13
<b>CONNECTICUT</b>		
Agent Workshop	Wethersfield	September 6
Agent Workshop	Norwalk	September 7
Agent Workshop	New London	September 8
Agent Workshop	Waterbury	November 3
<b>DELAWARE</b>		
Agent Workshop	Dover	July 14
<b>FLORIDA</b>		
Agent Workshop	Pensacola	July 19
Agent Workshop	Destin	July 20
Lender Workshop	Milton	July 21
Agent Workshop	Ft. Lauderdale	October 17
Agent Workshop	West Palm Beach	October 18
Agent Workshop	Boca Raton	October 19
<b>ILLINOIS</b>		
Lender Workshop	Schaumburg	August 2
Lender Workshop	Springfield	August 4
<b>INDIANA</b>		
Agent Workshop	Bloomington	October 18
Agent Workshop	Indianapolis	October 19
Agent Workshop	South Bend	October 20
<b>IOWA</b>		
Agent and Lender Workshop	Sioux City	August 16
Agent and Lender Workshop	Council Bluffs	August 17
<b>KANSAS</b>		
Agent and Lender Workshop	Manhattan	July 19
Agent and Lender Workshop	Salina	July 20
Agent and Lender Workshop	Colby	July 21
<b>MARYLAND</b>		
Agent Workshop	Brooklandville	July 13
<b>MICHIGAN</b>		
Lender Workshop	East Lansing	August 24
Lender Seminar	Livonia	August 25

STATE/EVENT	CITY	DATE
<b>MINNESOTA</b>		
Lender Workshop	Eden Prairie	September 8
<b>NEBRASKA</b>		
Agent and Lender Workshop	Kearney	August 2
Agent and Lender Workshop	Ogallala	August 3
Agent Workshop	Scottsbluff	August 4
Agent and Lender Workshop	Columbus	August 9
Agent and Lender Workshop	Lincoln	August 10
Agent and Lender Workshop	So. Sioux City	August 23
Agent and Lender Workshop	Omaha	August 24
<b>OHIO</b>		
Lender Workshop	Richfield	August 11
Agent Workshop	Zanesville	November 1
Agent Workshop	Dayton	November 2
Agent Workshop	Toledo	November 3
<b>PENNSYLVANIA</b>		
Agent Workshop	York	July 12
Agent Workshop	Pittsburg	August 18
<b>TEXAS</b>		
Flood Forum	Houston	July 26
Flood Forum	Beaumont	July 28
Flood Forum	Dallas	August 23
Flood Forum	San Antonio	August 25
<b>VIRGINIA</b>		
Lender Workshop	Norfolk	July 28
Agent Workshop	Manassas	August 30
Agent Workshop	Staunton	August 31
Agent Workshop	Richmond	September 1
Agent Workshop	Eastern Shore	September 19
Agent Workshop	Norfolk	September 20
<b>WISCONSIN</b>		
Lender Workshop	Madison	July 21
Agent Workshop	Madison	September 20
Agent Workshop	Wisconsin Rapids	September 21
Agent Workshop	Appleton	September 22

# National Flood Insurance Program

# TELEPHONE NUMBERS

[www.fema.gov/nfip](http://www.fema.gov/nfip)

## NFIP Telephone Numbers

Number	Service
800-638-6620	Direct Business
800-720-1093	Agent Information
800-427-4661	General Information
800-611-6125	Lender Information
800-427-5593	TDD
877-336-2627	FEMA Map Assistance Center (Information about flood hazard maps and map changes)
800-358-9616	FEMA Map Service Center (Order flood maps and FIS studies, <i>Flood Insurance Manual</i> , and <i>Community Status Book</i> )
800-480-2520 301-497-6378 FAX	FEMA Distribution Center (Order free NFIP forms and public awareness materials)

## Regional Office Telephone Numbers

Region	FEMA	NFIP Bureau & Statistical Agent
<b>Region I</b> CT, MA, ME, NH, RI, VT	617-223-9540	781-848-1908
<b>Region II</b> NJ, NY Caribbean Office-PR,VI	212-680-3600 787-296-3500 <sup>1</sup>	856-489-4003 281-829-6880 <sup>2</sup>
<b>Region III</b> DC, DE, MD, PA, VA, WV	215-931-5608	856-489-4003
<b>Region IV</b> AL, GA, KY, MS, NC, SC, TN FL	770-220-5400 -----	770-396-9117 813-975-7451 <sup>3</sup>
<b>Region V</b> IL, IN, MI, MN, OH, WI	312-408-5500	630-577-1407
<b>Region VI</b> AR, LA, NM, OK, TX	940-898-5399	281-829-6880
<b>Region VII</b> IA, KS, MO, NE	816-283-7061	913-780-4238
<b>Region VIII</b> CO, MT, ND, SD, UT, WY	303-235-4800	303-275-3475
<b>Region IX</b> AZ, CA, GU, HI, NV	510-627-7100	916-780-7889
<b>Region X</b> AK, ID, OR, WA	425-487-4600	425-488-5820

<sup>1</sup>FEMA contact number for Puerto Rico and the Virgin Islands.

<sup>2</sup>NFIP B&SA contact number for Puerto Rico and the Virgin Islands.

<sup>3</sup>NFIP B&SA contact number specifically for Florida.

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