



FEMA

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News Release

The Time to Buy Flood Insurance is Now

AUSTIN, Texas – The most common, and most expensive, natural disaster facing Americans is flooding. In the devastating hurricanes that have recently hit the nation, like Sandy and Harvey, it was water, not wind that caused the gravest havoc and loss of life.

Flooding is by no means limited to floodplains. Twenty-five to 30 percent of flood claims paid are for properties outside high-risk flood areas, or Special Flood Hazard Areas (SFHAs).

And as recently reported after the severe flooding in Houston after Hurricane Harvey struck, just 15 percent of the 1.6 million homes in Harris County, where Houston is located, had flood insurance, according to the Insurance Information Institute.

As little as an inch of water in an average-size residence can amount to more than \$26,000 in damage.

This year's hurricane season began June 1, and the experts are predicting up to 16 major storms and up to four Atlantic hurricanes. So now is the time to buy flood insurance. After purchase, a 30-day waiting period takes effect before the policy becomes active. It is not a requirement that a purchaser be a U.S. citizen; anyone can buy flood insurance.

Since most private insurance companies do not offer flood insurance, 50 years ago Congress created the Federal Insurance Administration to make federally backed flood insurance available for the first time. Now called the National Flood Insurance Program, or NFIP, the coverage is administered by FEMA. The policies are sold by private insurance agents.

More than 5.5 million people have flood insurance policies in 22,222 communities nationwide. Homes can be insured against flood damage for up to \$250,000, and commercial buildings insured for up to \$500,000. Policies can be written to include contents coverage up to \$100,000 for homes and \$500,000 for business owners' contents. Renters can insure their personal property for up to \$100,000.

In order for any community to be eligible for NFIP coverage, the town or county must apply for participation in the program. This is accomplished by ordinance passed by the governing body of the community or county.

For properties not located in SFHAs or other higher-risk zones, the premiums for flood insurance are minimal, usually not exceeding \$400 or \$500 per year.

Under certain circumstances, FEMA will provide up to three years of mandatory hurricane coverage at no cost to the homeowner or renter or business.

For more information on the National Flood Insurance Program, call FEMA's Help Line at 800-621-3362 or log onto www.floodsmart.gov. At that site, you can enter your address to determine what area of flood risk your home is in.

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FEMA's mission is helping people before, during and after a disaster