

## IS MY POLICY SUBSIDIZED?

### Probably Subsidized *if your home or business*

- Is in a high-risk area (Special Flood Hazard Area) **and**
- Is "Pre-FIRM" (which means it was constructed before your community adopted its first Flood Insurance Rate Map) **and**
- Has not been substantially improved, (which would require the building to be brought up to code).

### Not Likely *if your home or business*

- Is in a low-risk area **or**
- Is a newer building (constructed after your community joined the NFIP) **or**
- Has been substantially improved, requiring the building be brought up to code.

Talk to your agent to see if your policy is subsidized.

## HOW WILL CHANGING RATES AFFECT MY PREMIUM?

If your policy is not subsidized, you are likely already paying the full-risk rate. You can expect standard increases plus a reserve fund charge until your Flood Insurance Rate Map is revised or updated.

If your policy is subsidized, premium changes will depend on certain conditions. Learn more inside.

## RESOURCES FOR MORE INFORMATION

To find and view your local Flood Map and learn your flood zone: [msc.FEMA.gov](http://msc.FEMA.gov)

To find more information on the Biggert-Waters Flood Insurance Reform Act of 2012 and download a Homeowners Guide to Elevation Certificates: [www.FEMA.gov/bw12](http://www.FEMA.gov/bw12)

To ask questions and get information about flood insurance, call the National Flood Insurance Program Help Center: **1-800-427-4661**

To learn more about the National Flood Insurance Program or find an insurance agent: [www.FloodSmart.gov](http://www.FloodSmart.gov) or **1-888-229-0437**

# CHANGING RISKS >>> CHANGING RATES >>>

**Biggert-Waters Flood Insurance Reform Act of 2012 (BW-12) and the National Flood Insurance Program (NFIP)**



FEMA



FEMA



## INCREASES TO PRE-FIRM SUBSIDIZED RATES

**JANUARY 1, 2013**

- Owners of non-primary residences with pre-FIRM subsidized rates will see a 25-percent annual increase until full-risk rates are reached.

**OCTOBER 1, 2013**

- Owners of businesses with pre-FIRM subsidized rates will see a 25-percent annual increase until full-risk rates are reached.
- Owners of properties of 1-4 residences with a pre-FIRM subsidized rate that have experienced severe or repetitive flooding will see a 25-percent annual increase until full-risk rates are reached.\*
- Pre-FIRM subsidized policies first in effect on or after July 6, 2012, will move directly to full-risk rates.\*\*
- Pre-FIRM subsidized rate policies on homes purchased on or after July 6, 2012, will move directly to full-risk rates.
- Lapsed pre-FIRM subsidized policies reinstated on or after October 4, 2012, will move directly to full-risk rates.\*\*

## OTHER INCREASES

**BEGINNING LATE 2014 AT THE EARLIEST**

- Upon a revised or updated flood map, BW-12 requires adjustment and phase in rates over 5 years "to accurately reflect the current risk of flood to such property."

\*Ask your agent if this applies to you.

\*\*If a policy is already in place, full-risk rates will apply on the first renewal on or after October 1, 2013.

# ADDRESS YOUR RISK

You can't control the weather, but you are from the consequences of



### LEARN YOUR FLOOD ZONE

- To understand your risk, start with the flood map. Locate your flood map at the FEMA Map Service Center ([msc.fema.gov](http://msc.fema.gov)).
- High-risk areas, known as Special Flood Hazard Areas (SFHAs), are designated on the flood maps as "A" or "V." In addition, Zone "D" is assigned to areas with possible but undetermined flood hazards. These zones show the estimated height waters will reach in a major flood—the one percent annual chance of a flood. That elevation above sea level is called the Base Flood Elevation (BFE).



### KNOW YOUR ELEVATION

- If you are in a high-risk area, you want to know your property's elevation compared to the BFE. This is the best way to ensure you won't pay more than you should for flood insurance.
- If your elevation information is not on file with your community floodplain manager or agent, you may need to call a surveyor to complete an Elevation Certificate (EC).
- If it turns out your home is at or above BFE, you could see insurance savings. If it's below, you might want to consider mitigation options.



### TALK TO YOUR AGENT

- Your agent calculates your insurance premium and can determine how NFIP changes may impact you directly.
- Your agent can also discuss deductible or mitigation actions such as adding flood vents to crawl spaces that could reduce your premium.

## FLOOD ZONE KEY

**V**

1 percent chance of flooding in any year; risk of coastal storm surge and wave action

**A**

1 percent chance of flooding in any year

**X**

Outside the high-risk zones; the risk is reduced, but not removed

