



FEMA

W-06089

December 19, 2006

MEMORANDUM FOR: Write Your Own (WYO) Principal Coordinators
and the NFIP Servicing Agent

FROM: WYO Clearinghouse

SUBJECT: David Maurstad Article in the *Seattle Post-Intelligencer*

The attached article is copied from today's *Seattle Post-Intelligencer* newspaper. Federal Insurance Administrator David Maurstad gives his views on the collaborative effort needed to ensure that all residents in Special Flood Hazard Areas are protected by flood insurance.

Please distribute this information within your organization as appropriate.

Attachment

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Suggested Routing: Claims, Marketing, Underwriting

SEATTLE POST-INTELLIGENCER

http://seattlepi.nwsourc.com/opinion/296343_flood19.html

Protect yourself from nature's tantrums

Tuesday, December 19, 2006

By DAVID MAURSTAD
GUEST COLUMNIST

As the '06-'07 winter flood season kicked off with record-breaking rainfall in the Northwest, we need to ask ourselves, as a nation, what we can do to mitigate the impact of floods and mudflows. We can't control the weather -- that's a given. But we can control the level of financial protection that homes, businesses and communities have against the disastrous consequences of floodwaters caused by winter rains and spring snowmelt.

The most important thing Americans can do is make sure that 100 percent of properties at the highest risk for flooding -- those located in Special Flood Hazard Areas -- are protected with flood insurance. Special Flood Hazard Areas receive that designation because history, hydraulics and hydrology show that significant floods have occurred and will occur in the area. Banks and other mortgage lenders require home purchasers in SFHAs to get flood insurance in order to get a mortgage.

But it's not just those with a mortgage who are at risk. People who own their homes or businesses outright and renters also need to assess their flood risk and protect themselves with flood insurance. Not to do so is shortsighted and dangerous, especially because the average annual cost of flood insurance, even in the highest-risk areas, is around \$500. To put that in perspective, individuals can financially secure their homes and businesses at a cost roughly equivalent to a year's subscription to cable television.

But what will it take to bring flood insurance coverage in Special Flood Hazard Areas up to 100 percent?

A solid grass-roots effort will require a real commitment from three critical groups: community leaders and local officials, professionals in the real estate and financial fields and insurance agents. They all have crucial roles to play in educating the public about flood risks and in encouraging people to protect their properties adequately. The message can't come from FEMA and the National Flood Insurance Program alone.

Although we work together to achieve 100 percent coverage in SFHAs, we should also be aware that 20 percent to 25 percent of all flood insurance claims made annually come from low- to moderate-risk areas. When it comes to winter floods, time and time again we've learned that water doesn't pay attention to man-made floodplain boundaries.

The fact is, floods happen everywhere in the U.S. From November 2005 to April 2006, federally declared flooding disasters occurred in eight states from California to North Dakota, causing flood damage to thousands of households. As the nation enters into yet another active winter flood season, Americans need to act *now* to ensure they are protected before the floods and mudflows strike.

The National Flood Insurance Program is committed to doing its part. Every single NFIP flood insurance policy represents someone who has made the smart decision by buying flood insurance. It also represents a legal promise by the NFIP and Congress that in the event of a flood, their claim will be

paid.

Boosting flood insurance coverage must be a No. 1 priority for literally hundreds of communities around our nation. Only when 100 percent of households in SFHAs are covered will those communities be prepared to withstand the economic and emotional devastation caused by floods. And only when every household in the U.S. is covered can residents count themselves as being fully protected.

Until then, we are a nation whose homes and businesses, along with our economic prosperity, are at the mercy of nature, because nature does not feel obliged to be merciful.

David Maurstad is director of mitigation and the federal insurance administrator for the Federal Emergency Management Agency; www.floodsmart.gov

© 1998-2006 Seattle Post-Intelligencer

ARCHIVED APRIL 2018