

Flood Insurance

Floodsmart.gov is the official site of the National Flood Insurance Program (NFIP)

COMMON QUESTIONS FROM RESIDENTS

What is it? Flood insurance covers damages to homes and businesses from overland flooding; damages that are not covered by standard homeowners insurance policies. It can cover damages from floods to buildings, the contents in a building, or both.

Why is this important? Most homeowner's insurance does NOT cover flood damage. Flood insurance can provide funds for repairs if flooding damages your home or business.

Who provides it? The National Flood Insurance Program (NFIP) is managed by the Federal Emergency Management Agency (FEMA) and is delivered to the public by a network of approximately 50 insurance companies. Private insurers are also starting to offer flood insurance policies, often with additional coverage options.

Do I need it? Homes and businesses in high-risk flood areas with mortgages from federal government-backed or regulated lenders are required to have flood insurance. High risk flood areas are mapped by FEMA as Special Flood Hazard Areas (SFHA); however, the SFHA does NOT consider expected higher flooding due to future conditions, including increases in precipitation or sea level from climate change, and higher runoff due to future development.

Flood Insurance is recommended for many homeowners living outside the SFHA and for those within the SFHA that don't have a mortgage.

Property owners, renters, and businesses should consider protecting their investments through flood insurance even if it's not required. Over 40% of NFIP claims nationwide occur outside the SFHA, and that number is projected to increase.



How do I tell if I'm in a high-risk flood area? The best way to tell if you are in or near an SFHA is to visit the FEMA Map Service Center and type in your address: <https://msc.fema.gov/portal/home>



COMMON MISCONCEPTIONS

I'll wait until my home floods to get flood insurance.

- Flood insurance is only available to those that purchase it more than 30 days before the flood.

I live on a hill so I don't need flood insurance

- Basement flooding can occur anywhere, regardless of elevation. More New Yorkers are reporting basement flooding than ever before. Flood insurance can cover sewer back-ups if it's a direct result of flooding (inundation of two or more acres or two or more properties). While most contents and finished materials in basements are not covered by flood insurance, there is coverage available for most basement located utilities, such as furnaces and water heaters.

Flood Insurance will cover all of my repairs and replace my damaged items

- It depends. Building and contents coverage are handled separately. There is a building cap on NFIP residential building coverage at \$250,000, \$100,000 cap on contents, and additional commercial caps for businesses. More than 25% of NFIP claims in New York State occur outside the SFHA, and that number is projected to increase.

RESOURCES FOR HOMEOWNERS

Official site of the National Flood Insurance Program: <https://www.floodsmart.gov/>

Reduce Flood Risk website (ASFPM): <https://www.reducefloodrisk.org/>

Protect Your Property from Flooding [Brochure] (FEMA): https://www.fema.gov/sites/default/files/2020-11/fema_protect-your-home_flooding.pdf

Homeowners Guide to retrofitting [Guidance document] (FEMA): https://www.fema.gov/sites/default/files/2020-08/FEMA_P-312.pdf

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RISK RATING 2.0

For policies issued after April 2021, FEMA implemented their new pricing approach, Risk Rating 2.0. Policies issued before are grandfathered into the 18% per year premium increase cap.

Flood Risk Mitigation: The overall goal of flood risk mitigation is to reduce or eliminate potential flood damage, in a way that is cost-effective, complies with floodplain regulations, and is acceptable to the homeowner in terms of appearance and livability. Mitigation can help avoid flood damage and, in some cases, may reduce flood insurance premiums. While major mitigation projects can be costly, flood damage is often far more expensive and the affected property remains at risk for future flooding.



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