

# WATERMARK

2005, Number 1

National Flood Insurance Program

## Contents

V-Zone Premium Reductions and More	1
Flood Reform Puts Agents Front and Center	1
Message From the Acting Administrator	2
Recognizing Agency Excellence	6
Risky Behavior	8
Set Your Sights for Florida!	12
Coastal Flood Hazards	13
The "FloodSmart" Campaign	14
New Flood Maps Coming	16
Getting to Know the NFIP's Coverage Options	17
Preparing for Spring Flood Risks	18
CRS: Movin' On Up	26
Farewell, and Thanks, to a Class 1 Gentleman	27
NextGen Project Update	28
Open Houses, Not Just For Sundays	29
Re:Sources	30
State Stats: Spring Loss Data	31
You Could Have Received <i>Watermark</i> Earlier!	36
Tips for Filing Your Flood Insurance Claim	37
Just Around the Bend	38
NFIP Telephone Numbers	39

## V-Zone Premium Reductions and More

Recent program changes mean good news for owners of some insured elevated buildings in V Zones. Following are highlights of this and other NFIP program changes that became effective on October 1, 2004.

### Enclosures in V Zones

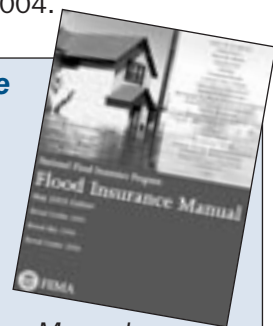
NFIP procedures for determining rates in V Zones have long provided that a Post-FIRM elevated building that has the area below its lowest elevated floor enclosed with insect screening or lightweight lattice may qualify for Free-of-Obstruction Rates, if the screening or lattice meets NFIP specifications.

A similar provision has been made for another type of enclosure system. For rating purposes, certain kinds of privacy "slats" or "shutters" now may be treated as functionally equivalent to insect screening or lattice. To qualify for Free-of-Obstruction Rates, the building's slats or shutters must be made of wood or plastic no thicker than

*continued on page 3*

### NFIP Flood Insurance Manual

Full details of recent program changes were published in the October 2004 revisions supplement to the NFIP *Flood Insurance Manual*. The 132-page supplement was mailed to manual subscribers during the summer. It is also available, in Adobe PDF format, on the NFIP web site ([www.fema.gov/nfip/manual10\\_04.shtm](http://www.fema.gov/nfip/manual10_04.shtm)).



## Flood Reform Puts Agents Front and Center

M. Rita Hollada, CPCU, CIC, CPIA

Passage of the Flood Insurance Reform Act of 2004 has landed agents on center stage. While the recent legislation resulted in the reauthorization of the National Flood Insurance Program through September 30, 2008, it also contains mandates that increase the responsibility of agents toward their insureds. Although the final regulations have not been determined, what is certain is that agents will be required to have more knowledge about the uniqueness of the flood insurance policy, its provisions, and its limitations—and will be responsible for conveying that knowledge to their customers at the point of sale.

*continued on page 5*



# FEMA

## Message from the Acting Administrator

Dear *Watermark* Reader,

It's rare that I get the chance to address such a large group of people at once, so I want to take this opportunity to say thank you for some great work done after the hurricanes and storms that battered Florida, the Gulf states, and the entire South and Central East Coast last year. This was work that saved lives, gave people comfort, and made communities safer for the future.

Thank you, to all the disaster response people from local and State offices, FEMA regions, and FEMA headquarters.

Thank you, to the building contractors, engineers, and just plain folks who came from across the country to help the storm victims pick up the pieces and start over. They included sewer workers and electricity linemen from Arkansas, Virginia, Iowa, and other states.

Thank you, to State floodplain coordinators, insurance commissioners and their staff, insurance companies, agents, and adjusters who labored for days, weeks, and longer, to make things as right as they could.

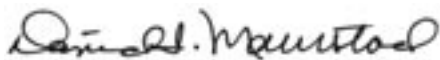
To the medical teams from Missouri, Texas, Oklahoma, Oregon, California, Georgia, and throughout the country who rose to this occasion, thank you.

None of this was easy work. Some folks were out in the tropical weather for many weeks at a time. Some workers were injured helping people get to their homes or getting electricity flowing.

These disasters could have been a lot worse. But they weren't because of the years of persistent efforts by FEMA's regional and headquarters staff to make sure people are insured against loss and to mitigate potential flood risks. Thank you to all of these people for their work at FEMA and also for going to the places they were needed, to knock on doors, hand out drinking water, and simply hear people talk.

There have been so many who responded to these recent disasters and who helped move millions of people from response to recovery. I'd like to thank each of you who helped. If you are out there, thank you.

Sincerely,



David I. Maurstad

Acting Director

Mitigation Division

Emergency Preparedness and Response Directorate



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

### **V-Zone Premium Reductions,**

*continued from page 1*

1 inch. In addition, at least 40 percent of the area of the slats or shutters must be open.

Although this change became effective October 1, it is retroactive to April 30 of last year. If you write flood in V Zones, please review your book of business for Post-FIRM elevated buildings with enclosures. Property owners whose policies were written or renewed on or after April 30, 2004—using With-Obstruction Rates for slatted or shuttered enclosures that meet NFIP specifications—are now eligible to use Free-of-Obstruction Rates and receive a premium refund for the current policy term.

NFIP specifications for lattice remain unchanged. Lattice must be made of wood or plastic no thicker than 1/2 inch, and 40 percent of the area of the lattice must be open.

Whatever enclosure system is used—screening, lattice, slats, or shutters—it must be designed and installed to collapse under the stress of high tides or wind-driven water without jeopardizing the structural support of the building. Any machinery or equipment below the lowest elevated floor must be at or above the Base Flood Elevation to qualify the building for Free-of-Obstruction Rates.

The new provision for slats and shutters is documented on pages RATE 7 and 20, CONDO 19, and LFG 7, 44, and 52 of the October revisions supplement.

### **General Rules Section**

Clarification about what documents constitute evidence of insurance—namely, a copy of the Flood Insurance Application and premium

payment, or a copy of the policy declarations page—has been added to page GR 7.

On page GR 8, a change has been made in the guidance about policy effective dates and waiting periods. Item VIII.C.5., "New Policy (in connection with a condominium association's purchase of an RCBAP)," was reworded to make it clearer that "the 30-day waiting period does not apply if the condominium association is required to obtain flood insurance as part of the security for a loan under the name of the condominium association." Otherwise, the 30-day waiting period will be enforced.

### **Application, Rating, and Condominiums Sections**

Language has been added in the Application section to assist agents with substantial improvement and substantial damage determinations and with handling of premium underpayments.

On page APP 5, a new paragraph explains how to enter the construction date for a substantially damaged building on the Flood Insurance Application. The paragraph also explains that "substantial improvement" includes "substantial damage" whether or not repairs actually have been made. Finally, the paragraph notes that, for a building to be considered substantially damaged, the agent must submit a determination statement from a community official to the NFIP along with the application and premium payment.

On pages APP 6-8, information about payment, mailing, and handling of NFIP Direct Program applications has been updated. The section concludes with clarification of how to

prorate building and contents coverage when a client submits less than the full premium that was due.

Pages RATE 7 and 20 now provide specifications for slats and shutters that have been installed below the lowest elevated floor of an elevated building.

At the bottom of page RATE 12, a newly added table presents the textual information about the NFIP's \$500 and \$1,000 standard deductibles in facts-at-a-glance format.

The Condominiums Section also has been adapted to include specifications for slats and shutters below the lowest elevated floor of an elevated building. These are now part of footnote 2, "Free of Obstructions," on page CONDO 19.

### **Lowest Floor Guide Section**

Pages LFG 3-7 have a new look, thanks to the redesign of the document from which these pages are reproduced—the NFIP leaflet "Insurance Agent's Lowest Floor Guide."

Other than appearance, the only change on LFG 3-7 involves the "Distinguishing Feature" paragraph for V Zone Building Diagram #5 at the top of page LFG 7. That paragraph now includes specifications for lattice, slats, and shutters below the lowest elevated floor of an elevated building. Specifications for slats and shutters also have been added to pages LFG 44 and 52.

Below the non-elevated building drawing on page LFG 21, the "Machinery or Equipment" and "Lowest Floor" specifications have been revised.

## Preferred Risk Policy Section

On pages PRP 1-2, language has been added to emphasize several key points about the expanded Preferred Risk Policy eligibility criteria and coverage options that became effective on May 1, 2004:

- The requirement that the building must be in a B, C, or X Zone on the effective date of the policy applies both to building/contents coverage and to contents-only coverage.
- Although contents located entirely in a basement are not eligible for contents-only coverage, contents located entirely in an enclosure are eligible.
- When a PRP is endorsed midterm to increase coverage, the amount of increase is subject to the coverage limits in effect when the policy was written or renewed. When a PRP written or renewed before May 1, 2004, is endorsed midterm to increase coverage, the higher limits that became effective on May 1 do not apply.

## Renewal Section

The Renewal Invoice used in NFIP Direct business has been redesigned and renamed the Renewal Notice. The Expiration Invoice also has been redesigned and renamed the Final Notice. The new forms are reproduced on pages REN 4-7.

The Renewal Letter formerly on page REN 5 has been deleted.

The Credit Card Payment Form, now on page REN 8, has been revised to allow credit card payment of premium by American Express and Diners Club in addition to VISA and MasterCard.

## Cancellation/Nullification Section

In subsection "B. Reason Codes for Cancellation/Nullification of NFIP Policies," descriptions of when and how various cancellation/nullification reason codes are used have been expanded for the following:

**Reason 1** - Building Sold or Removed

**Reason 4** - Duplicate NFIP Policies

**Reason 8** - Policy Not Required by Mortgagee


**Reason 19** - Insurance No Longer Required by the Mortgagee Because the Structure Has Been Removed from the SFHA by Means of LOMA or LOMR.

## What Else Is New?

A number of other changes and enhancements were introduced in the October revisions supplement to the *Flood Insurance Manual*.

- Most of the mailing addresses and some of the other contact information for the NFIP Servicing Agent have changed. Complete, up-to-date contact information is provided on page REF 3.
- The Servicing Agent contact information is intended only for agents who write with the NFIP Direct Program. Agents who write with the NFIP WYO Program should submit their materials and questions to their respective WYO companies.
- A new mailing address for the NFIP Region VIII Office is noted on page REF 6. The office provides training and other services for NFIP stakeholders in Colorado,

Montana, North Dakota, South Dakota, Utah, and Wyoming. The office's telephone and fax numbers remain unchanged.

- On page CERT 5, the reauthorized Residential Basement Floodproofing Certificate—usable through April 30, 2007—has replaced the old certificate, which had expired.
- In the Flood Maps section, the web site address of the FEMA Map Service Center on pages MAP 1, 4, and 5 has been updated.
- The Community Rating System (CRS) section has been revised to reflect 38 changes in the CRS Eligible Communities list since May 1, 2004. For information about the October changes and the benefits of the CRS for communities and policyholders, see "CRS: Movin' On Up" on page 26.
- The Index has been expanded so that agents and other users of the manual can locate topics of concern more easily. 

## WYO Agents: Heads Up, Please!

It's great to be popular, but the NFIP Servicing Agent has become a bit too popular with Write Your Own (WYO) agents. The Servicing Agent reports that it receives large volumes of misdirected mail and telephone calls from WYO agents.

Only agents who write with the NFIP Direct Program should submit mail and calls to the NFIP Servicing Agent. If you write with the NFIP WYO Program, please submit your mail and telephone calls to your WYO company. By doing so, you won't just help the NFIP control its costs, you'll also avoid delays in processing for your flood insurance clients.

**Flood Reform Puts Agents Front and Center**, *continued from page 1*

The reason that much of this language has come about is the perception among legislators that agents do not know that flood is excluded from property policies, do not know that there is a specialty program for flood, do not advise their clients of the flood risk and availability of flood insurance, and do not appreciate the limited nature of the flood insurance policy. That being said, the legislators would like to fix all of these ills with one quick stroke of the pen.

The legislation calls for the establishment of minimum training and education requirements for flood insurance agents. The NFIP will work with state insurance departments to establish requirements appropriate to the individual state circumstances, but at a minimum, states will be encouraged to include flood insurance material in pre-licensing education and examinations, and to award CE credit for flood courses. Many states will go further and establish required continuing education in flood insurance as North Carolina and Maryland have done. For agents, the time to get this education is sooner rather than later. In the future, the agent will be responsible for informing prospective policyholders about the scope of coverage as well as limitations and exclusions.


The legislation also calls for the establishment of a number of point-of-sale documents. These include supplemental forms outlining in simplified format the coverage being purchased as well as an explanation of how property will be valued at the time of loss. These forms are still

under development by the NFIP, but an agent would be wise to review the flood policy language with a client and point out the section that lists "property not covered." Additionally, an agent should explain that most flood coverage is paid on an actual cash value basis.

An "acknowledgement form" is under development that will include a statement that the purchaser of property insurance has been advised that contents are not covered unless this coverage has been purchased as a separate line of coverage. This form will also acknowledge that the purchaser has received a copy of the Standard Flood Insurance Policy. While the logistics of these requirements are being determined. An agent can begin to secure some agency documentation by the use of an ACORD 60. This is the "Flood Insurance Notice/Rejection" optional form that includes advisory text as provided by FEMA.

A final requirement of the legislation is the production of a Flood Insurance Claims Handbook. Again, this handbook is in the formative stages, but when completed it will be required to be provided to each policyholder at the time of purchase and at the time of a claim. It is advisable for agents to review claims procedures as outlined on the last page of the Standard Flood Insurance Policy.

There is an abundance of additional language in the Flood Insurance Reform Act of 2004, much of which affects the administration of the National Flood Insurance Program. However, the intent seems clear. Agents will be expected to take a

much more active role in understanding the flood insurance product and in conveying information about it to their prospects and clients. 

*M. Rita Hollada is vice president of The Insurance Professionals Inc., a consulting and professional education group. She currently serves as the Chairman of the Flood Insurance Producers National Committee. Hollada also teaches professional development courses for Insurance Agents & Brokers, an association serving more than 1,600 members in Pennsylvania, Maryland, and Delaware. This article is adapted from one that originally appeared in the October 2004 issue of IA&B's Primary Agent magazine. See more details about the Flood Insurance Reform Act of 2004 in our next edition of Watermark.*

**Need a quick  
guide for NFIP  
claim  
procedures?  
See "Tips for  
Filing Your Flood  
Insurance Claim"  
on page 37.**

## Recognizing Agency Excellence

The NFIP relies on the hard work and creativity of thousands of agents to sell the insurance that helps flood victims begin the process of recovery. Those insurance agents who take the greatest initiative in educating their customers about flood risk and protection set an example of how to make the NFIP public-private partnership work to benefit communities throughout the United States and its territories.

At the National Flood Conference each year, FEMA honors three insurance agencies for the work they've undertaken on behalf of the NFIP. Agencies are nominated for this honor on the basis of their flood portfolio growth during the previous year, the marketing strategies they've used to increase flood insurance policy sales, their activities to promote flood awareness, and their adherence to NFIP underwriting guidelines. Every Agency of the Year Award winner has shown innovation and dedication in achieving the NFIP's goals of protection from flood losses. The 2004 winners are no exception.



Agency of the Year Award winners (from left) Rob Dunagan of Dunagan Allstate Insurance Agency, Kimberly Tompkins of Housing Insurance Services, and Walter Hester of Cape Fear Insurance Associates.

### Cape Fear Insurance Associates, Inc.

When Cape Fear Insurance Associates, Inc., opened in Southport, North Carolina, in 1999, it had no flood insurance policies on the books. But by the end of 2003, the agency had 375 flood insurance policies in force, nearly a 34 percent increase just from the previous year.

Walter Hester, the owner of Cape Fear Insurance Associates, Inc., has established a reputation for being the insurance agency that is the most knowledgeable about flood insurance in the Brunswick County area. All three of the agency's insurance agents are trained to quote and sell flood insurance. Customer referrals are frequent, and all clients are quoted rates for flood insurance coverage regardless of the flood zone in which their property is located. In fact, Cape Fear Insurance Associates, Inc., has a 90 percent success rate in marketing and writing NFIP policies in B, C, and X Zones. To reach property owners in these moderate flood risk areas,

Hester uses direct mail marketing that includes a brochure with sample pricing.

One of the agency's most successful marketing strategies has been to offer free flood zone determinations to builders, real estate agents, and potential buyers. As a member of the North Carolina Home

Builders Association, Hester has offered training to area builders about construction techniques that minimize flood insurance premiums in the floodplain. Hester also holds monthly meetings with area real estate firms and quarterly meetings with the Brunswick County Board of Realtors to ensure that real estate agents in his community understand flood insurance issues that will impact their clients. As a result of these meetings, since April 2003, flood zone determinations and Elevation Certificates must accompany all multiple listings in Brunswick County. Non-compliant submissions are returned without being listed.

New homebuyers are encouraged to carry flood insurance for at least 1 year to provide coverage while they orient themselves to coastal weather and flooding conditions. The follow-up program Hester has developed for renewing these policies as they near expiration has resulted in a 95 percent retention rate.

Cape Fear Insurance Associates, Inc., has held forums in gated communities and subdivisions located in unnumbered A Zones to educate developers and homeowners about reducing flood insurance premiums by adjusting construction plans to decrease flood risks. Many homes constructed along Brunswick County's coastline are valued higher than the NFIP's \$250,000 residential building coverage limit. The agency has increased its Excess Flood sales by implementing a mailing and telephone follow-up program for all homes valued at greater than \$250,000.

## The Dunagan Allstate Insurance Agency

Located in Brunswick, Georgia, the Dunagan Allstate Insurance Agency is a full service property and casualty agency that has been in business for more than 30 years. The agency employs eight full-time staff who market flood insurance to all of the agency's home and automobile insurance customers by advising them about the flood insurance needs and requirements for their area. Customers located in moderate-risk flood zones are given as much information as those in Special Flood Hazard Areas. Whenever eligible, customers are advised to take advantage of the NFIP's Preferred Risk Policy. By the end of 2003, the agency had 1,034 flood insurance policies in force.

All of the agency employees are required to complete annual flood insurance training offered through their Write Your Own (WYO) company, Allstate. In addition, agency owner, Rob Dunagan, makes available to his staff and clients a variety of flood awareness informational brochures and fliers produced by his WYO company. The agency's annual mailings are timed to coincide with media attention to hurricane season to remind the agency's customers of the importance and availability of flood insurance.

The agency sponsors monthly flood insurance training sessions for other NFIP stakeholders such as real estate agencies, builders, lenders, and surveyors. While providing refreshments, agency specialists answer questions and provide one-on-one training.

In response to an internal Allstate re-underwriting initiative in which the agency discovered that many of its customers misunderstood NFIP policies and procedures, Dunagan Allstate Insurance Agency hosted a flood education meeting in a local hotel that drew more than 200 consumers, real estate agents, mortgage brokers, insurance agents, surveyors, architects, building officials and other community, regional, and national officials. The event featured a panel discussion by NFIP stakeholders and FEMA officials.


## Housing Insurance Services, Inc.

The Housing Authority Insurance Group—made up of 9 companies—has been in business for 16 years, providing insurance to housing authorities and public housing groups. With 92 employees, Housing Insurance Services, Inc., has managed the Group's flood insurance coverages since June 2003, producing 151 NFIP policies in force within the first 6 months.

Housing Insurance Services, Inc., has used a number of successful marketing strategies to reach its 900 members. The agency began by assigning key staff members to their flood team, writing a flood business plan that was published throughout the company, selecting a WYO company with goals similar to that of the Group, and then providing internal training for employees that included an interactive CD presentation about flood insurance. Employees are given a Housing Insurance Services, Inc., rain slicker when they sell their first flood policy.

Next, the agency introduced their Group members to the flood program. Nearly 3,000 informational mailings about flood insurance risk and protection were sent to the agency's members and affiliates. Housing Insurance Services, Inc., now uses two quarterly newsletters—*The Pinwheel* for staff and *Insite* for Group members—to continue flood education. In addition, using direct mail, the agency regularly contacts members to offer flood insurance information.

Housing Insurance Services, Inc., also makes use of its web site ([www.housingcenter.com](http://www.housingcenter.com)) to raise member awareness of flooding issues. The site includes a page dedicated to flood coverage that answers common questions and provides contact information for those who want to learn more about the NFIP.

Housing Insurance Services, Inc., also uses its Housing Television Network (HTVN), an interactive satellite training station, to promote flood protection. Housing authority members purchase the satellite equipment and then become students in weekly satellite training classes. There are currently 150 HTVN training sites throughout the United States. The agency has produced 200 hours of training for its members that includes strategically placed advertisements for flood insurance. In addition, Housing Insurance Services, Inc., provides an on-site presence to promote flood insurance awareness within the housing industry by distributing NFIP literature at trade shows held across the United States. 

# Risky Behavior

*Dr. Jacqueline Meszaros, University of Washington, Bothell*

*Editor's Note: The following article is based on the keynote speech that Dr. Meszaros gave at the 2004 National Flood Conference held in Seattle, Washington, last May.*

Good morning. I'm pleased to have this opportunity to talk with you about my field, Behavioral Decision Theory, because it is an exciting area for research and a powerful tool for understanding the real world. However, I should probably start with the normal disclaimer: I am an academic so I'm going to tell you some stuff that you already know, but I'm going to dress it up in some theory and jargon. In this case, the theory and jargon of behavioral decision research. My aim is that, after I've done all this, you will better understand what you already know and can perhaps become more effective when working with your constituencies. Or at least, less baffled.

The main thing you already know is: people sometimes seem pretty irrational when it comes to decisions about preparing for certain natural hazards. In some instances, they simply are imprudent. They refuse to buy flood insurance no matter how cheap you make it; they build their homes as close to a rip tide as they can possibly get; or they won't so much as strap their water tanks or tall bookcases when they live in earthquake country. In other situations, they avoid risks at great cost. They buy flight insurance at insane prices (actuarially speaking); they refuse to bring their mail into their homes from fear of bioterror attack;

or they drive from New York to Florida (increasing their chances of injury) in order to avoid the risk of a terrorist attack on a plane.

Behavioral decision theorists begin our studies of these kinds of issues by laying out what "rational" means, using an economic definition. Economically, a risk consists of a probability that an event will happen and the outcomes associated with that event.

When you multiply the probability by the outcome, you get the "expected value" of the risk. For example, the expected value of a lottery ticket is the probability of winning times the payout. The expected value of a flood is the probability of a flood times the losses it would cause. If that expected value is more than the cost of insurance, it is rational to buy the insurance. But we see over and over, in the realm of low-probability/high-consequence risks like flood and earthquake, people refuse to make investments that are not only economically rational, but, as in the case of some flood insurance, heavily subsidized. As flood professionals, you should find it interesting that one of the first large-scale, behavioral economic studies ever conducted was a flood insur-

ance study. In 1977, Howard Kunreuther and 15 others from around the country, including a number of folks at FEMA, looked at situations in which people who were



*Dr. Jacqueline Meszaros, University of Washington*

offered heavily subsidized insurance against floods refused to take advantage of it. Using the economic framework I described previously, which is based on probabilities, losses, and costs for protection, this study identified that people were inaccurate in their estimates of potential losses; they had an inaccurate understanding of what insurance would cover; and they were inaccurate in their understanding of how much insurance coverage would cost.

In some ways, this study was path-breaking because it got everyone's attention, including the economic community's. In another way, it was quite limited because it looked only at estimated probabilities, losses, and costs. Having looked at this work, you might draw the inference



that all you have to do is to get people better estimates of what the probability of a loss is and of what insurance coverage is going to cost them, and the problem will be solved. But, of course, you know that this isn't true; it is only one step. I'd like to share some of what's developed since that path-breaking 1977 study. The theories that have come along will help you better understand why your constituents seem so irrational, and, therefore, how better to reach them.

Perhaps the most powerful insights in behavioral economics come from "Prospect Theory," which won Daniel Kahneman the Nobel Prize in Economics in 2002. In part, Prospect Theory says that there is a total switch in the way people behave when they consider risks associated with gains versus risks associated with losses. We tend to be risk averse in gains; risk seeking in losses.

Test yourself. Are you risk averse in gains? If I offered you the choice between \$10,000 right now or a 50 percent probability of \$22,000 to be collected in the future, which would you want? If you take the sure thing of \$10,000 right now, then you are risk averse. Do you want to know just how risk averse you are? Ask yourself: How much more than \$22,000 would it take for you to prefer the gamble over the sure thing?

Now, are you risk seeking in losses? If I give you a choice between losing \$2,400 for sure or a 50 percent chance of losing \$5,000, which of those do you prefer? Most of you would prefer to live with the risk. How risk averse are you? How much more

would you be willing to gamble in order to avoid giving up that \$2,400?

Let's apply this "sure thing" principle to flood insurance. If people don't have flood insurance, the very first dollar they are asked to pay for such insurance may feel to them like a loss. In this situation, we would not be surprised to find them to be risk seeking. Like most of you in the hypothetical example above, they'd rather live with a probabilistic loss of a flood than to take the certain loss of premium payments. At some point, the probability or size of loss may cause them to prefer the sure loss to the probabilistic one, but in the real world we can't expect that to happen at the actuarially fair point. It happens at a point that is determined by individuals' subjective judgments and risk tastes.

Economists usually assume that only the expected value of risks matters, not the type of risk or the context in which it occurs. But Prospect Theory research has already shown that all risks are not the same because people treat risks in the realm of gains differently from risks in the realm of losses. Other researchers have identified additional factors that show predictable patterns in how people treat different types of risk differently. Some of this is quite relevant to natural hazard insurance.

In the risk communication field, Peter Sandman identified a set of what he calls "outrage factors." When risks include outrage qualities, people worry more about them, demand more protection from them, and are willing to invest more to protect themselves against them. For

example, an involuntary risk is perceived as worse than a voluntary risk. Forcing parents to have their child vaccinated is worse than giving parents the choice to vaccinate. An uncontrollable risk, like the car that somebody else is driving, is more onerous and is considered more dangerous than a controllable risk such as the car that I'm driving.

Catastrophic risks are those that can kill many, many people all at once. Plane crashes kill many people at a time; they have catastrophic potential. Auto accidents typically kill only small numbers of people at a

### Some Important Outrage Factors

A risk has more outrage potential when it is:

- involuntary
- uncontrollable
- unfamiliar
- invisible
- unnatural
- not understood
- potentially harmful to many people at once
- associated with vulnerable populations
- inequitably distributed

time. Notoriously, people are more frightened of air crashes than auto crashes, though far more people die each year in the latter than the former.

As you try to understand why the same citizens who seem perfectly happy living with severe flood risks or building on the side of volcanic Mt. Rainier will bug the government to do something about high-tension elec-

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trical wires or asteroids, consult the outrage factors. The patterns are fairly clear and consistent.

Common, cognitive rules of thumb, or "heuristics," also affect risk perceptions and preferences in ways that pertain to hazard preparation and insurance. For example, one, called availability, is powerful because it seems linked to how we use our memory in basic ways. When we can call something quickly to mind from our memory, we tend to think of that thing as more probable or common than things we have more trouble recalling. But commonness, which is linked directly to probability, is not the only thing that affects memory. When things are horrible or surprising, we recall them more easily. These days, terrorism comes to mind quickly, so the availability heuristic makes many of us feel as though terrorism is a more likely event than it actually is. Floods are not so dreadful or vivid to most of us, so we do not tend to assess their probability as high as some rarer threats.

Representativeness is another heuristic. We tend to think that things we have encountered in the past are representative of what we are going to encounter in the future. In the insurance field, people who have encountered floods in the past will tend to assume that future floods will look like those they've already experienced. Or, if floods haven't happened in an area, people think that the probability of encountering one in the future will be low. The same is true for earthquakes. Fortunately, education can often help us adjust our initial, heuristic-driven assess-

ments of probabilities and outcomes. Reports of objective studies can help. Vivid scenarios and descriptions of past or potential disasters can also often help us recalibrate our assessments. (Of course, these can also be abused to influence someone to worry too much or too little.)

To help individuals make good decisions about when to invest in protections and insurance, experts' judgments about risks are, of course, crucial. Unfortunately, experts are hampered by a number of factors from achieving agreement on when disasters will happen to what exactly their effects will be. Rareness means statistical techniques are not perfectly valuable; think here of volcanic eruptions. Interaction effects mean no single force will determine a particular outcome; think of predicting the path of a hurricane. Complexity means causal analyses are hard to develop; think here of predicting earthquakes. In most natural hazard arenas, one or more of these effects is at play, and expert assessments are seldom in perfect agreement.

When experts offer different or contradictory conclusions, another decision phenomenon comes into play: ambiguity. If the experts all agree, you face a risk but you probably have a pretty good idea of what the potential outcomes are. You can take a gamble with a pretty good understanding of what is possible. If the experts don't agree, you can't actually know which set of estimates best represents reality.

Ambiguity, it turns out, can have as strong an effect on decisions (or even stronger in some cases) as does risk itself. Insurers demand a

much higher price to insure an ambiguous risk. Patients refuse to undertake ambiguous treatments. Remember, a risk that is ambiguous could be either much less or much worse, but insurers—just like other people—react pessimistically to the ambiguity, as if they assume that the worst outcomes are more likely than the best.

There is some evidence that people tend to use ambiguous information to support whatever position they held in the first place. If parents are given ambiguous information about a vaccine risk for their child, the non-vaccinators will take that information to suggest that they ought to get even more vehemently opposed to vaccination. The vaccinating parents will be reassured that vaccination is indeed a safe thing to do. This phenomenon seems to work not just on an individual basis but also collectively. Cass Sunstein at the University of Chicago Law School has identified a phenomenon called "social amplification" where, with certain kinds of ambiguous risks, once a dialogue starts, people begin to adopt each others' position and interpret the ambiguous information to most strongly support one particular direction or another. In other words, when the ambiguity of the information is placed front and center in the rhetoric of a group discussion, it seems to amplify a group's initial tendencies. Sunstein points out that something like this seems to have been at work in a number of communities where NIMBY (not in my backyard) movements sprung up to oppose the location of hazardous facilities. In a community predis-

posed against earthquake preparation investments, by this logic, the inherent ambiguity of earthquake predictions would tend to amplify reluctance to invest in preparations.

So far we've looked at probability distortions, context distortions, and estimate distortions. There is another type of factor that the early flood researchers mentioned but that is only recently being more systematically explored: What determines who won't insure at all? Kunreuther and his colleagues in 1977 noticed that there seem to be people who worry about hazards and people who don't worry about them, and they realized that worry seemed to be an important factor. Nearly 30 years later, we are still trying to get a better and deeper understanding of what they were seeing in that study.

We had the opportunity to study the role of worry about earthquakes in preparation for them right here in Seattle after the 2001 Nisqually earthquake. Nisqually had a moment magnitude of 6.8, comparable to Northridge. But Nisqually's center was 33 miles deep, so the force dissipated as it moved upward, and ground shaking was only relatively moderate. Even so, Nisqually was the most costly disaster in Washington State history, because we had lots and lots of assets exposed. As a result of the Nisqually earthquake in 2001, we had one heart attack death and \$2 billion in estimated losses. The Northridge earthquake resulted in 57 deaths and \$40 billion worth of losses.

We actually have a known seismic fault running beneath Seattle that puts us at risk for an earthquake something like Northridge's. The

Seattle Fault runs underneath Interstate 90 and out into Elliott Bay. It goes nearly directly under Boeing, Starbucks, and Amazon.com. We even built our new baseball and football stadiums directly on top of it (although we took some serious precautions in construction). If the Seattle Fault earthquake occurs, believe me, it will be known as THE Seattle Earthquake, given the assets that are sitting directly on top of it. The levels of shake in downtown Seattle would be two to three times the levels that we experienced in



Nisqually.

Our population heard this information about the risk of future earthquakes following Nisqually, and we expect that they were paying some attention since they had just experienced the first big earthquake of their entire lives in this region. So, we took the opportunity to survey members of the National Federation of Independent Businesses whose businesses were located in the area hardest hit by Nisqually. We received more than 800 responses from the CEOs and key decision makers in

their small businesses.

What we learned was that Nisqually had two kinds of effects on people. Two-thirds of our respondents said, "Oh, that wasn't so bad. We did pretty well; we think we are prepared for an earthquake"...even though the press made it clear that this was not one of the big earthquakes that we are susceptible to. Only one-third of respondents said, "Whoa, I hadn't realized that we have earthquakes here. This sounds pretty serious. I think we should get better prepared." The *News Tribune* in Tacoma picked this up and divided us into grasshoppers who want to play until the bad weather comes, and ants who are taking care to put things away in advance of the bad situations that are forthcoming.

We examined which of the surveyed businesses added mitigations following the earthquake. We found that, on average, responding firms added one mitigation such as practicing their disaster plans, having supplies in place, and so forth. The disruption and direct losses that someone experienced were significant in predicting whether or not they added mitigations. You see this response in flood research as well: people who have flood losses tend to be more likely to prepare and insure against future flood losses.


We also found, though, that the people who had mitigated prior to the earthquake were even more likely to mitigate after it, independent of their business disruption and direct losses. In other words, the people who were already worried and had taken precautionary steps in the first place took even more steps after this event, no matter what their personal

experience of the quake was like. Also: Those who indicated that the quake caused them to worry more were the most likely to add preparations, independent of their estimates of how likely or how serious future earthquakes will be. In other words, worry (an emotional factor) was more important than estimates related to expected value (the rational factors) in predicting preventive behaviors.

Nisqually taught us: (1) when a disaster occurs but doesn't affect us, some of us decide that maybe we don't have to get any better prepared; (2) the cautious grow even more cautious after a disaster; and (3) worry, more than information about probabilities, is key to getting mitigations in



place. Our initial concerns about whether people understand hazard information have evolved to a rich set of appreciations of how risk, tastes, context, information, and imperfections all matter in decision making. Now we are beginning to look at emotional factors and decision process factors to see the effect they have on

how decisions are made. I hope that having a better appreciation for why people seem so irrational in the face of predictable risks will make it easier for you to work more constructively with your constituents. Thank you for letting me share this with you. 

*Dr. Jacqueline Meszaros teaches Knowledge Management and Decision Making at the University of Washington's Bothell campus. She has studied decisions about ambiguous and high-consequence risks for nearly a decade. For the past 4 years, her focus has been on earthquake risks. She also works as a principal investigator with the National Science Foundation's Pacific Earthquake Engineering Research Center at the University of California at Berkeley.*


## Set Your Sights for Florida!



Join us in Florida for the 2005 National Flood Conference from May 31 through June 3 at the Marco Island Marriott ([www.marcoislandmarriott.com](http://www.marcoislandmarriott.com)).

"Tides of Change: Reforming the NFIP" is the theme for the upcoming conference, where more than 30 workshops and town halls are being scheduled to keep you up to date on all of the issues relevant to NFIP stakeholders. Whether you're new to the program or a seasoned expert, you'll learn how technology, training, and teamwork can boost your effectiveness.

Who should attend? This conference is designed for insurance agents and representatives of insurance companies, flood zone determination companies, and lending institutions; State and local officials; claims adjusters, real estate professionals, and surveyors; and home builders.

Conference registration materials have been posted on the NFIP web site ([www.fema.gov/nfip](http://www.fema.gov/nfip)). For more information, call Catherine King at 301-918-1439 (TDD 301-918-1409), or send an e-mail message to [bsa-support@nfipstat.com](mailto:bsa-support@nfipstat.com) or a fax to 301-918-1498. 

# Coastal Flood Hazards

Emily Hirsch, FEMA

The risk of flooding is highest along coastlines and adjacent to lakes and rivers. Many coastal storms are accompanied by storm surge—a dome of ocean water that can rise as high as 20 feet at its peak and can stretch as much as 50 to 100 miles wide. Storm surge can force creeks and rivers to breach their banks as it moves inland. When a storm surge coincides with high tide, it can rise even higher and travel farther. The best way to protect



Storm surge struck the Connecticut coastline during Hurricane Carol in 1954 (photo courtesy of NOAA).


residents from coastal flooding is by reducing construction in coastal areas and by ensuring that those structures built in the coastal floodplain are elevated, floodproofed, and insured against flood damage.

Determining where the risk of coastal flooding is highest is the job of FEMA's Flood Insurance Rate Maps. The FEMA Region IX office recently completed an effort to review and update the technical guidance materials developed for coastal flood hazard analyses to enable FEMA's flood hazard mapping partners to produce high quality flood data in coastal areas.

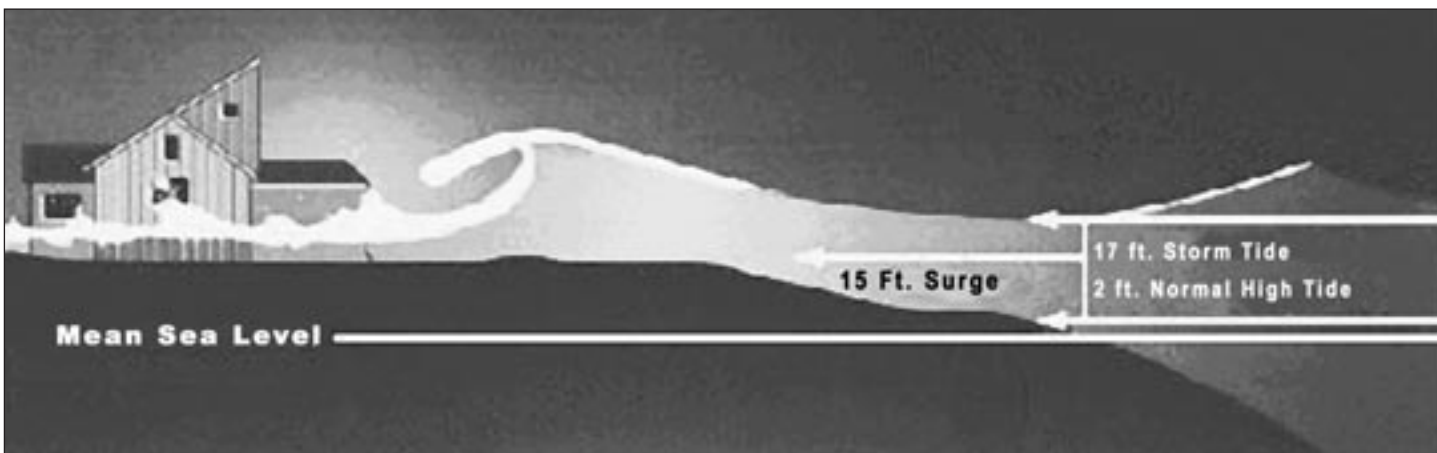
This project was initiated in October 2003 and was conducted in two phases. Phase I included review of existing guidelines and methods, research of relevant literature, formation of a Technical Working Group, technical presentations on the

State-of-the-Science in coastal processes, workshops, focused technical studies, and summary reports. The Phase I draft report was completed in June 2004.

Phase II involved preparation of an outline for new guidelines with an emphasis on the Pacific Coast, development of detailed procedures for performing flood hazards studies on the Pacific Coast, conducting a third workshop, and preparation of draft and final guidelines. The Phase II draft report was completed in November 2004.

The participants in the Technical Working Group and workshops included staff from several FEMA Regional Offices and National Headquarters as well as from other Federal agencies, academicians, scientists, and engineers. Although the products produced through this project do not address every possible coastal flood hazard situation, they will undoubtedly be valuable resources to those involved in identifying coastal flood hazards nationwide. 

Emily Hirsch is a Hydraulic Engineer in the Mitigation Division's Risk Identification Branch, where she coordinates coastal engineering issues.



# The "FloodSmart" Campaign

The NFIP's integrated advertising and marketing campaign, "FloodSmart," was developed in 2004 to increase policy growth 5 percent annually. FloodSmart is designed to drive consumers to take action and respond, right away, to the NFIP's electronic and print media messages by calling a toll-free number, visiting FloodSmart.gov, or contacting an insurance agent in their area to get more information and to purchase a policy.

Through FloodSmart, consumers will learn that floods are the most common natural disaster in the United States, causing more than \$7.1 billion in property damage in the last 10 years. Flooding occurs in all 50 states, and not just in those areas considered to be high-risk areas. In fact, one in four flood insurance claims is submitted by someone who lives in a low or moderate flood risk zone.

There are eight core elements of the FloodSmart campaign.

## Consumer and Stakeholder Education

Informing consumers and NFIP stakeholders about basic facts as well as changes in the NFIP is the foundation of the FloodSmart campaign. The following methods are used to reach these audiences.

- Agent newsletter: A monthly newsletter has been created to update agents about campaign elements.
- Fact sheets and brochures: "Marketing Tips for Agents" and a

new general information brochure have been developed as part of the FloodSmart campaign, as well as new Preferred Risk Policy (PRP) consumer and commercial brochures to explain the new pricing system for those customers who qualify for low-cost policies.

- Media outreach: Materials have been developed and distributed to consumer and trade press about the FloodSmart campaign, availability of the PRP, and tips on how to prepare before a flood and what to do after a flood.
- Conference support: FloodSmart campaign messages are being delivered at insurance industry conferences, association meetings, and directly to agents and WYOs.

## New FloodSmart.Gov Web Site

A new consumer web site, [www.FloodSmart.gov](http://www.FloodSmart.gov), provides information on preparing homes for flooding, tools for assessing one's risk of flooding and estimating the cost of flood insurance premiums, and listings of local insurance agents. This site also contains links to other community-based information.

## Television Commercials

Two 30-second direct response commercials are being broadcast on national cable networks. "Homeowners" reminds consumers that flood coverage is not included in homeowners insurance. "Ignoring the Flood" focuses on the consequences of ignoring the risk of flooding. These commercials have aired on networks

The screenshot shows the FloodSmart.gov website layout. At the top left is the FloodSmart.gov logo with the tagline "An official site of the National Flood Insurance Program". To the right is the FEMA logo and navigation links: "NFIP Home", "Contact Us", "Related Links", "Glossary", "Site Map", and "Help". Below the header is a main banner image of a flooded house with a sign that says "FLOOD RISK IS REAL. Get the Facts. Be Flood Smart." Above the banner are three tabs: "Know the Facts", "NFIP Resources", and "Insurance Center". To the right of the banner is a vertical menu with links: "Learn the Basics", "What's Your Flood Risk?", "NFIP in Your Community", "Estimate Your Premium", and "Find an Agent". Below the banner are four columns of content:
 

- Prepare**: "Be safe, be smart—be ready when the floodwaters start to rise. Know the Facts." Includes an image of a person reading a document.
- Participate**: "Is your community working with the NFIP to reduce flood losses? NFIP Resources." Includes an image of a group of people in a meeting.
- Protect**: "Don't suffer devastating financial loss due to floods. Insurance Center." Includes an image of a flooded interior.
- Agents**: "Enhance your marketing efforts by distinguishing yourself as a flood insurance expert. Begin today and participate in our new, interactive Agent Co-Op and Referral Programs, designed for Agents Only." Includes an image of a person at a computer.

 At the bottom of the page are several promotional boxes:
 

- Request Free Publications**: "Receive our in-depth information packet by email. Send your request." Includes a "Send your request" button.
- Fast Fact**: "Everyone lives in a flood zone. (For more information, visit Frequently Asked Questions: Flood Action) Find more fast facts." Includes a "Find more fast facts" button.
- Real Encounter**: "In 1995, a levee broke and practically buried the town of Papoa, CA in mud and silt. Find out how Alfred Ramirez coped with the damages to his family home." Includes a "Read Alfred's story" button.
- FEMA News Flash**: "For news related to weather and disaster recovery, go to: FEMA.gov" Includes a "FEMA.gov" button.
- E-newsletter**: "Stay smart—stay FloodSmart! Subscribe to FLOOD Alert. Sign up here" Includes a "Sign up here" button.

that included Bravo, CMT, ESPN, Fox News, and The Weather Channel.

## Print Advertising

Ads in *Parade Magazine* and *USA Weekend* have run in conjunction with television commercials in select targeted markets to strengthen the campaign message in areas especially prone to flooding.

## On-line Media

Banner ads have been strategically placed on web sites to reach the campaign's target audience. Direct links to FloodSmart.gov are positioned on search engine main pages to drive traffic to this web site.

## Consumer and Agent Direct Mail

FloodSmart consumer mailings focus on the following three strategies.

### Acquisition Mailings

These mailings carefully target consumers with a high propensity to purchase a policy based on:

- Flood policy penetration within their geographic area.
- Purchasing behavior (how it relates to flood activity).

- Potential growth opportunity by community.

- Flood history and seasonality.

All acquisition mailings encourage consumers to contact their agent (or an agent in their area) to purchase a flood policy through the NFIP.

### Retention Mailings

These mailings are sent monthly to current NFIP customers who are statistically unlikely to renew their policies. The consumers are directed to contact their current agent to renew their policy.

### Win-Back Mailings

These mailings are delivered monthly to customers whose NFIP policies have lapsed.

## Agent Co-Op Program

The Agent Co-Op Program is designed to provide insurance agents with a way to tie into the national FloodSmart campaign by using pre-approved, NFIP-oriented, creative advertising materials. Agents are reimbursed for a portion of their advertising costs. Those agents who complete flood-specific training are rewarded with additional reimbursement dollars. In addition, WYO com-

panies and insurance associations can participate by taking advantage of a unique "grouped" advertising program.

## E-newsletter

Subscribe on FloodSmart.gov to the campaign's monthly e-newsletter. The newsletter provides in-depth information about flood insurance, recent personal testimonials, and current flood events. It is sent directly to your e-mail address. Agents may use the contents of the e-newsletter in their own communications with policyholders and prospects.

## Becoming FloodSmarter

It's easy to spot the new campaign elements. Just look for the "red warning label" and the new NFIP logo on campaign materials. For more



information about the NFIP's new advertising and marketing campaign, log on to [www.FloodSmart.gov](http://www.FloodSmart.gov). 

## DEFINITION

### Ponding Hazard

Ducks love 'em, golfers hate 'em. Many ponds are featured elements of parks and golf courses. But in some areas it is not unusual for temporary ponds to appear as the result of a sudden heavy downpour, creating a flood hazard to nearby property. Thus, although a pond may not be present under ordinary conditions, areas prone to periodic ponding have their own designation on Flood Insurance Rate Maps (FIRMS) to ensure that property owners who will be affected by local ponding are aware of the hazard they face.

According to the NFIP's *Flood Insurance Manual*, ponding is:

**"A flood hazard that occurs in flat areas when there are depressions in the ground that collect 'ponds' of water. The ponding hazard is represented by the zone designation AH on the FIRM."**

# New Flood Maps Coming

Bruce A. Bender, Bender Consulting Services

For the past several years, industries that routinely use and rely on Flood Insurance Rate Maps (FIRMs) have been calling for them to be updated to more accurately depict current risks of flooding. In response, the President approved a multi-year nationwide effort, called Multi-Hazard Flood Map Modernization, or "Map Mod," to update the FIRMs and present them in digital form. The resulting maps will be more reliable and provide quicker and easier access to the data.

Every NFIP stakeholder will benefit from this exciting new opportunity. These stakeholders range from the local officials responsible for managing development and emergency response to lenders and agents responsible for offering the proper financial protection from flood losses to their clients.

## What's Different about the New Maps?

Map Mod will use state-of-the-art technology. New engineering practices and tools will streamline floodplain studies and improve results. Capturing interim data throughout the process will improve data quality and provide access to mapping products earlier in the mapping lifecycle. Spatial visualization techniques will provide easy viewing and analysis of the information. Data quality will also be enhanced through refined standards.



## Who Will Make It Happen?

Map Mod is a collaborative process and a new way of doing business for government officials at all levels. These officials and other stakeholders will be active in mapping operations (e.g., collecting, updating, and adopting data). Leveraging of partnerships will allow States and communities to choose the extent of their involvement.

FEMA's mapping partners participated in the Map Mod business planning process, identifying levels of involvement in mapping operations. FEMA's first Multi-Year Flood Hazard Identification Plan (MHIP) provides a 5-year forecast of flood mapping activities, thereby enabling mapping partners and flood map users to better plan for map updates, increase opportunities for sharing common data sets, and leverage resources across all levels of government and industry.

## How Does It Impact Insurance?

Insurance agents and Write Your Own companies play an important role in educating the public. In addition to knowing

when the map changes will occur, insurance professionals will need to know what to do and what to tell home and business owners about managing their flood insurance coverage. In some situations, taking advantage of the NFIP's grandfathering rule may make sense; while in others, continuing protection with a Preferred Risk Policy (PRP) may be the solution. Now available for commercial and renter markets, the PRP will play an even more important role in ensuring the best coverage for the home and business owners as the maps change. Either way, the risks are changing and continue to be real. The key is to stay informed, be "FloodSmart," and know what solutions to offer your clients. The box below shows an example of options for when a flood zone changes. As always, refer to the *Flood Insurance Manual* for specific details.

## Benefits to NFIP Stakeholders


Map Mod touches a broad stakeholder community whose members will see different benefits. Community planners and local officials will gain a

New Marketing Opportunities	
When A Flood Zone Changes	Property Owners Should Consider These Options
From a low- or moderate-risk zone to a high-risk zone	Maintain policy or buy before new rates take effect.
From a high-risk zone to a low- or moderate-risk zone	Purchase low-cost Preferred Risk Policy. Twenty-five to thirty percent of NFIP claims occur in low- to moderate-risk zones.



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greater understanding of the flood hazards and risks that affect their communities. Builders and developers will have detailed information for making well-informed decisions on where to build and how they can affect flood zones. Insurance agents and lending institutions will clearly understand map changes and what they need to do. Home and business owners will be better informed about their current flood risks.

For more information on Map Mod, visit [hazards.fema.gov](http://hazards.fema.gov) or [www.fema.gov/fhm/mm\\_main.shtm](http://www.fema.gov/fhm/mm_main.shtm). FEMA's Map Mod Plan, the MHIP, is available at [www.fema.gov/fhm/mh\\_main.shtm](http://www.fema.gov/fhm/mh_main.shtm). To learn more about what FEMA is doing to help educate consumers about their risk as well as tools, tips, and material for agents (including the co-op advertising program), go to [www.floodsmart.gov](http://www.floodsmart.gov). 

*After running an insurance agency and then managing the growth of one of the largest WYO company flood insurance programs for more than 10 years, Bruce A. Bender now manages his own consulting firm. He is also part of the Map Modernization consortium and is a member of the J. Walter Thompson "FloodSmart" team.*

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## Getting to Know the NFIP's Coverage Options

*Tuula Young, FEMA*


Is flood insurance really a specialty product? Before you decide, perhaps you should consider your ability to assist your clients in choosing appropriate loss mitigation vehicles for common perils. Water damage, a common occurrence, comes in many forms, including mold, seepage, appliance leaks, and various degrees of flooding. Some water damage can be covered by other types of insurance such as homeowners. Sometimes, other insurance may be the best option. By understanding when flood insurance coverage would benefit your business and personal property insurance clients, you can provide the expert advice they need to protect themselves against flood damage.

At the mention of floods, the first image that comes to the minds of many people is of houses floating downriver during highly publicized catastrophic flooding events. Fortunately, in most parts of the country, such occurrences are the exception, not the rule. On the other hand, flooding events that result in a handful of properties being impacted by a few inches of water, although not

publicized, are common. Spring rains, melting snow, summer, autumn and winter storms, and rising creeks and rivers that overload drainage systems and inundate normally dry areas are not considered catastrophic events, although they can be financially ruinous to the property owners impacted. As little as 2 inches of flood water that has been contaminated by sewage or dead animals can damage floors, carpeting, and personal property, sending mold creeping up walls. Becoming a flood victim is traumatic, but it is even more devastating to find that your homeowners or fire policy does not cover flood damage and that flood insurance may have been available, but was not offered.

Flood loss data from across the country demonstrate a lack of flood insurance training among agents. Flood insurance coverages require an understanding of complex floodplain management and lender compliance issues. Insurance companies should see that their agents obtain Continuing Education Units in flood insurance courses. Unfortunately, in

regions that do not normally experience catastrophic flooding events, many insurance agents do not take advantage of flood insurance training opportunities. These agents sometimes offer incorrect information about floods and flood insurance coverage, with disastrous results.

We urge agents to invest the time to expand their knowledge of flood insurance. Training opportunities are available via WYO companies and the NFIP's regional offices. Upcoming NFIP workshops are listed online ([www.fema.gov/nfip/a\\_wshop.shtm](http://www.fema.gov/nfip/a_wshop.shtm)) and on page 38 of this newsletter. The NFIP even offers online flood insurance training free of charge. Visit the NFIP FloodSmart Agent training site ([training.nfipstat.com/](http://training.nfipstat.com/)) for more information. 

*Tuula Young has been a Program Specialist in the Risk Communications Branch of FEMA's Mitigation Division for nearly 5 years. Previously, she owned an insurance agency and had 20 years experience in multiple lines of insurance and financial services.*

# Preparing for Spring Flood Risks

Lynd Morris, NFIP Bureau and Statistical Agent

Cicles begin to drip along the eaves, early snowdrops and crocuses push through the snow. The air and ground become warmer, and trees and bushes develop tiny buds. Spring has arrived.

In the Northern Hemisphere, meteorologists designate March, April, and May as the spring months. The earth's axis begins to tilt toward the sun during these months, exposing the large land masses in the Northern Hemisphere to warming solar rays. Gradually, the average temperature rises, and snowpack that formed during the winter months when the earth's axis was tilted away from the sun begins to melt. The stage is set for spring flooding.

## The Snow's Got to Go

When the snowpack that has built up in cold climates during the winter begins to melt, it moves downstream, eventually draining into lakes, reservoirs, and finally the ocean.

A heavy snowpack is good insurance that reservoirs will collect enough water in the spring to sustain communities and agriculture throughout the summer.

"River flooding occurs when runoff exceeds the ability of a river to convey water downstream," explains Frank Richards of the National Oceanic and Atmospheric Administration's (NOAA's) Office of Hydrology. "Snowmelt flooding is

most common in the Midwest, where river basins are relatively flat, and river beds drop gradually along their length. These conditions mean that water moves slowly—and, just as when vehicles move too slowly on urban roadways, massive congestion can occur. When this happens in a river, not only does the water back up, but it also rises, eventually causing flooding. While elevation differ-

chunks, some as large as the ubiquitous SUVs. As these masses of ice flow downstream, they sometimes jam up at constrictions or bends in the river or at bridges, much like traffic backing up at the site of an auto wreck. Water can rise rapidly behind these ice dams, causing significant upstream flooding. Occasionally, the jam can give way—causing a gush of water and chunks of ice to move downstream."

## April Showers Bring May...Floods?

Snowmelt is not the only cause of spring flooding. "When the Northern Hemisphere moves from winter to summer, the atmosphere readjusts itself," says Richards. "This is a transition season in which cold air tends to get pushed north and overrun by warm, moist air from the south. The clashes of these air masses trying to outflank each other result in instability and convection, causing severe weather that includes tornadoes, thunderstorms, hail, and flash flooding." (See the 2004 *Watermark*, Number 2, pages 16-23, for descriptions of these severe weather phenomena.)

"Unlike snowmelt and ice jam flooding, which are most severe in areas immediately adjacent to rivers, flash flooding can strike anywhere, including locations far removed from rivers and streams," adds Richards. "Flash flooding usually is limited in the extent of the area it affects, and, as the name implies, its onset is rapid. It typically results from pockets



John Weaver, NOAA

(Above) An April 1997 flash flood in Ft. Collins, Colorado, swept buildings off their foundations and took 5 lives. (Right) Water from the Red River inundated East Grand Forks, Minnesota, in April 1997.



David Saville, FEMA

ences and river flow rates sometimes are more pronounced in the Mid-Atlantic and Northeast than in the Midwest, snowmelt flooding is not uncommon there, either."

According to NOAA's Richards, another type of flooding occurs exclusively in winter and early spring. "Ice jam flooding is caused by either snowmelt or runoff from rainfall. As levels rise on ice-covered streams, the ice sheet can fracture into

of intense rain that fall far faster than soils can absorb it. As a result, water not only pools in low areas, including underpasses and basements, but also pushes small streams out of their banks."

### No Region Is Immune

States that experience little or no snowfall do not accumulate snowpack or experience spring snowmelt. Violent spring thunderstorms may be infrequent in some parts of the United States. However, even though some states experience fewer spring flood conditions than others, no state has escaped spring flooding entirely.

Although data is unavailable for losses suffered by millions of uninsured flood victims, the NFIP keeps track of the flood insurance claims paid to insured property owners throughout the United States and its territories. An analysis of these paid claims provides some clues about where and when spring floods have been most severe.

Of the 818,992 flood insurance claims that were paid in the United States between January 1, 1980, and October 31, 2004, nearly 29 percent (234, 350) were paid for losses that resulted from spring floods.

Following is a summary of the years in which the largest flood losses were paid in each FEMA Region during March, April, and May. October 31, 2004, reports were used to compile this summary, which includes data gathered by the NFIP between March 1, 1980, and May 31, 2004. See the State Stats tables beginning on page 31 for spring flood loss distribution by policy type for each FEMA Region during the last 25 years.

### Region I

#### Selected Severe Spring Flood Seasons Region I NFIP Paid Spring Flood Losses 1980-2004

Year	Paid Losses	Claim Payments (in millions)
1983	616	\$3.3
1984	944	\$6.8
1987	1,120	\$14.3
1996	405	\$4.9
2001	899	\$8.4

Although most flood insurance claims in FEMA Region I states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont) have been paid for fall flood losses in the last 25 years, spring flooding in this region is responsible for an average of 231 paid losses each year.

Altogether, in the last 25 years, the NFIP paid nearly \$52.3 million for 5,786 Region I spring flood claims.

### Region II

#### Selected Severe Spring Flood Seasons Region II NFIP Paid Spring Flood Losses 1980-2004

Year	Paid Losses	Claim Payments (in millions)
1980	4,634	\$13.2
1983	2,365	\$7.0
1984	8,370	\$64.6
1987	1,221	\$7.6
1993	2,360	\$26.7
1994	1,609	\$13.8

Winter floods have taken the highest toll in flood losses in FEMA Region II states and territories (New Jersey, New York, Puerto Rico, and the Virgin Islands) during the last 25 years. However, spring flooding is responsi-

ble for more than a quarter of this region's total NFIP paid claims since 1980. An average of 1,016 NFIP losses has been paid in Region II states during each of the last 25 springs.

Altogether, in the last 25 years, the NFIP paid more than \$160.3 million for 25,404 Region II spring flood claims.

### Region III

#### Selected Severe Spring Flood Seasons Region III NFIP Paid Spring Flood Losses 1980-2004

Year	Paid Losses	Claim Payments (in millions)
1984	1,862	\$25.3
1996	927	\$13.8
1997	647	\$8.1
2002	675	\$8.9
2004	606	\$10.8

Since 1980, floods have been responsible for an average of 340 paid losses every spring and have accounted for 12.4 percent of the annual paid claims in FEMA Region III Mid-Atlantic states (Delaware, the District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia).

Altogether, in the last 25 years, the NFIP paid nearly \$95.6 million for 8,503 Region III spring flood claims.

### Region IV

During the last 25 years, nearly 19 percent of all spring flood losses have been paid in FEMA Region IV Southeastern states (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee). There has been an average of 1,758 paid losses in this region each spring since 1980.

**Selected Severe Spring Flood Seasons  
Region IV NFIP Paid Spring Flood Losses  
1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1980	2,885	\$15.3
1983	5,145	\$49.5
1984	4,113	\$41.4
1993	10,562	\$209.8
1997	5,030	\$95.9
1998	2,937	\$52.8
2003	2,577	\$53.3

Altogether, in the last 25 years, the NFIP paid nearly \$635.7 million for 43,966 Region IV spring flood claims.

**Region V**

Spring is the worst flood season in FEMA Region V Great Lakes states (Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin). During the last 25 years, more than 40 percent of all paid losses from this region have resulted from spring floods, with an average of 824 NFIP claims paid each spring.

Altogether, in the last 25 years, the NFIP paid more than \$207.4 million for 20,609 Region V spring flood claims.

**Selected Severe Spring Flood Seasons  
Region V NFIP Paid Spring Flood Losses  
1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1982	3,256	\$16.4
1983	1,517	\$4.6
1985	2,236	\$10.5
1996	1,128	\$9.1
1997	4,798	\$94.9
2001	1,171	\$16.1

**Region VI**

Nearly 45 percent of all spring losses paid by the NFIP in the United States and its territories since 1980 have been paid in FEMA Region VI states (Arkansas, Louisiana, New Mexico, Oklahoma, and Texas). In the last 25 years, the NFIP has paid an average of 4,203 Region VI claims during each spring flood season.

Altogether, in the last 25 years, the NFIP paid more than \$1.3 billion for 105,085 Region VI spring flood claims.

**Selected Severe Spring Flood Seasons  
Region VI NFIP Paid Spring Flood Losses  
1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1980	16,686	\$109.1
1982	4,747	\$33.8
1983	14,060	\$123.2
1991	5,823	\$68.4
1995	33,724	\$610.7

**Region VII**

More than a third of all NFIP paid losses in FEMA Region VII states (Iowa, Kansas, Missouri, Nebraska) have occurred during the spring months. Since 1980, the NFIP has paid an average of 511 claims during each spring flood season.

Altogether, in the last 25 years, the NFIP paid more than \$134 million for 12,765 Region VII spring flood claims.

**Selected Severe Spring Flood Seasons  
Region VII NFIP Paid Spring Flood Losses  
1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1983	3,139	\$16.4
1990	744	\$12.8
1993	1,291	\$14.2
1994	1,379	\$25.3
1995	1,489	\$17.7
2001	570	\$9.5

**Region VIII**

Spring is the worst flood season for FEMA Region VIII Rocky Mountain and Plains states (Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming). Flooding during the spring months has produced more NFIP losses in Region VIII since 1980 than in all of the other seasons combined. Excluding 1997, the average number of paid losses in this region each spring has been 75. However during the spring of 1997, severe flooding along the Red River of the North produced

**Selected Severe Spring Flood Seasons  
Region VIII NFIP Paid Spring Flood Losses  
1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1989	217	\$0.9
1996	236	\$7.2
1997	4,818	\$105.8
1999	245	\$4.9
2001	295	\$3.1

4,818 paid losses. Of these, 86 percent of claims were paid in North Dakota, and 11 percent of claims were paid in South Dakota.

Altogether, in the last 25 years, the NFIP paid more than \$131.6 mil-

lion for 6,605 Region VIII spring flood claims.

**Region IX**

Although winter is the worst flood season in the FEMA Region IX states and territory (Arizona, California, Guam, Hawaii, and Nevada), with nearly 73 percent of this region's losses paid during December, January, and February, spring floods account for more than 15 percent of the region's paid losses. An average of 24 NFIP losses has been paid in 18 of the last 25 springs; however, spring floods produced many more paid claims in the years listed below.

**Selected Severe Spring Flood Seasons Region IX NFIP Paid Spring Flood Losses 1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1980	277	\$2.4
1983	1,335	\$12.4
1991	179	\$1.9
1993	75	\$0.7
1995	1,890	\$37.9
1998	352	\$4.9
2001	71	\$1.1

Altogether, in the last 25 years, the NFIP paid more than \$64.4 million for 4,640 Region IX spring flood claims.

**Region X**

Autumn and winter are the most damaging flood seasons in FEMA Region X states (Alaska, Idaho, Oregon, and Washington). However, since 1980, spring floods have contributed more than 8 percent of all NFIP claims paid in this region. In each of the last 25 years, an average of 30 spring flood losses was paid in Region X states.

**Selected Severe Spring Flood Seasons Region X NFIP Paid Spring Flood Losses 1980-2004**

Year	Paid Losses	Claim Payments (in millions)
1980	195	\$4.2
1991	74	\$0.9
1997	186	\$2.5
1998	53	\$0.5

Altogether, in the last 25 years, the NFIP paid more than \$157.6 million for 9,187 Region X spring flood claims.

**Alerting Those at Risk**

By the end of July 2004, the U.S. Census Bureau estimated that there were just over 122 million housing units in the United States. But according to NFIP records, by the end of July 2004, there were fewer than 4.5 million NFIP policies in force, including commercial policies. This means that more than 96 percent of housing units in the United States did not have flood insurance coverage! Given that spring flooding is a real hazard in every region of the United States, why do so many buildings still lack flood insurance coverage?

Countless flood victims have admitted that they didn't realize they needed flood insurance coverage. And, in spite of the fact that consumers are statistically more likely to become flood victims than fire victims, awareness of the flood hazard and the availability of flood insurance protection remains low.

Exposure to sound information about flood risks is one of the many factors that influence a consumer's decision to purchase flood insurance protection. (Read "Risky Behavior" on

pages 8–12 for a discussion of other factors.) Keeping protection against flood losses alive in the public's mind is the primary function of seasonal flood awareness campaigns.

**Campaigning for Flood Preparedness**

Each of the last three editions of *Watermark* has contained an article addressing seasonal flooding. These articles were accompanied by lists of suggestions for planning and implementing local flood awareness campaigns tied to the upcoming season's flood threat. Following is a synopsis of these suggestions.

**Create a Plan**

Consider developing a flood awareness campaign that includes the five steps below. A minimal investment of time and resources now can pay off in a significant savings of life and property in your community when the unexpected happens.

1. Identify potential partnerships.
2. Create a campaign strategy.
3. Collect resources.
4. Implement the campaign.
5. Measure the campaign's success.

**Identify Potential Partnerships**

Does your community participate in the NFIP? Check out the list on the NFIP web site ([www.fema.gov/fema/csb.shtm](http://www.fema.gov/fema/csb.shtm)) to see if your community is among the more than 20,000 NFIP communities in the United States and territories. If you discover that your community is not yet participating in the NFIP, visit the NFIP State Coordinators' page of the Association of State Floodplain Managers web site ([www.floods.org/StatePOCs/](http://www.floods.org/StatePOCs/)

map.asp) to access contact information for your NFIP Coordinator who can provide the help your community needs to join the NFIP.

If your community is participating in the Program, NFIP stakeholders in your area could provide an invaluable public service by collaborating to conduct flood awareness campaigns to protect lives and property. On page 23 is a partial list of potential campaign partners. Invite them to share their public awareness goals and interest in partnering with you in your community outreach efforts.

### **Create a Campaign Strategy**

Hold a planning meeting with potential partners and set concrete campaign goals such as a total number of materials distributed, an increase in the community's flood insurance policy count by a specific date, or a measurable decrease in requests for disaster assistance after the next flood disaster.

Discuss available resources and determine which activities to implement. Decide on a budget and how it will be tracked. Determine who will be responsible for each part of the campaign and by what date. Build into your plan simple ways to communicate on a regular basis to all partners the campaign's status, as well as its completion.

### **Collect Resources**

Once you've determined your partners and agreed upon campaign goals, set a budget, and developed an implementation calendar, you are ready to begin gathering information for use in direct mail letters to consumers, press releases, newspaper articles, or "Letters to the Editor." See the box below for a list of data sources.

Fliers, booklets, and brochures about flood preparedness are useful handouts at flood awareness displays and make great stuffers in direct

mailings. A number of organizations have developed flood awareness and preparedness materials for distribution to the public. Many of these items can be ordered in quantity and at no cost. See the box on page 24 for a list of organizations that produce flood-related materials that can be used in consumer education.

### **Implement the Campaign**

Now that you have information and literature to offer your community, you are ready to conduct the campaign. Following are suggestions for a few of the activities you might consider undertaking.

#### *Consumers*

There is no substitute for direct contact when it comes to community outreach and public awareness.

- Offer to make presentations about flood exposure and preparedness to local business, service, and educational organizations.

## **Sites Providing Storm and Flood Statistics**

**[www.ncdc.noaa.gov/oa/ncdc.html](http://www.ncdc.noaa.gov/oa/ncdc.html)** The National Weather Service's (NWS's) National Climatic Data Center (NCDC) site contains a variety of resources about storms. In particular, see the NCDC's Storm Data page ([www4.ncdc.noaa.gov/cgi-win/wwcgi.dll?wwEvent~Storms](http://www4.ncdc.noaa.gov/cgi-win/wwcgi.dll?wwEvent~Storms)) to collect data about flooding in a distinct location, during a specified time frame.

**[www.fema.gov/library/drcys.shtm](http://www.fema.gov/library/drcys.shtm)** This section of the Federal Emergency Management Agency site contains information pertaining to Presidential Disaster Declarations for all perils, listed by date and affected counties.

**[www.wrh.noaa.gov/wrhq/nwspage.html](http://www.wrh.noaa.gov/wrhq/nwspage.html)** This National Oceanic and Atmospheric Administration site includes a map of NWS offices across the United States (with links to each office) that can be used to research local weather history.

**[www.nws.noaa.gov/oh/hic/archive/index.shtml](http://www.nws.noaa.gov/oh/hic/archive/index.shtml)** The NWS Hydrologic Information Center site contains flood summary information data (1997 to present).

**[www.ems.psu.edu/WeatherWorld/summaries/sumtables.html](http://www.ems.psu.edu/WeatherWorld/summaries/sumtables.html)** The Pennsylvania State University "Weather World" site contains summaries of the weather systems that caused flooding and other weather-related disasters (1996 to present).

**[www.usgs.gov/themes/flood.html](http://www.usgs.gov/themes/flood.html)** The U.S. Geological Survey site flood page includes links to several reports of flood disasters and the climate conditions that caused them.

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## Potential Campaign Partners and Their Contributions

### Community floodplain and emergency response officials

- Access to local information about hazards, protection, and preparedness
  - Personnel who can offer presentations and staff booths at consumer events
  - Flood awareness messages on giveaway materials using public awareness funding
  - A flood awareness page on the local government web site
- 

### Local and regional insurance companies and professional insurance associations

- Insurance expertise about coverage against flood, wind, lightning, and hail damage
  - Personnel who can offer presentations and staff booths at consumer events
  - Funding for the development of local flood awareness giveaways that include their name/logo
- 

### Local lending institutions

- Flood protection messages in their regular mailings to customers
  - Funding for the development of local flood awareness giveaways that include their name/logo
- 

### Local home improvement stores

- Specialists to offer presentations about floodproofing
- Funding for the development of local flood awareness giveaways that include their name/logo

### Local media

- Flood awareness messages in local news stories
  - Funding for the development of local flood awareness giveaways that include their name/logo
  - Funding for a flood awareness booth at local consumer events
  - Flood preparedness information on their web sites
- 

### Local schools and libraries

- Flood awareness and preparedness sections in curriculum
  - Sponsoring a flood forum or science event with floods and other natural hazards themes
  - Space and materials for producing a flood awareness table or booth
  - Flood preparedness information on their web sites
- 

### Local service organizations

- Venues for presentations about flood preparedness
- People to staff awareness booths at consumer events
- Funding for the development of local flood awareness giveaways that include their name/logo
- Flood preparedness information on their web sites

## Organizations Producing Flood Awareness Materials

**National Flood Insurance Program (NFIP)** Visit the NFIP web site publications page ([www.fema.gov/nfip/libfacts.shtm](http://www.fema.gov/nfip/libfacts.shtm)) for a list of flood-related consumer items, and the forms page ([www.fema.gov/nfip/order.shtm](http://www.fema.gov/nfip/order.shtm)) to download an order form for obtaining public awareness materials that are available in quantity and free of charge.

**American Red Cross (ARC)** Check with your local Red Cross chapter or emergency services department for flood-related materials. Links to local chapters are available on the ARC web site ([www.redcross.org/where/chapts.html](http://www.redcross.org/where/chapts.html)).

**Association of State Floodplain Managers (ASFPM)** Visit the web site of the Association of State Floodplain Managers ([www.floods.org/links.htm](http://www.floods.org/links.htm)) for links to national, state, and local organizations that are flood related. Most of these organizations produce public awareness materials.

**National Weather Service (NWS)** Download publications from the web site of the National Oceanic and Atmospheric Administration (NOAA) by visiting [www.nws.noaa.gov/om/brochures.shtml](http://www.nws.noaa.gov/om/brochures.shtml) and scrolling down to the section marked "Floods." You also can order as many as 300 free printed copies of the listed brochures from your local NWS office or by sending an e-mail request to the NOAA Outreach Unit ([NOAA-OUTREACH@noaa.gov](mailto:NOAA-OUTREACH@noaa.gov)).

**United States Geological Survey (USGS)** Visit the bookstore section of the USGS web site (<http://store.usgs.gov/>) for a range of low-cost books and reports. Once in the store, select the "Pamphlets, Fliers, and Brochures" option in the left column to view dozens of additional publications on many flood-related topics that are available at no cost.

- Provide a "flood information" presence at local libraries and schools as well as at consumer events such as fairs and mall expos. Distribute free flood preparedness pamphlets and fliers.
- Create a flood awareness web site for your community. Include links to the NFIP, ARC, ASFPM, and NWS. If possible, build into the site the capability of measuring the number of visitors.
- Publish a special section in your paper with flood emergency information that includes the phone numbers of local emergency services offices, the American Red Cross chapter, and the nearest hospitals. Publish emergency evacuation routes for areas prone to flooding. Keep a file of all submissions that are published.
- Conduct direct mailings of NFIP literature to homeowners, renters, and businesses in the floodplain. To reduce mailing costs, coordinate these with regular mailings such as utility bills or bank statements. To help determine campaign exposure, keep track of how many pieces of mail contained a flood awareness message.
- Place a flood awareness message on a billboard that is located along a heavily traveled road.
- Involve local meteorologists in your awareness campaign by inviting their participation in outreach events.
- Hold a flood awareness competition in the schools with prizes for students who illustrate flood hazards and preparedness. Display winning illustrations publicly and inform the local press about this photo opportunity. Keep track of media coverage.
- Offer historical local flood damage and insurance coverage statistics as well as experts who can be interviewed about flood preparedness. Keep track of interviews that are held and articles published with flood awareness themes.
- Ask local radio and television stations about their requirements for public service announcements (PSAs). Develop several short PSAs about flood preparedness and submit these to all stations. Refer to PSAs that are available on the FEMA web site ([www.fema.gov/library/psa](http://www.fema.gov/library/psa)). Request a record of when the PSAs aired as well as the
- Write newspaper articles or "Letters to the Editor" that describe local flood hazards. Include historical statistics about local flood damage and highlight preparedness strategies and insurance protection.

### News Media



size of the projected audience to help measure exposure.

### **Measure the Campaign's Success**

No campaign is complete until its success is quantified. Measuring a shift in awareness without the aid of costly, labor-intensive polls and surveys can be challenging. However, you can estimate how many of your fellow citizens were exposed to the flood protection message as you conduct your campaign. How many presentations were made, and how many people attended each? How often did you or your campaign partners send out direct mailings that included a flood awareness message? How many people were on the mailing lists you used? Did you order flood preparedness literature to distribute at a consumer event or to stock a flood awareness table at the local library or other public location? How many pieces of literature did you start with, and how many do you have left?


Media outlets regularly analyze the size and demographics of their audiences. If flood awareness articles were published or PSAs were used by local radio and TV, find out the pro-

jected size of their audience. Put together a short summary of what you learned, what worked, and what you'd do differently. Send a copy of your report to each of your partners and celebrate your successes.

It may take weeks or even months before increased consumer awareness will be reflected in flood insurance sales. It may take even longer to see a reduction in the number of disaster assistance applications after a flood. But by publicizing flood preparedness now and repeating your efforts prior to and during each upcoming flood season, you will see your neighbors and colleagues reflecting a growing concern about flood risks. Not only will consumers in your area become more likely to proactively protect themselves against flood losses, but they also will be more likely to support proposed flood prevention and mitigation projects designed to avert flood damage.

### **Spring Forward**

When winter turns to spring, thunderstorms exacerbate flooding as precipitation drains into waterways

already carrying increased volumes of water from snowmelt. Both conditions can spell trouble for communities located in the floodplain. When the water begins to rise, it will be too late to warn your community about the dangers of flooding. The NFIP has a 30-day waiting period before flood insurance policies take effect. However, when you inform home and business owners about flood risks and urge them to protect themselves financially from flood losses now, you will have empowered them not to gamble with a predictable risk. And, after the sun comes out and the water recedes, the success of your efforts will be measured by the number of NFIP policyholders who can look forward to rebuilding their homes and their lives without the burden of paying back disaster assistance loans. 

*Lynd Morris has worked with the NFIP as a communications specialist since 1983 and has been the writer and associate editor of the Watermark for the last 7 years.*

## **DEFINITION**

### **Loss in Progress**

Regression? A lack of improvement? Devolution? Just as gloomy, a loss in progress is NFIP terminology for flood damage that already was under way on the first day that insurance was in force or increased. Damages that took place just as insurance was taking effect or being increased are not covered by the NFIP.

The *Flood Insurance Manual* provides a specific definition for when coverage takes place and what losses it will cover.

**"A loss that is already in progress as of 12:01 a.m. on the first day of the policy term; or, as to any increase in the limits of coverage which is requested, a loss that is already in progress when the additional coverage is requested."**

# CRS: Movin' On Up

The NFIP's Community Rating System (CRS) is continuing to grow. On May 1, 2004, the number of CRS communities qualifying for discounts on their residents' flood insurance policies topped 1,000 for the first time ever. As of October 1, the number of CRS communities had increased to a new record of 1,006.

According to the CRS homepage on FEMA's web site ([www.fema.gov/nfip/crs.shtm](http://www.fema.gov/nfip/crs.shtm)), CRS communities account for fully two-thirds of the NFIP's policy base.

## The Win-Win Solution

Begun in 1990, the CRS is an innovative program that combines flood mitigation with flood insurance to improve the quality of life for residents of flood-prone communities. When a community enters the CRS, it agrees to undertake floodplain management and other flood mitigation activities that exceed the NFIP's minimum requirements.

As mitigation activities are completed and documented, NFIP policyholders in the community become eligible for discounts on their premiums. In time, the completed mitigation activities help to reduce the threat of flood damage in the community and the NFIP's cost of claim settlements. With the CRS, everyone wins.

CRS communities are rated on a 10-step scale (Class 10 = no discount, Class 1 = highest discount) according to the flood mitigation activities that they complete in any of four broad categories:

- Public Information
- Mapping and Regulation
- Flood Damage Reduction
- Flood Preparedness.

CRS class is associated with a premium discount that ranges from 5 percent for a Class 9 designation to 45 percent for a Class 1 designation.

## Stars of the Period

Seven communities were admitted to the CRS effective October 1, and another two communities were reinstated in the program. Nearly 25 communities had improved their rate classes over the previous 6 months, thereby increasing the premium discounts available to their residents.

The stars of the half-year period were:

- The City of Wood Dale, Illinois;
- Clackamas County, Oregon; and
- The Town of Grifton, North Carolina.

Improving CRS communities typically move up one class at a time—as Class 9 to 8, or Class 8 to 7. However, the northeastern Illinois community of Wood Dale completed so many flood mitigation activities

that it jumped from Class 8 to Class 5. People who buy or renew flood insurance in Wood Dale on or after October 1 will receive a discount of 25 percent on their premiums.

**Distribution of CRS Communities by Rate Class, with Premium Discounts<sup>1</sup> as of October 1, 2004**

Rate Class	Number of Communities	Share of Total Communities	Flood Insurance Premium Discount <sup>2</sup>
1	0	—	45%
2	1	<1%	40%
3	0	—	35%
4	2	<1%	30%
5	26	2%	25%
6	53	5%	20%
7	196	18%	15%
8	407	36%	10%
9	321	29%	5%
<b>Total</b>	<b>1,006</b>	<b>90%</b>	<b>-</b>

<sup>1</sup>Preferred Risk Policies and Mortgage Portfolio Protection Program policies are not eligible for CRS premium discounts.

<sup>2</sup>These discounts apply in Zones A, AE, A1-A30, V, V1-V30, AO, and AH. In all other zones, the discount is 10% for Classes 1-6 and 5% for Classes 7-9.

Source: CRS Section, NFIP *Flood Insurance Manual*, October 1, 2004, Revisions Supplement

Although most participating communities enter the CRS at Class 9, Clackamas County, Oregon, and the Town of Grifton, North Carolina—both admitted to the CRS on October 1—entered at Class 5 by virtue of the extensive mitigation activities they'd already completed. Their policyholders, too, will receive 25 percent discounts on flood insurance written or renewed on or after October 1.

The table above shows the October 1 breakdown of CRS communities among rate classes.


## How the CRS Benefits Communities

Year after year, floods are the nation's most common, and costly, natural disaster. Few communities can become totally free from risk of flood. The goal of the CRS is, rather, to work with communities to reduce flood-related property damage, economic disruption, and loss of life.

As the table shows, there isn't a Class 1 community at present. In fact, the CRS has never had a Class 1 community—but the first one might not be long in coming. On October 1, 2000, the City of Tulsa, Oklahoma, became the CRS's first Class 3 community. Three years later, Tulsa moved up to Class 2.

Tulsa's extraordinary commitment to flood mitigation ensures that harm to people and property from any future flood there will be minimal. Flood mitigation truly is a quality-of-life measure, because it benefits everyone in a community, not just NFIP policyholders. As for the policyholders in Tulsa, they receive a 40-percent discount on their flood insurance premiums. Will they reach the 45 percent maximum discount?

Other leading prospects to become the first CRS Class 1 community include King County, Washington, and the City of Fort Collins, Colorado. Both communities reached Class 4 in October 2001, earning their NFIP policyholders a 30-percent premium discount.

Fort Collins became committed to flood mitigation, and the CRS, after an early 1997 flood killed five people there, injured another 60 people, and caused more than \$200 million in property damage. Barely 2 years later, an even worse flood—caused by the second heaviest rainfall in Colorado history—swept through Fort Collins. However, in the 2 intervening years, people in the floodplain had been given financial incentives to demolish or move their buildings, and the resulting open space was converted to a public park. Property damage from the 1999 flood in Fort Collins was minimal, and officials estimated that 100 lives were saved by the flood mitigation measures undertaken after the 1997 flood. 

## Farewell, and Thanks, to a Class 1 Gentleman

Last July, Richard Decker stepped aside from his 17-year role as the first Chair of the Community Rating System Task Force.

Widely known and respected for his several decades of experience in the property and casualty insurance industry, Dick was appointed Task Force Chair by the Federal Insurance Administrator in 1987, when the multidisciplinary stakeholder group was formed. The group's mission was to develop ways to provide communities with incentives to go beyond the NFIP's baseline standards for floodplain management and flood mitigation.

The result, 3 years later, was the launch of the NFIP's innovative Community Rating System (CRS). Its credo?

- To reduce flood losses
- To promote awareness of flood insurance
- To facilitate accurate rating for flood insurance


Initially, 300 communities participated in the CRS. With Dick at the helm, the CRS grew steadily, matured, and began to realize its potential. Today, 1,116 communities participate in the CRS. These communities earn discounts on flood insurance premiums by completing approved flood mitigation measures. Although CRS communities constitute less than 6 percent of all communities that participate in the NFIP, they represent 66 percent of the NFIP's 4.4 million policies in force.

Dick Decker formally resigned from his position as Chair at the mid-July meeting of the CRS Task Force in Boulder,



*Richard Decker, CRS Task Force*

Colorado. Grateful members of the Task Force presented him with a plaque conferring on him "Honorary Class 1" status.

Farewell, Dick—and thank you for your wisdom, your humor, and your remarkable ability to get people to work together. The NFIP is indebted to you. So, too, are the residents of the 1,116 CRS communities. 

## Enrolling in CRS

If your community would like to benefit from participation in the Community Rating System, it's not difficult to get started. First, the community's chief executive must appoint a CRS coordinator to handle the application process and serve as liaison between the community and the NFIP. The CRS coordinator may wish to assemble a small but broad-based advisory group.

Next, the CRS coordinator should visit the Community Rating System Resource Center on the web site of FEMA's Emergency Management Institute at <http://training.fema.gov/emiweb/crs/index.htm>.

The online CRS Resource Center makes it easy for communities to


learn about, and apply for participation in, the CRS.

The Getting Started button at the bottom left of the homepage screen provides a brief overview of the CRS and a link to an online Quick Check that lets visitors find out whether their communities could qualify for the 500 points needed to join the CRS. Just below that, the Introduction, Procedures, and Application Process tabs provide all of the initial information needed.

Application assistance also is available from the Insurance Services Office (ISO) by telephone (317-848-2898), e-mail ([nfipcrs@iso.com](mailto:nfipcrs@iso.com)), or regular mail at the following address:



NFIP/CRS  
PO Box 501016  
Indianapolis IN 46250-1016

If your community decides to join the CRS, ISO specialists will help the CRS coordinator apply to the program and design, implement, and document flood mitigation activities that earn premium discounts. Before long, your community, too, can be "movin' on up." 

## NextGen Project Update

The NextGen project is modernizing the NFIP by developing web-based, e-Government flood insurance capabilities. Delivery is scheduled for 2006. At present, NextGen is building prototypes that undergo extensive testing to ensure that they work under current and future processes, meet real NFIP turnaround and volume demands, and can be used and maintained at a reasonable cost.

### SQANet

SQANet stands for "Simple and Quick Access" to the web-based, dynamic, and secure policy and claim reports. SQANet eventually will be available to all NFIP stakeholders, from FEMA headquarters and Regional staff to State personnel and WYO companies. As a pilot program


with a small but growing number of users, SQANet has been used to provide FEMA and WYO companies with access to repetitive loss reports.

SQANet reports are available through user-friendly "dashboards," which provide each group of stakeholders with an introductory screen of graphs and report listings most relevant to their region, company, or business focus. Users also can access a mix of reports covering all aspects of the NFIP. Throughout SQANet, security and privacy standards are strictly enforced, preventing unintentional release of proprietary data to unauthorized viewers.

### FREE

Flood Rating Engine Environment (FREE) is a web-based rating engine

prototype that allows users to accurately quote flood insurance policies in seconds. The first release of FREE focuses on Submit-for-Rate policies and allows the rating of a large portion of zone combinations. The user interface includes dynamic features to expedite form submission by providing options based on information already entered by a user. The output page provides easy-to-understand quotes that can be relayed quickly to customers and agents.

*Watermark* will bring you updates on NextGen as this project continues to develop and NFIP technology becomes more user friendly. Check out NextGen's web site ([NFIPNextGen.com](http://NFIPNextGen.com)) for a look at what is currently available. 

# Open Houses, Not Just For Sundays

David Schein, FEMA

FEMA Regional Offices are required to conduct informational meetings in communities affected by floodplain mapping changes. When the draft maps, called preliminary maps, become available, they are presented to local communities. Discussion includes what was done, why, and how, and any feedback, including better information, is sought.

## Simplifying the Presentation

Historically, these meetings were essentially lectures, with FEMA staff, the study contractor, and a representative from the state NFIP coordinating agency making presentations to a room of people. There was no way to tell in advance how well attended a meeting would be, nor how well the audience understood the information after it was presented. The presentation often focused on the regulations for determining whether property was "in the floodplain" or "out."

In describing flood risk to the public, FEMA has presented and maintained that everyone is exposed to a flood hazard, and it is only their degree of risk that varies. But the inception of Map Modernization, countywide floodplain mapping, new engineering techniques, and the department-wide emphasis on partnering has caused FEMA Region V (headquartered in Chicago) to consider an alternate approach to presenting this message in the context of the public "lecture" meeting. The region's Hazard Identification and Risk Assessment Branch developed a new meeting concept called the

"Flood Risk Information Open House." Here is how it works.

Several weeks before the meeting, FEMA's Region V Office works with the community floodplain administrator, the state NFIP coordinating agency, the mapping contractor, and the state emergency management agency to coordinate the Open House. Unlike the one-sided lecture format, the new, interactive Open House format includes brief opening remarks—then the audience visits displays staffed by experts with whom they can discuss issues in depth.

This informal meeting structure helps attendees to better understand flood risk data and acquire information for making good risk management decisions. For instance, four corners of the meeting room are typically set up with signs or displays marked simply "Flood Risk Maps," "Flood Insurance," "Flood Protection Standards (Regulations)," and "Hazard Mitigation." Other displays may address the role of NFIP state coordinators, the map change process, local permit rules, or anything else that seems appropriate.

## The First Open House

Our first Open House was conducted in Indianapolis. The City arranged

for the meeting's publicity and had extensive involvement in the event, providing technical staff from the Building, Code Enforcement, and Geographic Information Systems (GIS) departments to answer ques-




FEMA Region V Flood Risk Information Open House.

tions and demonstrate the City's sophisticated permit tracking and GIS capabilities. Staff brought laptop computers loaded with address-specific data and map overlays showing the existing floodplain and the proposed revisions, so homeowners could see the "before" and "after" versions of the flood maps and how the revision affected their property.

The City arranged for three local insurance brokers to staff a "Flood Insurance" table at the Open House. (We chose more than one agent/broker so as not to suggest that any particular agent or company was "approved" or otherwise preferred by the public agencies present.) Real estate professionals also attended, as did a neighborhood association. The private-public partnerships gener-

ated by having these important NFIP stakeholders at the meeting should serve the program well in the future.

Judging from the feedback we received and the fact that nearly 60 people attended the 3-hour Open House, we intend to conduct all future floodplain map presentation meetings in this new successful format.

More information about this meeting process can be obtained by calling Terry Reuss Fell, Chief of the Hazard Identification and Risk Assessment Branch, FEMA Region V, at 312-408-5587, or by emailing her (terry.fell@dhs.gov). 

*David Schein is the Senior Program Manager in FEMA's Region V Mitigation Division. He has conducted more than 700 public meetings to explain the NFIP to citizens, local elected officials, consulting engineers, attorneys, trade groups, bankers, insurance agents, real estate professionals, and Federal and State regulatory agencies.*

## 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 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

#### **Risk Management for Small Business**

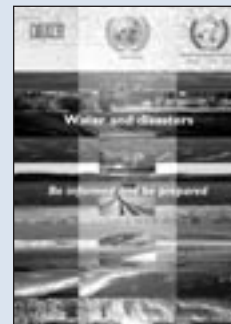
This easy-to-use resource was designed to help small businesses incorporate risk management into their business plans.

Prepared for those who have had little or no previous experience in risk management, the manual includes worksheets and check lists for identifying and analyzing risks. It is available from the Public Entity Risk Institute (PERI) by faxing your order to 703-352-6339 (\$15) or downloading it at no cost from the PERI web site ([www.riskinstitute.org/newsite/test.php?pid=pubs&tid=1126](http://www.riskinstitute.org/newsite/test.php?pid=pubs&tid=1126)).



#### **Water and Disasters: Be Informed and Be Prepared**

The theme for the 2004 World Water Day was "Water and Disasters." This booklet, prepared by the World Meteorological Organization (WMO), explains the science behind water-related hazards, explores their impact, and describes mitigation efforts for reducing vulnerability. It is available by writing to the WMO at 7 ib, Avenue de la Paix, CH1211, Geneva 2, Switzerland or by accessing it online ([www.waterday2004.org/docs/WWD\\_En.pdf](http://www.waterday2004.org/docs/WWD_En.pdf)).



### Web Sites

#### **www.disastereducation.org**

Education about disasters just got a little easier. The National Disaster Education Coalition (NDEC) is composed of federal agencies and national not-for-profit organizations that work together to develop and disseminate consistent educational information for the public about disaster preparedness. The goal of the NDEC is to formulate information and advise the public about how to prepare effectively for and respond to natural and human-caused disasters. NDEC member agencies ensure that disaster safety messages are appropriate, accurate, research-based, and presented in understandable language.

#### **www.nlic.org**

The National Lenders Insurance Council (NLIC) has replaced its old web site. The new site includes interactive features such as a Message Board, an Opinion Poll, a Site Search tool, E-Mail Subscription, and more.



# State Stats

## Spring Loss Data

In each issue of *Watermark* we try to include at least one analysis of NFIP policy or loss data that you can use to tailor your marketing and public awareness efforts to reflect flood risks in your state. You can cite statistics from the data tables in cover letters, fliers, and advertisements, or you can give them to the news media to provide a historical context for local flooding and to alert the public about the probability of future flood risks.

This issue's tables focus on NFIP spring flood loss data. Statistics are drawn from the 25 springs between March 1, 1980, and May 31, 2004 (data as of October 31, 2004). During this period, the NFIP paid more than \$2.8 billion for 234,350 claims for spring flood losses.

Floods can affect entire regions. Therefore, information in the State Stats Tables is organized by FEMA Region. The tables break out NFIP paid flood losses by occupancy type, flood zone, and selected policy forms (Preferred Risk Policy, Residential Condominium Building Association Policy, and Mortgage Portfolio Protection Program Policy). As you can see, even policyholders in moderate-risk B, C, and X Zones experience spring flood losses. And with the recent changes to the Preferred Risk Policy (PRP) available for property owners and renters in B, C, and X Zones, insurance against flood losses is more affordable than ever.

### Region I NFIP Spring Loss Distribution—March, April, and May

March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)

	Connecticut	Massachusetts	Maine	New Hampshire	Rhode Island	Vermont
<b>Paid Losses</b>	1,922	2,031	872	394	303	268
<b>Claim Payments</b>	\$15,268,351	\$15,152,364	\$13,020,151	\$2,522,605	\$3,821,310	\$2,513,096
<b>Average Claim Payment</b>	\$7,944	\$7,461	\$14,931	\$6,403	\$12,612	\$9,377
<b>Occupancy</b>						
Single Family						
Paid Losses	1,367	1,456	489	289	161	163
Claim Payments	\$7,807,452	\$8,581,369	\$4,220,806	\$1,642,809	\$907,461	\$765,819
2 - 4 Family						
Paid Losses	115	181	79	35	18	16
Claim Payments	\$640,652	\$985,168	\$1,019,977	\$87,479	\$97,952	\$116,699
Other Residential						
Paid Losses	111	131	42	8	0	9
Claim Payments	\$1,721,983	\$871,473	\$865,453	\$98,997	\$0	\$86,486
Non-Residential						
Paid Losses	329	263	262	62	124	80
Claim Payments	\$5,098,265	\$4,714,354	\$6,913,916	\$693,320	\$2,815,896	\$1,544,092
<b>Zone</b>						
A Zone						
Paid Losses	1,040	1,175	451	225	181	157
Claim Payments	\$9,601,975	\$7,970,376	\$7,232,237	\$1,702,466	\$1,976,611	\$2,019,494
V Zone						
Paid Losses	134	135	3	1	39	0
Claim Payments	\$492,786	\$1,623,078	\$13,901	\$1,041	\$872,292	\$0
B, C and X Zone						
Paid Losses	541	583	138	85	76	41
Claim Payments	\$4,286,708	\$5,212,284	\$2,282,756	\$472,840	\$823,003	\$282,542
Other Zone						
Paid Losses	207	138	280	83	7	70
Claim Payments	\$886,883	\$346,627	\$3,491,258	\$346,258	\$149,404	\$211,060
<b>Special Policies</b>						
PRP						
Paid Losses	45	149	11	11	13	8
Claim Payments	\$275,206	\$755,835	\$40,966	\$80,988	\$52,976	\$82,271
RCBAP						
Paid Losses	10	54	0	0	0	0
Claim Payments	\$956,686	\$279,554	\$0	\$0	\$0	\$0
MPPP						
Paid Losses	0	0	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0	\$0	\$0

### Region II NFIP Spring Loss Distribution—March, April, and May

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	New Jersey	New York	Puerto Rico	Virgin Islands
<b>Paid Losses</b>	11,738	10,464	3,013	193
<b>Claim Payments</b>	\$86,067,479	\$57,691,147	\$15,764,285	\$1,136,583
<b>Average Claim Payment</b>	\$7,332	\$5,513	\$5,232	\$5,889
<b>Occupancy</b>				
Single Family				
Paid Losses	8,800	8,165	2,326	78
Claim Payments	\$53,544,764	\$42,276,392	\$9,036,869	\$300,831
2 - 4 Family				
Paid Losses	1,385	1,104	100	11
Claim Payments	\$7,179,262	\$3,280,135	\$384,103	\$29,112
Other Residential				
Paid Losses	253	181	64	11
Claim Payments	\$1,838,068	\$663,588	\$199,112	\$16,850
Non-Residential				
Paid Losses	1,296	1,006	522	93
Claim Payments	\$23,500,651	\$11,432,964	\$6,141,701	\$789,790
<b>Zone</b>				
A Zone				
Paid Losses	10,163	3,828	2,563	112
Claim Payments	\$73,639,399	\$27,507,152	\$12,463,727	\$738,859
V Zone				
Paid Losses	192	251	11	1
Claim Payments	\$1,797,662	\$7,594,648	\$54,070	\$190
B, C and X Zone				
Paid Losses	730	1,689	388	60
Claim Payments	\$7,609,011	\$10,473,680	\$2,926,543	\$359,269
Other Zone				
Paid Losses	653	4,696	50	20
Claim Payments	\$3,021,408	\$12,115,667	\$319,296	\$38,264
<b>Special Policies</b>				
PRP				
Paid Losses	32	125	18	2
Claim Payments	\$131,096	\$742,833	\$112,533	\$26,942
RCBAP				
Paid Losses	13	4	1	0
Claim Payments	\$108,409	\$9,771	\$14,133	\$0
MPPP				
Paid Losses	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0

### Region III NFIP Spring Loss Distribution—March, April, and May

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	District of Columbia	Delaware	Maryland	Pennsylvania	Virginia	West Virginia
<b>Paid Losses</b>	1	252	237	1,968	1,742	4,335
<b>Claim Payments</b>	\$13,533	\$1,717,393	\$1,909,430	\$10,035,452	\$19,887,448	\$62,720,421
<b>Average Claim Payment</b>	\$13,533	\$6,815	\$8,057	\$5,099	\$11,416	\$14,468
<b>Occupancy</b>						
Single Family						
Paid Losses	0	198	158	1,513	1,066	3,221
Claim Payments	\$0	\$1,043,797	\$590,255	\$6,047,498	\$7,692,302	\$31,264,732
2 - 4 Family						
Paid Losses	0	8	3	79	49	90
Claim Payments	\$0	\$34,286	\$3,513	\$210,103	\$352,558	\$1,041,944
Other Residential						
Paid Losses	0	19	10	29	44	67
Claim Payments	\$0	\$196,792	\$61,023	\$236,941	\$2,539,272	\$946,787
Non-Residential						
Paid Losses	1	27	66	347	583	957
Claim Payments	\$13,533	\$442,518	\$1,254,639	\$3,540,911	\$9,303,316	\$29,466,957
<b>Zone</b>						
A Zone						
Paid Losses	1	145	149	1,200	1,202	2,928
Claim Payments	\$13,533	\$1,142,233	\$1,587,782	\$6,462,588	\$15,850,604	\$50,004,937
V Zone						
Paid Losses	0	85	7	0	14	0
Claim Payments	\$0	\$492,190	\$12,203	\$0	\$187,499	\$0
B, C and X Zone						
Paid Losses	0	21	52	533	292	711
Claim Payments	\$0	\$81,452	\$240,119	\$2,708,920	\$2,571,671	\$9,602,785
Other Zone						
Paid Losses	0	1	29	235	234	696
Claim Payments	\$0	\$1,519	\$69,326	\$863,943	\$1,277,674	\$3,112,699
<b>Special Policies</b>						
PRP						
Paid Losses	0	4	11	67	48	161
Claim Payments	\$0	\$19,153	\$55,723	\$553,255	\$318,102	\$2,143,184
RCBAP						
Paid Losses	0	0	1	1	0	5
Claim Payments	\$0	\$0	\$2,300	\$13,132	\$0	\$55,738
MPPP						
Paid Losses	0	0	0	0	0	10
Claim Payments	\$0	\$0	\$0	\$0	\$0	\$90,195



### Region IV NFIP Spring Loss Distribution—March, April, and May

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	Alabama	Florida	Georgia	Kentucky	Mississippi	North Carolina	South Carolina	Tennessee
<b>Paid Losses</b>	3,996	12,690	1,919	8,225	11,706	2,684	499	2,265
<b>Claim Payments</b>	\$70,988,541	\$227,202,702	\$27,213,106	\$134,924,150	\$118,570,335	\$23,854,374	\$3,372,851	\$30,038,031
<b>Average Claim Payment</b>	\$17,765	\$17,904	\$14,181	\$16,404	\$10,129	\$8,888	\$6,759	\$13,262
<b>Occupancy</b>								
Single Family								
Paid Losses	3,290	10,565	1,640	6,650	9,777	2,092	388	1,760
Claim Payments	\$42,549,389	\$191,100,615	\$21,769,588	\$93,671,234	\$93,897,652	\$15,502,936	\$2,383,725	\$16,804,959
2 - 4 Family								
Paid Losses	66	647	50	330	152	151	47	105
Claim Payments	\$861,905	\$9,975,411	\$374,534	\$6,731,464	\$1,180,658	\$1,362,480	\$247,307	\$1,063,856
Other Residential								
Paid Losses	73	658	74	99	358	82	26	66
Claim Payments	\$1,150,972	\$12,631,723	\$1,058,153	\$2,940,860	\$5,351,854	\$1,085,841	\$199,301	\$1,481,581
Non-Residential								
Paid Losses	566	820	154	1,146	1,413	359	38	333
Claim Payments	\$26,422,724	\$13,494,952	\$4,009,854	\$31,580,593	\$18,067,532	\$5,903,118	\$542,517	\$10,686,600
<b>Zone</b>								
A Zone								
Paid Losses	1,958	9,549	1,215	5,581	7,612	1,358	251	1,385
Claim Payments	\$35,241,662	\$178,517,158	\$18,999,363	\$96,128,591	\$83,846,525	\$11,122,619	\$1,158,132	\$19,601,618
V Zone								
Paid Losses	23	1,552	2	0	1	707	49	2
Claim Payments	\$135,940	\$34,647,928	\$3,159	\$0	\$2,086	\$6,919,480	\$528,335	\$10,033
B, C and X Zone								
Paid Losses	1,629	1,200	544	1,570	1,611	504	171	603
Claim Payments	\$33,173,399	\$10,430,358	\$6,969,210	\$26,277,857	\$18,422,004	\$4,906,340	\$1,470,685	\$8,965,148
Other Zone								
Paid Losses	386	389	158	1,074	2,482	115	28	275
Claim Payments	\$2,437,540	\$3,607,257	\$1,241,375	\$12,517,702	\$16,299,721	\$905,936	\$215,698	\$1,461,231
<b>Special Policies</b>								
PRP								
Paid Losses	271	240	166	221	276	101	70	197
Claim Payments	\$4,646,939	\$1,793,282	\$1,746,030	\$3,965,091	\$3,102,526	\$677,816	\$576,480	\$2,103,393
RCBAP								
Paid Losses	0	84	1	12	2	10	18	1
Claim Payments	\$0	\$2,047,695	\$53,476	\$734,472	\$13,011	\$165,942	\$139,322	\$12,125
MPPP								
Paid Losses	2	2	0	20	3	1	0	5
Claim Payments	\$19,203	\$25,414	\$0	\$319,884	\$23,886	\$4,186	\$0	\$70,029

### Region V NFIP Spring Loss Distribution—March, April, and May

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	Illinois	Indiana	Michigan	Minnesota	Ohio	Wisconsin
<b>Paid Losses</b>	6,539	2,165	3,167	4,284	3,797	714
<b>Claim Payments</b>	\$42,590,796	\$22,621,618	\$18,057,885	\$73,489,947	\$45,738,913	\$6,993,731
<b>Average Claim Payment</b>	\$6,513	\$10,449	\$5,702	\$17,155	\$12,046	\$9,795
<b>Occupancy</b>						
Single Family						
Paid Losses	5,633	1,847	2,911	3,753	3,094	609
Claim Payments	\$34,210,294	\$17,110,742	\$15,153,327	\$60,624,078	\$27,854,229	\$5,227,141
2 - 4 Family						
Paid Losses	125	90	41	59	84	8
Claim Payments	\$653,658	\$573,060	\$204,298	\$1,068,930	\$1,184,991	\$40,406
Other Residential						
Paid Losses	77	24	30	37	95	7
Claim Payments	\$400,566	\$113,042	\$119,027	\$599,887	\$961,580	\$44,235
Non-Residential						
Paid Losses	704	204	185	435	523	90
Claim Payments	\$7,326,278	\$4,824,774	\$2,581,234	\$11,197,052	\$15,737,827	\$1,681,948
<b>Zone</b>						
A Zone						
Paid Losses	4,196	938	2,099	2,581	2,604	561
Claim Payments	\$31,917,207	\$13,248,161	\$12,325,365	\$47,537,122	\$33,443,158	\$5,647,624
V Zone						
Paid Losses	0	0	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0	\$0	\$0
B, C and X Zone						
Paid Losses	762	317	630	1,650	659	127
Claim Payments	\$4,993,982	\$3,689,526	\$3,955,884	\$25,390,064	\$9,049,731	\$1,224,680
Other Zone						
Paid Losses	1,581	909	438	53	534	26
Claim Payments	\$5,679,607	\$5,669,373	\$1,776,637	\$562,761	\$3,246,024	\$121,427
<b>Special Policies</b>						
PRP						
Paid Losses	257	75	78	1,275	170	51
Claim Payments	\$1,873,661	\$918,754	\$689,631	\$19,118,458	\$2,669,784	\$774,205
RCBAP						
Paid Losses	4	0	0	9	6	0
Claim Payments	\$26,624	\$0	\$0	\$143,885	\$106,928	\$0
MPPP						
Paid Losses	1	1	0	1	5	0
Claim Payments	\$3,517	\$5,161	\$0	\$4,904	\$120,466	\$0

**Region VI NFIP Spring Loss Distribution—March, April, and May**

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	<b>Arkansas</b>	<b>Louisiana</b>	<b>New Mexico</b>	<b>Oklahoma</b>	<b>Texas</b>
<b>Paid Losses</b>	1,047	82,581	93	3,653	17,788
<b>Claim Payments</b>	\$12,778,979	\$1,001,364,660	\$769,775	\$60,717,365	\$250,537,878
<b>Average Claim Payment</b>	\$12,205	\$12,126	\$8,277	\$16,621	\$14,085
<b>Occupancy</b>					
Single Family					
Paid Losses	726	68,219	86	2,916	15,335
Claim Payments	\$7,206,941	\$808,151,639	\$691,431	\$44,508,470	\$207,973,591
2 - 4 Family					
Paid Losses	63	7,627	3	141	410
Claim Payments	\$678,321	\$69,111,374	\$31,250	\$1,516,954	\$4,500,787
Other Residential					
Paid Losses	44	1,536	1	192	614
Claim Payments	\$762,552	\$28,020,718	\$20,098	\$4,952,050	\$9,610,491
Non-Residential					
Paid Losses	213	5,179	3	404	1,429
Claim Payments	\$4,130,341	\$95,927,029	\$26,997	\$9,739,890	\$28,453,008
<b>Zone</b>					
A Zone					
Paid Losses	638	51,870	61	2,353	7,510
Claim Payments	\$8,801,951	\$670,389,734	\$510,046	\$36,643,454	\$121,867,385
V Zone					
Paid Losses	0	326	0	0	33
Claim Payments	\$0	\$2,683,000	\$0	\$0	\$351,538
B, C and X Zone					
Paid Losses	291	26,249	6	1,164	8,564
Claim Payments	\$2,707,768	\$297,191,330	\$58,365	\$23,164,438	\$110,308,742
Other Zone					
Paid Losses	113	4,135	26	136	1,680
Claim Payments	\$1,169,604	\$31,089,348	\$201,364	\$909,472	\$17,997,631
<b>Special Policies</b>					
PRP					
Paid Losses	46	3,852	0	64	1,714
Claim Payments	\$720,751	\$56,027,421	\$0	\$565,092	\$17,584,520
RCBAP					
Paid Losses	2	68	0	10	20
Claim Payments	\$44,729	\$1,655,928	\$0	\$45,066	\$189,908
MPPP					
Paid Losses	1	10	0	0	1
Claim Payments	\$11,000	\$134,713	\$0	\$0	\$13,700

**Region VII NFIP Spring Loss Distribution—March, April, and May**

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	<b>Iowa</b>	<b>Kansas</b>	<b>Missouri</b>	<b>Nebraska</b>
<b>Paid Losses</b>	1,556	504	10,385	341
<b>Claim Payments</b>	\$16,689,592	\$4,095,860	\$111,141,650	\$2,441,716
<b>Average Claim Payment</b>	\$10,726	\$8,127	\$10,702	\$7,160
<b>Occupancy</b>				
Single Family				
Paid Losses	1,318	409	8,211	319
Claim Payments	\$11,822,518	\$2,836,846	\$61,424,474	\$2,225,638
2 - 4 Family				
Paid Losses	22	7	301	0
Claim Payments	\$113,002	\$34,957	\$2,436,769	\$0
Other Residential				
Paid Losses	3	2	112	8
Claim Payments	\$21,440	\$25,802	\$1,836,590	\$43,255
Non-Residential				
Paid Losses	213	86	1,761	14
Claim Payments	\$4,732,632	\$1,198,255	\$45,443,817	\$172,824
<b>Zone</b>				
A Zone				
Paid Losses	1,377	340	8,757	238
Claim Payments	\$14,927,546	\$3,079,114	\$99,659,858	\$1,696,316
V Zone				
Paid Losses	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0
B, C and X Zone				
Paid Losses	146	138	923	77
Claim Payments	\$1,657,183	\$941,174	\$7,942,138	\$647,130
Other Zone				
Paid Losses	33	26	705	26
Claim Payments	\$104,863	\$75,571	\$3,539,654	\$98,271
<b>Special Policies</b>				
PRP				
Paid Losses	48	18	136	12
Claim Payments	\$509,565	\$93,043	\$1,140,378	\$118,724
RCBAP				
Paid Losses	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0
MPPP				
Paid Losses	0	0	2	0
Claim Payments	\$0	\$0	\$17,900	\$0

**Region VIII NFIP Spring Loss Distribution—March, April, and May**

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	<b>Colorado</b>	<b>Montana</b>	<b>North Dakota</b>	<b>South Dakota</b>	<b>Utah</b>	<b>Wyoming</b>
<b>Paid Losses</b>	285	300	5,066	782	145	32
<b>Claim Payments</b>	\$2,682,284	\$1,358,003	\$114,838,954	\$10,563,934	\$2,342,013	\$129,030
<b>Average Claim Payment</b>	\$9,412	\$4,527	\$22,669	\$13,509	\$16,152	\$4,032
<b>Occupancy</b>						
Single Family						
Paid Losses	244	259	4,337	673	103	22
Claim Payments	\$2,213,606	\$1,266,128	\$92,628,808	\$8,986,662	\$1,458,789	\$41,922
2 - 4 Family						
Paid Losses	8	7	155	7	5	2
Claim Payments	\$30,733	\$9,498	\$3,395,436	\$111,308	\$7,055	\$11,545
Other Residential						
Paid Losses	1	4	80	11	7	1
Claim Payments	\$1,287	\$2,583	\$3,290,759	\$106,339	\$64,720	\$2,583
Non-Residential						
Paid Losses	32	29	494	91	30	7
Claim Payments	\$436,658	\$70,349	\$15,523,951	\$1,359,625	\$811,450	\$72,980
<b>Zone</b>						
A Zone						
Paid Losses	172	109	2,378	288	43	7
Claim Payments	\$1,940,778	\$514,898	\$59,084,681	\$3,884,199	\$882,410	\$29,671
V Zone						
Paid Losses	0	0	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0	\$0	\$0
B, C and X Zone						
Paid Losses	75	112	2,270	379	34	11
Claim Payments	\$562,603	\$515,085	\$41,993,573	\$5,475,336	\$480,910	\$16,943
Other Zone						
Paid Losses	38	79	418	115	68	14
Claim Payments	\$178,903	\$328,020	\$13,760,700	\$1,204,400	\$978,694	\$82,416
<b>Special Policies</b>						
PRP						
Paid Losses	36	80	1,970	272	1	2
Claim Payments	\$214,382	\$422,665	\$34,101,482	\$3,695,108	\$633	\$123
RCBAP						
Paid Losses	0	4	8	0	0	0
Claim Payments	\$0	\$3,000	\$317,679	\$0	\$0	\$0
MPPP						
Paid Losses	0	0	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0	\$0	\$0

**Region IX NFIP Spring Loss Distribution—March, April, and May**

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	<b>Arizona</b>	<b>California</b>	<b>Guam</b>	<b>Hawaii</b>	<b>Nevada</b>
<b>Paid Losses</b>	109	4,280	0	209	42
<b>Claim Payments</b>	\$977,484	\$61,324,868	\$0	\$1,808,505	\$334,418
<b>Average Claim Payment</b>	\$8,968	\$14,328	\$0	\$8,653	\$7,962
<b>Occupancy</b>					
Single Family					
Paid Losses	93	3,347	0	150	26
Claim Payments	\$818,978	\$40,490,881	\$0	\$1,306,122	\$178,549
2 - 4 Family					
Paid Losses	2	305	0	18	1
Claim Payments	\$40,901	\$7,466,197	\$0	\$121,474	\$632
Other Residential					
Paid Losses	0	133	0	8	3
Claim Payments	\$0	\$3,511,278	\$0	\$38,511	\$14,601
Non-Residential					
Paid Losses	14	495	0	33	12
Claim Payments	\$117,605	\$9,856,512	\$0	\$342,398	\$140,636
<b>Zone</b>					
A Zone					
Paid Losses	73	2,268	0	122	15
Claim Payments	\$811,395	\$39,362,824	\$0	\$1,082,259	\$180,732
V Zone					
Paid Losses	0	100	0	22	0
Claim Payments	\$0	\$1,647,656	\$0	\$304,814	\$0
B, C and X Zone					
Paid Losses	22	1,167	0	27	12
Claim Payments	\$144,516	\$14,578,841	\$0	\$244,863	\$88,494
Other Zone					
Paid Losses	14	745	0	38	15
Claim Payments	\$21,573	\$5,735,547	\$0	\$176,569	\$65,192
<b>Special Policies</b>					
PRP					
Paid Losses	4	246	0	0	2
Claim Payments	\$3,328	\$2,952,703	\$0	\$0	\$11,545
RCBAP					
Paid Losses	0	57	0	2	0
Claim Payments	\$0	\$5,625,209	\$0	\$27,034	\$0
MPPP					
Paid Losses	0	3	0	0	0
Claim Payments	\$0	\$8,242	\$0	\$0	\$0

## Region X NFIP Spring Loss Distribution—March, April, and May

*March 1, 1980, through May 31, 2004 (Data as of October 31, 2004)*

	Alaska	Idaho	Oregon	Washington
<b>Paid Losses</b>	100	84	146	437
<b>Claim Payments</b>	\$1,027,577	\$443,514	\$1,486,582	\$7,807,910
<b>Average Claim Payment</b>	\$10,276	\$5,280	\$10,182	\$17,867
<b>Occupancy</b>				
Single Family				
Paid Losses	92	75	101	386
Claim Payments	\$954,609	\$331,650	\$1,044,673	\$6,848,766
2 - 4 Family				
Paid Losses	2	0	11	5
Claim Payments	\$42,267	\$0	\$56,763	\$41,054
Other Residential				
Paid Losses	1	3	3	4
Claim Payments	\$1,646	\$20,633	\$79,262	\$12,835
Non-Residential				
Paid Losses	5	6	31	42
Claim Payments	\$29,056	\$91,231	\$305,885	\$905,255
<b>Zone</b>				
A Zone				
Paid Losses	67	62	82	141
Claim Payments	\$761,936	\$322,625	\$893,362	\$1,762,126
V Zone				
Paid Losses	0	0	3	1
Claim Payments	\$0	\$0	\$70,939	\$15,247
B, C and X Zone				
Paid Losses	20	16	26	102
Claim Payments	\$176,578	\$73,057	\$139,772	\$1,846,179
Other Zone				
Paid Losses	13	6	35	193
Claim Payments	\$89,062	\$47,832	\$382,510	\$4,184,358
<b>Special Policies</b>				
PRP				
Paid Losses	2	5	7	54
Claim Payments	\$7,395	\$13,057	\$73,077	\$938,918
RCBAP				
Paid Losses	0	0	1	1
Claim Payments	\$0	\$0	\$8,445	\$102
MPPP				
Paid Losses	0	0	0	0
Claim Payments	\$0	\$0	\$0	\$0

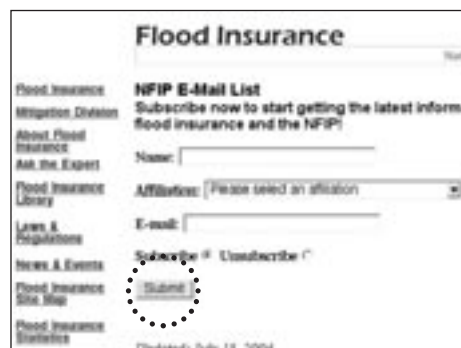
## You Could Have Received Watermark Earlier!

The *Watermark* newsletter is posted online nearly 8-10 weeks before it is printed and mailed. More than 4,000 *Watermark* readers get the jump on the rest of our subscribers by signing up for our free online service, which alerts recipients as soon as the latest *Watermark* is accessible online.

Would you like to join *Watermark's* first readers and get information about the most recent changes in the NFIP nearly 2 months before the printed copy is mailed?



Simply visit the NFIP web site ([www.fema.gov/nfip](http://www.fema.gov/nfip)) and click on the mailbox icon found in the lower left portion of the web site's opening page.



You will be taken to a second screen to enter your name, affiliation, and e-mail address. Click the "Submit" button, and you are finished!

The next time *Watermark* is placed online, you'll receive an e-mail announcement that highlights some of the latest edition's articles and includes a link to the newsletter.

Sign up now and you'll be reading *Watermark* long before the mail carrier drops the hard copy into the mailboxes of most of our readers!

# Tips for Filing Your Flood Insurance Claim

If your community has been flooded, and your property or home has suffered flood damage, please follow these instructions to file your flood insurance claim.

## Immediately

Call your agent or insurance company. Have the following information with you when you place your call:

1. The name of your insurance company (your agent may write policies for more than one company);
2. Your policy number; and
3. A telephone number/e-mail address where you can be reached.

When you file your claim, ask for an approximate time frame during which an adjuster can be expected to visit your home so you can plan accordingly.

## Once You Have Reported Your Loss

An adjuster will work with you to calculate the value of the damage and prepare a repair estimate.

Please keep your agent advised if your contact information changes. If you are still in a shelter or cannot be easily reached, please provide the name of a designated relative or point-of-contact who can reach you.

## Before The Adjuster Arrives

Local officials may require the disposal of damaged items. If you dispose of items, please keep a swatch or other sample of damaged item(s) for the adjuster.

Separate damaged items from undamaged items. If necessary, place items outside the home.

Take photos. Take photos of any water in the house and damaged personal property. Your adjuster will

need evidence of the damage and damaged items (i.e., carpeting swatches, curtains, chairs) to prepare your repair estimate.

**To register for FEMA disaster assistance, call 800-621-3362**

Make a list of damaged or lost items and include their age and value where possible. If possible, have receipts for those items available for the adjuster.

If you have damage estimates prepared by one or more contractors, provide them to the adjuster since they will be considered in the preparation of your repair estimate.

Contact your insurance company if an adjuster has not been assigned to you within several days.

## DEFINITION

### Proper Openings

Good conversations begin with these, blockbuster movies and successful Broadway shows always have them, and any enclosure worth insuring against flood damage must include them. For the NFIP to consider an opening to be proper, it must be designed so that water can flow through enclosures beneath the building instead of against it.

The *Flood Insurance Manual* provides the dimensions and location for these openings in its definition for Proper Openings – Enclosures (Applicable to Zones A, A1-A30, AE, AO, AH, AR, and AR Dual).

**"All enclosures below the lowest elevated floor must be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters. A minimum of two openings, with positioning on at least two walls, having a total net area of not less than 1 square inch for every square foot of enclosed area subject to flooding must be provided. The bottom of all openings must be no higher than 1 foot above grade."**

# Just Around the Bend

Many more workshops will have been added to our schedule since publication of this issue. Please visit the NFIP web site ([www.fema.gov/nfip/wshops.shtm](http://www.fema.gov/nfip/wshops.shtm)) for updated workshop information, or contact the NFIP Bureau and Statistical Agent Regional Offices (listed on the next page) for information about NFIP events for agents, lenders, and other stakeholders.

STATE/EVENT	CITY	DATE
<b>COLORADO</b>		
Agent and Lender Workshop	Lakewood	May 11
Agent and Lender Workshop	Lakewood	June 15
Agent and Lender Workshop	Lakewood	July 13
<b>CONNECTICUT</b>		
Agent Workshop	Norwalk	May 4
Agent Workshop	New London	May 5
Agent Workshop	Middletown	June 29
Agent Workshop	Wethersfield	September 6
Agent Workshop	Norwalk	September 7
Agent Workshop	New London	September 8
<b>FLORIDA</b>		
Agent Workshop	Key West	May 3
Agent Workshop	Vero Beach	May 26
Agent Workshop	Gainesville	May 31
Agent Workshop	Daytona	June 1
Agent Workshop	Jacksonville	June 2
Agent Workshop	Miami	June 15
Agent Workshop	Pensacola	July 19
Agent Workshop	Destin	July 20
Lender Workshop	Milton	July 21
<b>ILLINOIS</b>		
Agent Workshop	East Peoria	May 24
Agent Workshop	Belleville	May 25
Agent Workshop	Springfield	May 26
Agent Workshop	Naperville	June 8
Agent Workshop	Orland Park	June 9
Lender Workshop	Schaumburg	August 2
Lender Workshop	Springfield	August 4
<b>INDIANA</b>		
Lender Workshop	Indianapolis	June 23
<b>IOWA</b>		
Agent and Lender Workshop	Des Moines	May 10
Agent and Lender Workshop	Ft. Dodge	May 11
Agent Workshop	Des Moines	May 19
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>LOUISIANA</b>		
NFIP Flood Forum	Baton Rouge	May 3
NFIP Flood Forum	St. Tammany Parish	May 5
<b>MARYLAND</b>		
Agent Workshops	Lanham	May 17
Lender Workshop	Lanham	May 18
Agent Workshop	Glen Burnie	May 19

STATE/EVENT	CITY	DATE
<b>MASSACHUSETTS</b>		
Agent Workshop	West Springfield	May 18
<b>MICHIGAN</b>		
Agent Workshop	Livonia	May 10
Agent Workshop	Mount Pleasant	May 11
Agent Workshop	Kalamazoo	May 12
Lender Workshop	Livonia	August 25
<b>MINNESOTA</b>		
Lender Workshop	Eden Prairie	September 8
<b>MISSOURI</b>		
Agent Workshop	Hollister	May 3
Agent Workshop	Hollister	May 24
Agent Workshop	Neosho	May 25
Agent Workshop	Joplin	May 26
<b>NEBRASKA</b>		
Agent and Lender Workshop	Kearney	August 2
Agent and Lender Workshop	Ogallala	August 3
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>		
Agent Workshop	Norwood	May 18
Lender Workshop	Richfield	August 11
<b>PENNSYLVANIA</b>		
Agent Workshop	Plymouth Meeting	June 14
<b>RHODE ISLAND</b>		
Agent Workshop	Warwick	June 23
<b>TEXAS</b>		
Agent and Lender Workshop	El Paso	May 5
NFIP Flood Forum	Dallas	June 7
NFIP Flood Forum	San Antonio	June 9
<b>VIRGINIA</b>		
Agent Workshop	Manassas	May 10
Agent Workshop	Richmond	May 11
Agent Workshop	Norfolk	May 12
Agent Workshop	Eastern Shore	May 13
<b>WEST VIRGINIA</b>		
Agent Workshop	Bridgeport	May 3
Agent Workshop	Charleston	May 4
<b>WISCONSIN</b>		
Lender Workshop	Madison	July 21

# 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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