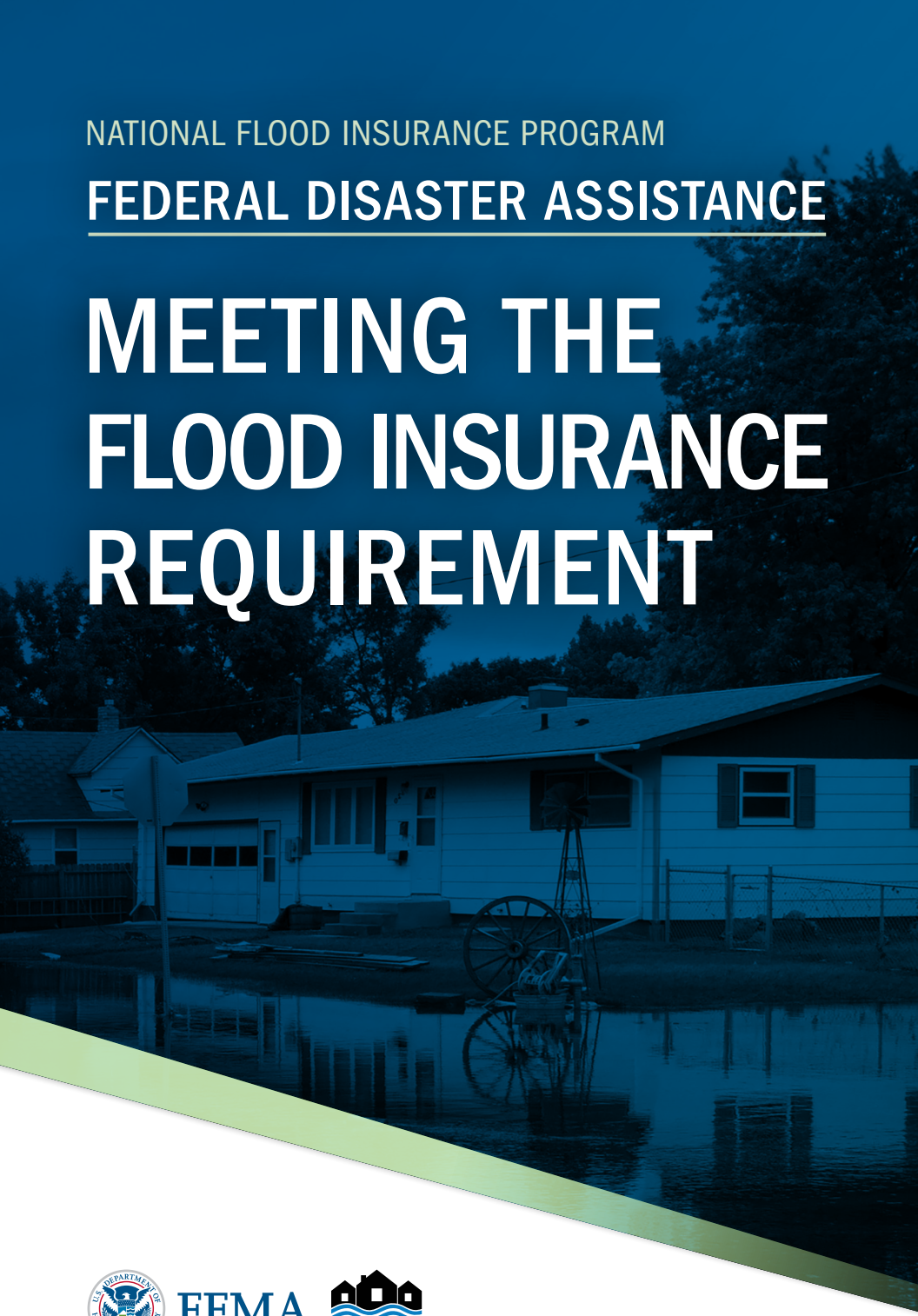
NATIONAL FLOOD INSURANCE PROGRAM

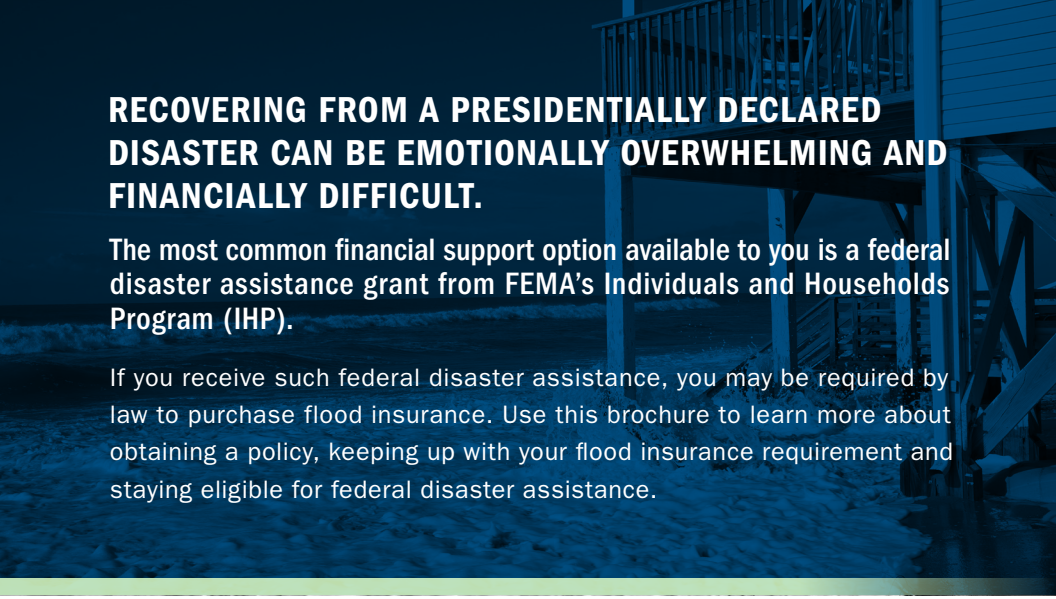
FEDERAL DISASTER ASSISTANCE

MEETING THE FLOOD INSURANCE REQUIREMENT



FEMA

NATIONAL FLOOD INSURANCE PROGRAM®



RECOVERING FROM A PRESIDENTIALLY DECLARED DISASTER CAN BE EMOTIONALLY OVERWHELMING AND FINANCIALLY DIFFICULT.

The most common financial support option available to you is a federal disaster assistance grant from FEMA's Individuals and Households Program (IHP).

If you receive such federal disaster assistance, you may be required by law to purchase flood insurance. Use this brochure to learn more about obtaining a policy, keeping up with your flood insurance requirement and staying eligible for federal disaster assistance.

THE REQUIREMENT

FEMA requires you to have flood insurance for buildings and personal property that were damaged by a flood disaster in a high-risk flood area, otherwise known as a special flood hazard area (SFHA). This will protect you and the life you've built against future financial devastation in the wake of a flood event, independent of a disaster declaration.

There are three ways to meet the requirement:

1. FEMA may purchase a Group Flood Insurance Policy (GFIP) on your behalf to start your coverage;
2. You may purchase a Standard Flood Insurance Policy (SFIP); or
3. You may purchase a private flood insurance policy.

Options one and two are available through FEMA's **National Flood Insurance Program (NFIP)**. The NFIP was created by Congress to provide financial protection from flood damage. It offers property owners, renters and businesses access to government-backed flood insurance policies within participating communities. Learn more about the NFIP, participating communities and the different policy types in Answers to Questions About the NFIP at agents.floodsmart.gov/nfip-answers-to-questions.

Option three is available through **private insurers**, which is explained in more detail on page 6.

1. GROUP FLOOD INSURANCE POLICY

This policy is issued following a presidential disaster declaration. It is only available to individuals who received federal disaster assistance through FEMA's IHP. More information on the IHP can be found at fema.gov/assistance/individual/program.

Please note that you cannot independently purchase a GFIP. There is no out-of-pocket cost to obtain a GFIP. FEMA will pay the cost of the policy (currently $2,400 for the three-year policy term) directly to the NFIP from your IHP disaster assistance grant. If the cost of a GFIP exceeds your remaining IHP Assistance available, you will not be eligible for this flood insurance policy. Instead, you will need to purchase an individual flood insurance policy on your own (see options 2 and 3).

To be considered for a GFIP certificate, which serves as your individual proof of insurance under the master GFIP policy, **you must meet the following conditions**:

- FEMA verifies that the damage to your property was caused by flooding and the damage is insurable under the NFIP;
- Your damaged residence is located in an SFHA;
- You did not have flood insurance at the time of the disaster;
- You did not have a previous flood insurance requirement as a condition of receiving federal disaster assistance for flood damage;
- Your damaged residence is not located in a sanctioned community, Coastal Barrier Resources System (CBRS) or Otherwise Protected Area (OPA); and
- You received IHP assistance for insurable flood-damaged real or personal property, triggering a requirement that you obtain and maintain flood insurance on the property.

The master GFIP policy term is for 36 months and begins 60 days after the date of the presidential disaster declaration. However, individual coverage becomes effective 30 days following the NFIP's receipt of your name and premium payment from the state, local, territorial or tribal government or FEMA.

A GFIP certificate covers both building and contents, or just contents if you are a renter. Both building and contents coverage have separate $200 deductibles.

As of October 2023, the amount of combined coverage for the individual GFIP policy is $85,000. That includes $42,500 for housing assistance and $42,500 for Other Needs Assistance (ONA). The amount of coverage included with a GFIP changes annually. Please visit agents.floodsmart.gov/gfip-fact-sheet for the most up-to-date figure.

Keep your contact information updated as the NFIP will send you communications about your GFIP. You will receive a letter 45 days prior to the expiration of your policy reminding you to purchase an SFIP. You must do so within 30 days of the policy expiration to avoid a lapse in coverage and avoid disqualifying yourself from future disaster assistance. The NFIP will send a final reminder at your policy expiration date.

For more information regarding a GFIP, call the NFIP Direct Servicing Agent (NFIP Direct) at **(800) 638-6620**.

Did You Know?

You may choose higher coverage limits by purchasing an SFIP at any point during the term of your GFIP. However, **buying an SFIP will void your GFIP**—you cannot have both.

2. STANDARD FLOOD INSURANCE POLICY

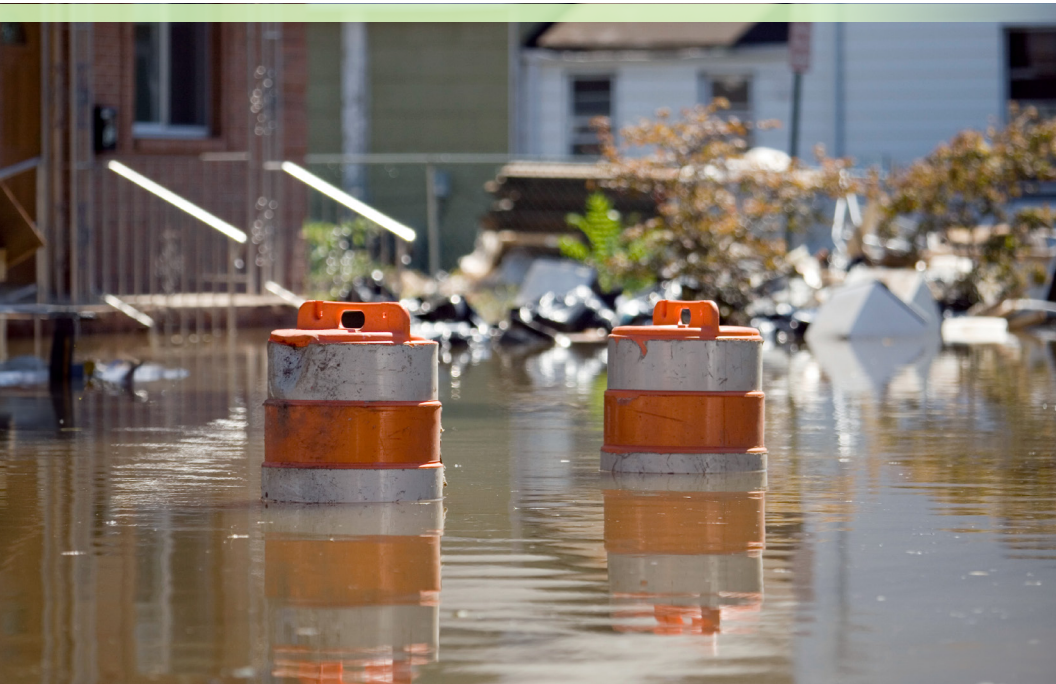
An SFIP provides coverage up to $250,000 for a building and up to $100,000 for its contents. It is available through NFIP Direct or companies participating in the NFIP's Write Your Own (WYO) program. FEMA is responsible for underwriting flood insurance policies sold under NFIP Direct and the WYO Program.

NFIP Direct is FEMA's wholly owned insurance company that issues NFIP flood insurance policies. To get started with the NFIP Direct, call **(800) 638-6620**.

WYO companies are participating property and casualty insurers that write and service federal flood insurance policies in their own names. They write policies and process claims while the federal government pays all losses. Reach out to your current insurance agent to see if they participate. To find a new insurer, visit floodsmart.gov/find or call FEMA Mapping and Insurance eXchange (FMIX) at **(877) 336-2627**.

Fast Fact

NFIP Direct and WYO carriers all use the same flood insurance rating engine, so there's no need to shop around to compare rates.



3. PRIVATE INSURERS

Private insurance companies write and service their own flood insurance policies, separate from the federal government. They are responsible for processing claims and paying losses themselves. Premiums may vary from carrier to carrier, as could coverage maximums.

To purchase flood insurance through a private insurance company, contact your insurance agent.

MAINTAINING DISASTER ASSISTANCE ELIGIBILITY

The requirement to maintain flood insurance coverage as a recipient of federal disaster assistance is assigned to the property. Homeowners and renters must comply with the requirement for as long as the property exists.

If you are the homeowner and sell your property, you must inform the new owner of the requirement to maintain flood insurance coverage. In most cases, an existing flood insurance policy transfers to the new owner with no lapse in coverage.

If you are a renter and move from the property, the policy does not transfer to the new tenant and they must purchase their own flood insurance coverage.

Failure to comply with the mandatory flood insurance purchase and retention requirement can make you ineligible for future federal disaster assistance.



ADDITIONAL RESOURCES

Disaster assistance provided by FEMA can help you rebuild, while flood insurance can help protect against the financial burden of future flood damage. For information on the differences between flood insurance, disaster assistance and supplemental disaster relief, review the Recovering Financially After a Flood booklet at agents.floodsmart.gov/financial-recovery-flooding.

The NFIP's Identifying Your Advocates After a Flood flyer clarifies the different officials and groups that may visit your home following a flood disaster. You can learn more about mitigation, rebuilding techniques, cleanup and remediation in the Rebuilding Safer & Stronger After a Flood Guide at agents.floodsmart.gov/rebuilding-after-flood.

For information on purchasing an SFIP, mitigation actions, flood maps and more, contact the NFIP at floodsmart.gov or **(877) 336-2627**.

NFIP restrictions for CBRS communities and OPAs are explained in more detail in Answers to Questions About the NFIP at agents.floodsmart.gov/nfip-answers-to-questions.





FEMA

NATIONAL FLOOD INSURANCE PROGRAM®

Congress created the National Flood Insurance Program (NFIP) in 1968 to reduce future flood damage through floodplain management, and to provide people with flood insurance through individual agents and insurance companies. FEMA oversees the NFIP. Get a quote today by contacting your insurer, or call FEMA Mapping and Insurance eXchange (FMIX) at **(877) 336-2627** for assistance.

If you use a relay service, such as video relay service (VRS), captioned telephone service or others, give FEMA the number for that service.

For the most up-to-date version of this resource, please visit agents.floodsmart.gov/disaster-assistance-flood-insurance-requirement.

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