What is Risk MAP?

Risk Mapping, Assessment, and Planning (Risk MAP) is a new Federal Emergency Management Agency (FEMA) program that provides communities with flood information and tools they can use to enhance their mitigation plans and better protect their citizens. Through more accurate flood maps, risk assessment tools, and outreach support, Risk MAP builds on Map Modernization and strengthens local ability to make informed decisions about reducing risk.

The Risk MAP Vision

Through collaboration with State, Tribal, and local entities, Risk MAP will deliver quality data that increases public awareness and leads to action that reduces risk to life and property. Risk MAP will focus on products and services beyond the traditional Flood Insurance Rate Map (FIRM). FEMA will work with officials to help use flood risk data and tools to effectively communicate risk to citizens and enable communities to enhance their corresponding mitigation plans.

Risk MAP Solution

Building on the Risk MAP Multi-Year Plan, FEMA has developed a Risk MAP Solution to achieve the program's vision. The Solution introduces new strategies and products designed to achieve the goals and objectives laid out in the vision. These strategies and products address project prioritization, elevation data acquisition, watershed study approach, engineering and mapping, risk assessment, mitigation planning support, and risk communications. The following sections provide the overall objective of each of these strategies.

The Risk MAP Team

FEMA's ten Regional Offices implement Risk MAP at the local level through close collaboration with community officials.

FEMA Headquarters provides direction, policy, and guidance to enable consistent implementation nationwide.

State, regional, Tribal, and local communities can use enhanced hazard data to make more informed decisions regarding risk.

FEMA's Risk MAP Multi-Year Plan

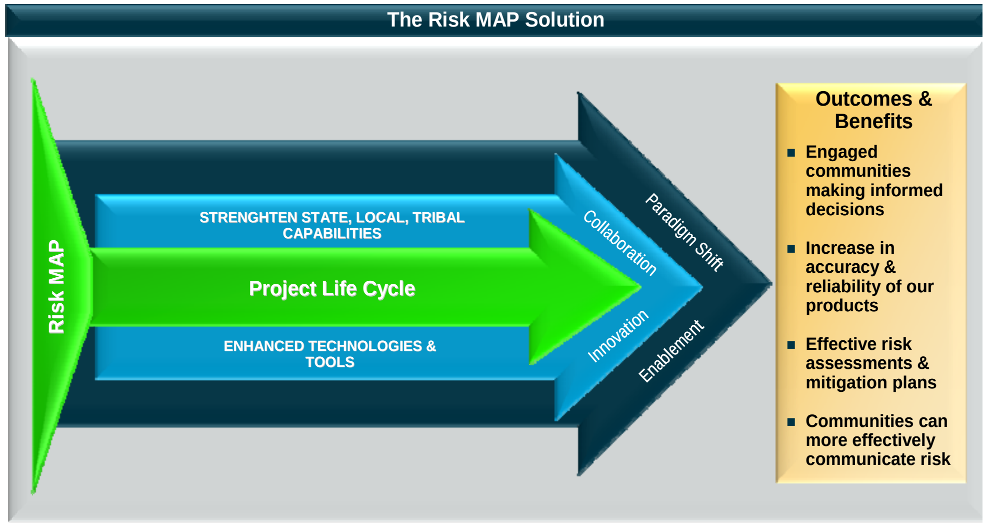
On March 16, 2009, Congress approved the Risk MAP Multi-Year Plan for fiscal years 2010 to 2014. This document outlines the goals, objectives, and strategies for Risk MAP and summarizes FEMA's strategic planning approach and stakeholder roles and responsibilities. For more information please visit www.fema.gov/plan/prevent/fhm

Vision
Risk MAP will deliver quality data that increases public awareness and leads to action that reduces risk to life and property

Multi-Year Plan | **Risk MAP Program Measures**

Goal 1: Data Gaps	Goal 2: Awareness & Understanding	Goal 3: Mitigation Planning	Goal 4: Digital Platform	Goal 5: Synergize Programs
Address gaps in flood hazard data	Measurably increase public's awareness & understanding	Lead effective engagement in Mitigation Planning	Provide an enhanced digital platform	Align Risk Analysis programs and develop synergies

RiskMAP
Increasing Resilience Together



Project Prioritization

Guides FEMA's investments in engineering, mapping, assessment, and planning support in order to achieve Risk MAP objectives

- Applies a quantitative approach to determine which communities FEMA will study

Elevation Data Acquisition

Improves engineering data and supports risk assessment data development

- Elevation data is essential to the accuracy and reliability of flood hazard data
- Updated digital elevation data enables better risk assessments
- Detailed, digital elevation data supports innovative risk communication products

Watershed Study Approach

Improves engineering credibility and opens the door to understanding risks in a more holistic, comprehensive way

- Encourages work across community boundaries and a more comprehensive understanding of flooding
- Allows for a better understanding of flood hazards as a result of more comprehensive assessments of stream and tributary relationships
- Provides a framework to evaluate flood risk, engineering need, elevation data acquisition availability and gaps, and availability of community contribution by watershed

Engineering and Mapping

Identifies flood hazards, provides local floodplain management data, supports the National Flood Insurance Program (NFIP), and provides data for risk assessments and mitigation plans for flood hazards

- Includes the scientific collection, processing, and analysis of flood hazard data to provide communities with accurate flood maps and risk assessment products
- Engineering and mapping data provide the foundation for more effective risk communications through assessments and also enable effective mitigation at the local level
- Includes significant investments in the flood mapping of areas impacted by levees and coastal flood hazard

Risk Assessment

Allows communities to make informed mitigation decisions by providing products and technologies that communicate and visualize risks

- Equips communities with the information and tools they need to develop effective mitigation plans
- Provides communities with flood risk information through a Flood Risk Report, Flood Risk Map, and Flood Risk Database

Mitigation Planning Support

Provides technical assistance, incentivizes risk reduction activities at the local level, and develops the programmatic infrastructure to monitor community efforts

- Enables communities to assess risks and identify actions to reduce vulnerability to those risks
- Enhances collaboration with and among local stakeholders
- Provides tools to improve communities' understanding of risk and facilitate mitigation planning and local risk reduction efforts
- Incentivizes local effective mitigation planning and risk reduction activities

Risk Communications

Motivates citizens to make informed decisions regarding their risks and encourages communities to take the lead in protecting their constituents

- Enhances local capabilities to communicate effectively with constituents about risk
- Allows for an exchange of information about risk between FEMA and other stakeholders
- Provides customizable communications plans, key messages, and materials to communities
- Facilitates national and local collaboration through key partnerships

RiskMAP
Increasing Resilience Together

FEDERAL INSURANCE AND MITIGATION ADMINISTRATION

National Flood Insurance Program

NATIONAL FLOOD INSURANCE PROGRAM

FINANCIAL PREPARATION FOR A FLOOD

The National Flood Insurance Program (NFIP) was established with the passage of the National Flood Insurance Act of 1968. The NFIP is a Federal program enabling property owners in participating communities to purchase flood insurance as protection against flood losses; in exchange, State and local governments agree to adopt and enforce floodplain management ordinances that reduce future flood damages. Over 20,300 communities participate in the NFIP.

FINANCIAL PROTECTION AGAINST FLOOD LOSS

Floods are the most common and costly natural disaster in the United States. Fortunately, property owners who live in communities participating in the NFIP can purchase affordable protection to insure against flood losses. Since 1969, the NFIP has paid over $30 billion dollars in flood insurance claims that have helped hundreds of thousands of families and businesses recover from flood events.

To participate in the NFIP, a community must adopt and enforce floodplain management ordinances that meet or exceed the minimum requirements of the Program. These requirements are intended to prevent loss of life and property and reduce taxpayer costs for disaster relief, as well as minimize economic and social hardships that result from flooding. The specific requirements that a community must adopt depend on the level of risk identified by the community.

The NFIP has an arrangement with private insurance companies to sell and service flood insurance policies. For a list of private insurance companies that sell and service NFIP flood insurance policies, visit: http://www.fema.gov/nfipInsurance/companies.jsp.

MYTHS AND MISCONCEPTIONS

A common misconception is that homeowners' policies cover flood damages. In fact, most homeowner and business multiperil policies do not cover flooding. In addition, Federal disaster assistance will not always pay for flood damages. The President must declare a major disaster before most forms of Federal disaster assistance can be offered, and most forms of disaster assistance are loans that must be repaid with interest. The premium for an NFIP policy, averaging about $500 a year, can be less expensive than the monthly payments on a Federal disaster loan.

WHO IS ELIGIBLE

Most people who live in NFIP participating communities, including business owners, renters and condo unit owners, are eligible to purchase federally-backed flood insurance. A residential building can be insured up to $250,000 and its contents up to $100,000. Renters can cover belongings up to $100,000, and non-residential property owners can insure their buildings up to $500,000 and contents up to $500,000.

EVERYONE NEEDS FLOOD INSURANCE

All areas are susceptible to flooding, although to varying degrees. It is advisable to have flood insurance in high-risk areas and even in low-to-moderate flood risk areas; between 20 and 25 percent of the NFIP's claims come from outside high-risk areas. Residential and commercial property owners located in low-to-moderate risk areas should ask their agents if they are eligible for the Preferred Risk Policy, which provides inexpensive flood insurance protection, starting as low as $112 a year.

Even after a home, apartment, or business has been flooded, owners and renters are still eligible to purchase flood insurance, provided that the community is participating in the NFIP.

FLOOD INSURANCE REQUIREMENTS

Residents who live in high-risk areas (referred to as Special Flood Hazard Areas [SFHAs]) are required to purchase flood insurance if they have a mortgage from a federally regulated lender. They also must carry the insurance for the life of the mortgage. Residents with a mortgage on a building outside high-risk areas can also purchase flood insurance and may be eligible for Preferred Risk Policies.

WAITING PERIOD

In general, a policy does not take effect until 30 days after the purchase of flood insurance. However, if a policy is purchased in connection with a mortgage or at a set time period following the revision or update of a Flood Insurance Rate Map (FIRM), the waiting period does not apply.

WHAT IS AND IS NOT COVERED BY FLOOD INSURANCE

Physical damage to a building or personal property that is directly caused by a flood is generally covered by flood insurance. For example, damages caused by a sewer backup are covered if the backup is a direct result of flooding. However, if the backup is caused by some other problem, the damages are not covered.

INFORMATION FOR THE PUBLIC

The NFIP works to provide affordable protection against flooding to homeowners, business owners, and renters across the country. To build awareness of flood protection and preparedness, the NFIP created the FloodSmart campaign, which informs consumers about their flood risk and protection options. FloodSmart also provides information and resources to insurance agents.

The NFIP has developed materials in a nationwide effort to provide citizens with better information on flood insurance policies. As a result of requirements in the Flood Insurance Reform Act (FIRA) of 2004, the NFIP published a *National Flood Insurance Program Claims Handbook* to assist policyholders with the process of filing a claim. A Summary of Coverage document helps people understand flood insurance policies, provides general information about deductibles, explains what is and is not covered by flood insurance, and how items are valued at the time of loss. Both documents are available on the FloodSmart website at: http:// www.FloodSmart.gov.

FOR MORE INFORMATION

For additional information about the NFIP or the FloodSmart campaign, visit: http:// www.FloodSmart.gov.

Floodplain Management

THE NATIONAL FLOOD INSURANCE PROGRAM

The National Flood Insurance Program (NFIP) was established with the passage of the National Flood Insurance Act of 1968. The NFIP is a Federal program enabling property owners in participating communities to purchase flood insurance as protection against flood losses, while requiring State and local governments to enforce floodplain management regulations that reduce future flood damages. Over 20,000 communities participate in the NFIP.

THE NFIP AND FLOODPLAIN MANAGEMENT

Floodplain management is broadly defined to include all actions that States and communities can take to reduce flood damage to both new and existing buildings and infrastructure. The NFIP plays a critical role in encouraging communities to adopt and enforce floodplain management regulations and to implement broader floodplain management programs. By law, the Federal Emergency Management Agency (FEMA) can only provide flood insurance to those States or communities that adopt and vigorously enforce floodplain management regulations that meet or exceed minimum NFIP requirements.

MANAGING FLOOD RISK THROUGH THE NFIP

Communities incorporate NFIP requirements into their zoning codes, subdivision ordinances, and/or building codes or they adopt special purpose floodplain management ordinances. The NFIP requirements apply to areas mapped as Special Flood Hazard Areas (SFHAs) on Flood Insurance Rate Maps (FIRMs) issued by FEMA. The SFHA is the area that would be flooded by the "base flood" (defined as the flood that has a 1-percent chance of occurring in any given year; also known as the "100-year flood").

The NFIP requirements include:

- Elevation of new and substantially improved residential structures above the base flood level
- Elevation or dry floodproofing (made watertight) of new or substantially improved non-residential structures
- Regulation of development in floodways, the central portion of a riverine floodplain needed to carry deeper and faster moving water, to ensure that there are no increases in upstream flood elevations
- Additional requirements to protect buildings in coastal areas from the impacts of waves, high velocity, and storm surge

These requirements are the most cost-effective way to reduce the flood risk to new buildings and infrastructure. Structures built to NFIP standards experience 80 percent less damage than structures not built to these standards and have resulted in $1.2 billion per year in reduced flood losses.

FLOODPLAIN MANAGEMENT AND HURRICANES

FEMA works closely with communities impacted by disasters by providing technical assistance and resources about mitigation measures to protect property from future flood losses. In particular, FEMA provides assistance on NFIP floodplain management requirements, including substantial damage provisions that require heavily damaged buildings to be reconstructed to be stronger and safer. FEMA also works closely with communities on reconstruction strategies to determine the most appropriate mitigation measures to reduce future flood damages, including elevation, acquisition, or relocation of flood-damaged properties. The ultimate goal is to achieve a less vulnerable community.

In addition to protecting new buildings, the NFIP substantial improvement and substantial damage requirement ensures that flood protection measures are integrated in structures built before FIRMs were developed. A building is considered substantially improved or substantially damaged when the cost of improving or repairing the building equals or exceeds 50 percent of the market value of the building. When this occurs, the community, which makes the determination, must ensure that the NFIP requirements are applied to these buildings so that they are protected from future flood damages.

FINANCIAL HELP IS AVAILABLE

Financial help to mitigate damages to existing buildings is provided under the NFIP's Increased Cost of Compliance (ICC) coverage. When a community declares a building substantially damaged or repetitively damaged, insured property owners can receive a claim up to $30,000 to incorporate mitigation measures when rebuilding. To help reduce flood damages to existing buildings, FEMA also provides grants and technical assistance to States and communities to conduct mitigation planning and implement mitigation projects.

THE COMMUNITY RATING SYSTEM

The NFIP's Community Rating System (CRS) provides discounts on flood insurance premiums in those communities that establish floodplain management programs that go beyond NFIP minimum requirements. Communities can receive credit for more restrictive regulations, acquiring flood-prone properties, and other measures that reduce flood damages and protect floodplains. Over 1,000 communities now participate in the CRS and are taking action to reduce their vulnerability to flooding.

INTERGOVERNMENTAL COLLABORATION

All levels of government have a responsibility to protect citizens and property from flooding. Under the NFIP, the States' and FEMA's roles, include:

State Role: Each State has designated an NFIP State Coordinating Agency as a point of contact for the NFIP. Many States have adopted floodplain management statutes and regulations, and have established and funded their own floodplain management programs. In addition, FEMA offers funding to States to provide technical assistance to communities on the NFIP requirements.

FEMA's Role: FEMA administers the NFIP through its 10 Regional Offices and its Federal Insurance and Mitigation Administration at FEMA Headquarters in Washington, DC. FEMA staff provide extensive technical assistance and training through workshops, visits, and other contacts with community officials. In addition, FEMA staff offer technical assistance to property owners, builders and contractors, architects and engineers, surveyors, and other NFIP constituents on NFIP requirements and mitigation measures. FEMA also has extensive publications on the NFIP, including detailed guidance on mitigation measures that can minimize or eliminate future flood damages. These publications can be found on FEMA's website at: http://www.fema.gov.

National Flood Insurance Program

Summary of Coverage

FEMA F-679 / July 2009

FEMA

This document was prepared by the National Flood Insurance Program (NFIP) to help you understand your flood insurance policy. It provides general information about deductibles, what is and is not covered by flood insurance, and how items are valued at time of loss.

This document is based on the **Standard Flood Insurance Policy Dwelling Form**, which is used to insure one to four family residential buildings and single family dwelling units in a condominium building. There are two other policy forms:

- **The General Property Form** is used to insure five or more family residential buildings and non-residential buildings.
- **The Residential Condominium Building Association Policy Form** is used to insure residential condominium association buildings.

While the three forms are similar, they do contain some important differences. For example, the General Property Form does not provide coverage for contents in any building other than the insured building, and the Residential Condominium Building Association Policy Form contains a coinsurance clause, which provides for a pro rata reduction in the building claim payment if the building is not insured to 80 percent of its replacement value.

Two Types of Flood Insurance Coverage

The NFIP's Dwelling Form offers coverage for: 1) Building Property, up to $250,000, and 2) Personal Property (Contents), up to $100,000. The NFIP encourages people to purchase both types of coverage. Your mortgage company may require that you purchase a certain amount of flood insurance coverage.

For information about your specific limits of coverage and deductibles, refer to the Declarations Page in your flood insurance policy. It is also a good idea to review your policy with your insurance agent or company representative.

What is a Flood?

Flood insurance covers direct physical loss caused by "flood." In simple terms, a flood is an excess of water on land that is normally dry. The official definition used by the National Flood Insurance Program is: "A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is your property) from:

- Overflow of inland or tidal waters;
- Unusual and rapid accumulation or runoff of surface waters from any source;
- Mudflow*; or
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above."

*Mudflow is defined as "A river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water…"

Three Important Facts About Your Flood Policy

A Standard Flood Insurance Policy is a single-peril (flood) policy that pays for direct physical damage to your insured property up to the replacement cost or Actual Cash Value (ACV) (See "How Flood Damages Are Valued") of the actual damages or the policy limit of liability, whichever is less.

1. **Contents coverage must be purchased separately.**
2. **It is not a valued policy.** A valued policy pays the limit of liability in the event of a total loss. For example: Your home is totally destroyed by a fire and it costs $150,000 to rebuild. If your homeowners insurance policy is a valued policy with a $200,000 limit of liability on the building, you would receive $200,000. Flood insurance pays the replacement cost or ACV of actual damages, up to the policy limit.
3. **It is not a guaranteed replacement cost policy.** A guaranteed replacement cost policy pays the cost to rebuild your home regardless of the limit of liability. For example: Your home is totally destroyed by a fire and it costs $200,000 to rebuild. If your homeowners insurance policy is a guaranteed replacement cost policy with a $150,000 limit of liability on the building, you would receive $200,000. Flood insurance does not pay more than the policy limit.

Choosing Deductibles

Choosing the amount of your deductible is an important decision. As with car or homeowners insurance, choosing a higher deductible will lower the premium you pay, but will also reduce your claim payment.

You can choose different deductibles for Building Property and Personal Property coverage. The deductibles will apply separately to Building Property and Personal Property claims. Your mortgage company may require that your deductible is no more than a certain amount.

Review the Declarations Page in your flood insurance policy for amounts of coverage and deductibles. Talk with your insurance agent, company representative, or lender about raising and lowering deductibles.

Reminder: Keep Your Receipts

While you are not expected to keep receipts for every household item and article of clothing, do try to keep receipts for electronic equipment, wall-to-wall carpeting, major appliances, and other higher cost items. Your adjuster will be able to process your claim more quickly when you can prove how much items cost at the time of purchase.

What is Covered by Flood Insurance—and What is Not

Physical damage to your building or personal property "directly" caused by a flood is covered by your flood insurance policy. For example, damages caused by a sewer backup are covered if the backup is a direct result of flooding. If the backup is caused by some other problem, the damages are not covered.

The following charts provide general guidance on items covered and not covered by flood insurance. Refer to your policy for the complete list.

General Guidance on Flood Insurance Coverage

What is insured under BUILDING PROPERTY coverage

- The insured building and its foundation.
- The electrical and plumbing systems.
- Central air conditioning equipment, furnaces, and water heaters.
- Refrigerators, cooking stoves, and built-in appliances such as dishwashers.
- Permanently installed carpeting over an unfinished floor.
- Permanently installed paneling, wallboard, bookcases, and cabinets.
- Window blinds.
- Detached garages (up to ten percent of Building Property coverage). Detached buildings (other than garages) require a separate Building Property policy.
- Debris removal.

What is insured under PERSONAL PROPERTY coverage

- Personal belongings such as clothing, furniture, and electronic equipment.
- Curtains.
- Portable and window air conditioners.
- Portable microwave ovens and portable dishwashers.
- Carpets not included in building coverage (see above).
- Clothes washers and dryers.
- Food freezers and the food in them.
- Certain valuable items such as original artwork and furs (up to $2,500).

What is NOT insured by either Building Property or Personal Property coverage

- Damage caused by moisture, mildew, or mold that could have been avoided by the property owner.
- Currency, precious metals, and valuable papers such as stock certificates.
- Property and belongings outside of a building such as trees, plants, wells, septic systems, walks, decks, patios, fences, seawalls, hot tubs, and swimming pools.
- Living expenses such as temporary housing.
- Financial losses caused by business interruption or loss of use of insured property.
- Most self-propelled vehicles such as cars, including their parts (see Section IV.5 in your policy).

General Guidance on Flood Insurance Coverage Limitations In Areas Below the Lowest Elevated Floor and Basements

Flood insurance coverage is limited in areas below the lowest elevated floor (including crawlspaces) depending on the flood zone and date of construction (refer to Part III, Section A.8 in your policy) and in basements regardless of zone, or date of construction. As illustrated below, these areas include 1) basements, 2) crawlspaces under an elevated building, 3) enclosed areas beneath buildings elevated on full story foundation walls that are sometimes referred to as "walkout basements," and 4) enclosed areas under other types of elevated buildings.

What is insured under BUILDING PROPERTY coverage

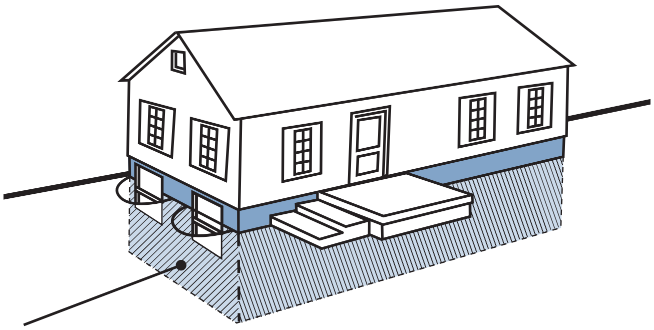
- Foundation walls, anchorage systems, and staircases attached to the building.
- Central air conditioners.
- Cisterns and the water in them.
- Drywall for walls and ceilings (in basements only).
- Nonflammable insulation (in basements only).
- Electrical outlets, switches, and circuit breaker boxes.
- Fuel tanks and the fuel in them, solar energy equipment, well water tanks and pumps.
- Furnaces, hot water heaters, heat pumps, and sump pumps.

What is insured under PERSONAL PROPERTY coverage

- Washers and dryers.
- Food freezers and the food in them (but not refrigerators).
- Portable and window air conditioners.

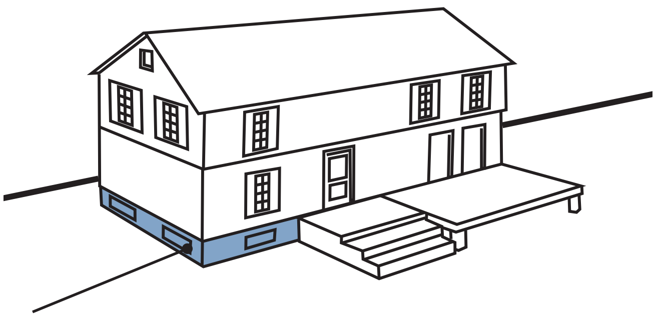
What is NOT insured by either Building Property or Personal Property coverage

- Paneling, bookcases, and window treatments such as curtains and blinds.
- Carpeting, area carpets, and other floor coverings such as tile.
- Drywall for walls and ceilings (below lowest elevated floor).
- Walls and ceilings not made of drywall.
- Most personal property such as clothing, electronic equipment, kitchen supplies, and furniture.



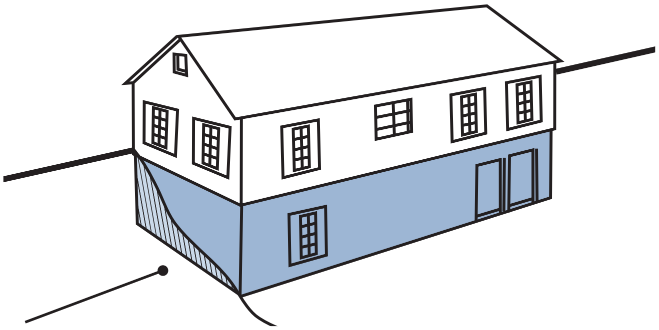
1. BASEMENTS

Coverage limitations apply to "basements," which are any area of the building, including a sunken room or sunken portion of a room, having its floor below ground level on all sides.



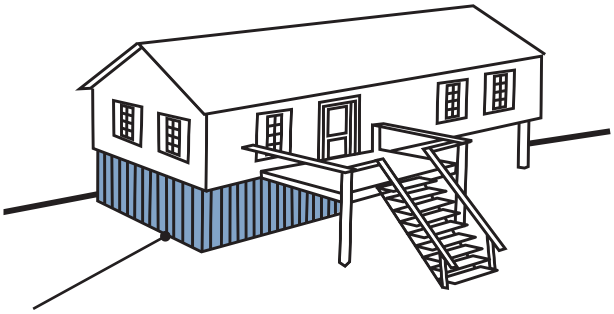
2. CRAWLSPACE

When a building is elevated on foundation walls, coverage limitations apply to the "crawlspace" below.



3. ELEVATED BUILDING ON FULL STORY FOUNDATION WALLS

Coverage limitations apply to the enclosed areas (lower floor) even when a building is constructed with what is sometimes called a "walkout basement."



4. ELEVATED BUILDING WITH ENCLOSURE

Coverage limitations apply to "enclosed areas" at ground level under an "elevated building." An elevated building allows water to flow freely under the living quarters, thus putting less strain on the building in the event of flooding. An "enclosure" is the area below the lowest elevated floor that is fully shut in by rigid walls.

How Flood Damages Are Valued

The value of flood damage in the Dwelling Form is based on either Replacement Cost Value or Actual Cash Value.

Replacement Cost Value (RCV)

RCV is the cost to replace that part of a building that is damaged (without depreciation). To be eligible, three conditions must be met:

1. The building must be a single-family dwelling, and
2. Be your principal residence, meaning you live there at least 80-percent of the year, and
3. Your building coverage is at least 80-percent of the full replacement cost of the building, or is the maximum available for the property under the NFIP.

Actual Cash Value (ACV)

ACV is Replacement Cost Value at the time of loss, less the value of its physical depreciation.

Some building items such as carpeting are always adjusted on an ACV basis. For example, wall-to-wall carpeting could lose between 10 to 14 percent of its value each year, depending on the quality of the carpeting. This depreciation would be factored in the adjustment.

Personal property is always valued at ACV.

Special Considerations for Multiple Claims

Property owners of "severe repetitive loss properties" may be eligible for a FEMA mitigation grant for property improvements that reduce the likelihood of future flood damages. Property owners who refuse the grant money could be required to pay increased flood insurance premiums.

A property is defined as a "severe repetitive loss property" when it meets one of these conditions:

1. Four or more separate flood claim payments have been made and each claim payment exceeds $5,000, or
2. At least two flood claim payments have been made and the cumulative payments exceed the value of the property.

A FINAL NOTE

This document provides general information about flood insurance coverage. However, please be aware that your Standard Flood Insurance Policy, your application, and any endorsements, including the Declarations Page, make up your official contract of insurance. Any differences between this information and your policy will be resolved in favor of your policy. If you have questions, call your insurance agent or company representative.

What is Increased Cost of Compliance (ICC) coverage?

Most NFIP policies include ICC coverage, which applies when flood damages are severe. ICC coverage provides up to $30,000 of the cost to elevate, demolish, or relocate your home. If your community declares your home "substantially damaged" or "repetitively damaged" by a flood, it will require you to bring your home up to current community standards.

The total amount of your building claim and ICC claim cannot exceed the maximum limit for Building Property coverage ($250,000 for a single-family home). Having an ICC claim does not affect a Personal Property claim (up to $100,000), which is paid separately.

Details about eligibility are in Part III, Section D of your policy.

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. The Federal Emergency Management Agency (FEMA) manages the NFIP. As required by Congress, this document was prepared by the NFIP to help flood insurance policyholders understand their policy.

FEMA

FEMA F-679
Catalog No. 10078-2

For more information about the NFIP and flood insurance, call
1-800-427-4661
or contact your insurance company or agent.

http://www.fema.gov/business/nfip
http://www.floodsmart.gov

FEMA

Fact Sheet

Federal Insurance and Mitigation Administration

Saving on Flood Insurance

Information About the NFIP's Grandfathering Rules

Flood risks can change over time, altering floodplain boundaries. Changes in the status of dams or levees, surface erosion, land use, and development can all change the size and shape of a floodplain.

The Federal Emergency Management Agency (FEMA) is currently updating and modernizing the Nation's flood maps. The new maps will reflect recent changes to floodplains and flood risks, and will drive changes in flood insurance requirements for some property owners.

Flood Maps and Flood Insurance

Flood maps, also known as Flood Insurance Rate Maps (FIRMs), show the high-risk areas where there is at least a 1-percent-annual chance of flooding. In these areas, also known as Special Flood Hazard Areas (SFHAs), flood insurance is required for mortgages from a Federally regulated lender. The maps also show the low- or moderate-risk areas where flood insurance is optional, but recommended.

When risk designations change, flood insurance rates will change as well. However, property owners may be able to take advantage of certain cost saving options available through the National Flood Insurance Program (NFIP).

Owners of properties that move from a high-risk zone to a low-risk or moderate-risk zone may be eligible for reduced insurance rates by converting to a Preferred Risk Policy (PRP). A PRP covers both a structure and its contents, and offers substantial savings. A PRP can be obtained for as little as $112 a year.

There are also ways for owners of some structures moving into high-risk zones to save. Existing policyholders may be able to use the rate charged for the lower-risk zone through a process known as grandfathering.

Grandfathering Offers Savings

The NFIP's grandfathering provision offers savings for structures that were built before a flood map was issued for the community, or that were built in compliance with the flood map in effect at the time of construction. The simplest way to grandfather is to purchase a flood insurance policy before the new map takes effect and maintain coverage without a lapse.

If a structure was built in compliance with the requirements in place at the time of construction, the zone and base flood elevation (BFE)* that was in effect can be used for rating purposes, if either is affected due to a map change. Sometimes using the new zone can provide a better rate than using the older one, so the property owner should always ask his/her agent to look at both options.

Levees and Flood Insurance

FEMA urges *all* people living behind levees to purchase and maintain flood insurance coverage, whether it is required or not. The fact is, levees can and do decay over time if not properly maintained. They can also fail, or be overtopped by flood events larger than those they were built to protect against.

FEMA and the U.S. Army Corps of Engineers are working to identify risks associated with the Nation's levees. If a levee is found to be deficient or unsafe, structures located behind it will be mapped into high-risk areas and flood insurance will be required for most mortgage holders. Property owners can contact their insurance agents for more information.

National Flood Insurance Program

How Grandfathering Works

If a policy is obtained before a new map becomes effective, policyholders can retain the rate associated with the previous map's flood zone and BFE, as long as continuous coverage has been maintained. For structures built after a FIRM was issued, insurance costs will be based on the zone designation and BFE for the map in effect at the time the structure was built (unless the new map offers a lower rate). However, policyholders must submit supporting documentation to their insurer that shows the structure was built to conform to standards on the earlier map. Continuous coverage is not required in this case. If a structure was built before the community's first FIRM was issued and the policy was not purchased prior to the effective date of a new map, policyholders can still save, but policy costs will be defined by pre-FIRM rates associated with their zone designation on the new map.

The chart below provides details on specific map situations, and how the grandfathering rule can apply.

For More information

Property owners should be fully aware of their flood risk and the current status of flood maps in their community. They can contact their local floodplain management officials to learn the status of local flood maps, or can obtain a copy of the current map at: http://www.msc.fema.gov.

Home and business owners who do not have flood insurance should contact their insurance agent to find out more about obtaining flood insurance or visit the FloodSmart web site at: http://www.floodsmart.gov/floodsmart.

IF THE NEW MAP SHOWS YOUR STRUCTURE IN...	...THESE FLOOD INSURANCE REQUIREMENTS APPLY...	...AND THESE COST SAVING OPTIONS ARE AVAILABLE.
Zones A, AE, A1-30, AH, AO, V, VE, V1-30 These zones designate high-risk zones known as Special Flood Hazard Areas (SFHAs).	Flood insurance is mandatory for structures with mortgages from a Federally regulated lender, and is strongly recommended for all structures.	If the effective map shows the structure as outside the SFHA, it may be eligible to be grandfathered in at the current zone's rate.**
Zones B, C, X, shaded X These zones designate a low- to moderate-risk area.	Flood insurance is not required, but is recommended.	If the current map shows the structure in a SFHA, low-cost Preferred Risk Policies (PRP) may be available when the new map becomes effective. Standard insurance rates here are also lower than in SFHAs.
Zone AR An area where a levee or similar structure is determined to no longer provide sufficient flood protection, but is in the process of being restored.	Flood insurance is mandatory for structures with mortgages from a Federally regulated lender, and is strongly recommended for all structures.	The levee is being restored to provide sufficient flood protection, and a rate similar to an X-zone rate may be available. If the current map shows the structure as outside the SFHA, it may be eligible to be grandfathered in at the current zone's rate.**
Zone A99 An area where a Federal flood protective structure is under construction to provide the necessary flood protection standard.	Flood insurance is mandatory for structures with mortgages from a Federally regulated lender, and is strongly recommended for all structures.	The levee is being restored to provide sufficient flood protection, and a rate similar to an X-zone rate is available. If the current map shows the structure as outside the SFHA, it may be eligible to be grandfathered in at the current zone's rate.**

** The structure may be eligible for a PRP policy; however, it must be converted to a standard X-zone rated policy when the PRP

FACT SHEET

Preferred Risk Policy Eligibility Extension

A New Low-Cost Flood Insurance Option for Your Community

The Federal Emergency Management Agency (FEMA) introduces a new flood insurance rating option for the National Flood Insurance Program (NFIP) to help reduce the financial burden placed on property owners whose buildings are newly mapped into a high-risk flood area.

FLOOD MAPS CHANGE – FLOOD RISKS CHANGE

In 2003, with aging flood control infrastructure and outdated flood maps across the United States, upon a request from the President, Congress appropriated funds directing FEMA to update the nation's flood hazard maps. This effort (known as Flood Map Modernization) used the latest data and technology to identify communities' current flood risks nationwide. As a result, many property owners have found that their risk of flooding has changed. For some, it was reduced; but for others, it increased. If a building in a moderate-to-low risk flood zone was newly mapped into a high-risk Special Flood Hazard Area (SFHA) and was secured with a federally regulated or insured loan, lenders may require flood insurance. While the property owner may have been able to buy a lower-cost Preferred Risk Policy (PRP) before the new flood maps became effective, any policy purchased after the map revision would have to be rated at more expensive standard-rates. The PRP would have to be converted to more expensive standard-rated premiums at subsequent renewals. Recognizing the financial burden this places on affected property owners and that updating flood maps is continuing with FEMA's new Risk MAP (Mapping, Assessment and Planning) effort, FEMA is extending the eligibility of writing the lower-cost PRP for two years after a revised flood map's effective date.

ELIGIBILITY FOR THE PRP TWO-YEAR EXTENSION

For policies effective on or after January 1, 2011, FEMA is applying the two-year PRP eligibility extension for buildings affected by map changes since October 1, 2008.

Affected Buildings Previous to January 1, 2011

Buildings that have been newly mapped into high-risk flood zones (i.e., labeled with "A" or "V" on the flood maps) due to a map revision on or after October 1, 2008, and before January 1, 2011, are eligible for a PRP for *two policy years* effective between January 1, 2011, and December 31, 2012. So, policies issued as standard-rated policies or converted to standard-rated policies following a map change on or after October 1, 2008, could be converted to the lower-cost PRP for two years beginning on the first renewal effective on or after January 1, 2011. Buildings meeting these same conditions that were not previously insured may be issued as a new business PRP on or after January 1, 2011, during this same eligibility period.

Buildings that are newly mapped into a high-risk flood zone due to a map revision on or after January 1, 2011, are eligible for a lower-cost PRP for *two policy years* from the map revision date.

Buildings meeting the above requirements must also meet the NFIP's PRP loss history requirements. At the end of the extended eligibility period, policies on these buildings must be written as standard-rated policies; however, there are additional rating options available, which could result in additional savings (e.g., grandfathering, elevation rating, higher deductible).

> **Significant Savings**
> A property owner who has a home without a basement will pay $343 for $200,000 in building and $80,000 in contents coverage for a PRP versus more than $1,400 for a standard-rated policy in an X zone, and even more if rated in a high-risk flood zone (i.e., A zone)…a savings of more than $1,000+ a year.

STAY PROTECTED AND SAVE

Whether a building is mapped into a high-risk or moderate-to-low risk flood zone, the property owner should always consider flood insurance as a way to reduce their overall risk. While this new rating option provides temporary financial relief, the property owners need to understand that they are still at a high risk for flooding.

FACT SHEET

Preferred Risk Policy Eligibility Extension

A New Low-Cost Flood Insurance Option for Your Community

This extension provides affected property owners additional time to save and prepare for paying for the full risk premium in two years. The two-year extension also provides more time for the communities to upgrade or mitigate flood control structures to meet FEMA standards and reduce the flood risk. Sound floodplain management will reduce the financial impact on residents and businesses in the long term while making their community safer to live and work in.

WHAT TO DO

While the new PRP eligibility extension does not become effective until January 1, 2011, insurance companies will be contacting policyholders – those who may potentially qualify for this extension – at least ninety days before their policy expires. Consequently, some policyholders may be receiving notification as early as October 1, 2010. Insurance agents will be required to provide their insurance company documentation to show that the building is eligible for the PRP extension, including the current and prior map information. Such information, both historic and current flood maps, can be found on FEMA's mapping website (http://msc.fema.gov) or through the local community's floodplain administrator.

Property owners in communities that have received flood map updates since October 1, 2008 and have questions should contact their agent for further details. Additional information can also be found at www.FloodSmart.gov and www.FloodSmart.gov/PRPExtension or by calling the NFIP Help Center at 1-800-427-4661.

FEDERAL INSURANCE AND MITIGATION ADMINISTRATION

Community Rating System

The National Flood Insurance Program (NFIP) Community Rating System (CRS) was implemented in 1990 as a voluntary program for recognizing and encouraging community floodplain management activities exceeding the minimum NFIP standards. Any community in full compliance with the minimum NFIP floodplain management requirements may apply to join the CRS.

1,148 COMMUNITIES PARTICIPATE IN THE CRS

Nearly 3.4 million policyholders in 1,148 communities participate in the CRS by implementing local mitigation, floodplain management, and outreach activities that exceed the minimum NFIP requirements.

Under the CRS, flood insurance premium rates are discounted to reward community actions that meet the three goals of the CRS, which are: (1) reduce flood damage to insurable property; (2) strengthen and support the insurance aspects of the NFIP; and (3) encourage a comprehensive approach to floodplain management.

Although CRS communities represent less than 5 percent of the over 21,000 communities participating in the NFIP, more than 67 percent of all flood insurance policies are written in CRS communities.

CRS CLASSES

The CRS uses a class rating system that is similar to fire insurance rating to determine flood insurance premium reductions for residents. CRS classes* are rated from 10 to 1. A community that does not apply for the CRS or that does not maintain the minimum number of credit points would be considered a Class 10 community. Today, most communities enter the program at a Class 9 rating, which entitles residents in Special Flood Hazard Areas (SFHAs) to a 5 percent discount on their flood insurance premiums. As a community engages in additional mitigation activities, its residents become eligible for increased NFIP policy premium discounts. Each class improvement produces a 5 percent greater discount on flood insurance premiums for properties in the SFHA, with a Class 1 community receiving the maximum 45 percent premium reduction.

BEST OF THE BEST

Four communities occupy the highest levels of the CRS. Each has developed a floodplain management program tailored to its own particular hazards, character, and goals. Under these programs, each community carries out numerous and varied activities, many of which are credited by the CRS. The average discount in policy-holder premiums varies according to a community's CRS class and the average amount of insurance coverage in place. Some highlights:

Roseville, California was the first to reach the highest CRS rating (class 1). Damaging floods in 1995 spurred Roseville to strengthen and broaden its floodplain management program. Today the City earns points for almost all CRS creditable activities. The average premium discount for policies in the Special Flood Hazard Area (SFHA) is $768.

Comprehensive planning for floodplain management has been a key contributor to **Tulsa, Oklahoma's** progress in reducing flood damage from the dozens of creeks within its jurisdiction. The City (class 2) has cleared more than 900 buildings from its floodplains. The average premium discount for policies in the SFHA is $461.

King County, Washington (class 2) has preserved more than 100,000 acres of floodplain open space and receives additional CRS credit for maintaining it in a natural state. The average premium discount for policies in the SFHA is $381.

Pierce County, Washington (class 3) maintains over 80 miles of river levees. County officials annually mail informational brochures to all floodplain residents. The average premium discount for policies in the SFHA is $381.

* CRS class changes occur on May 1 and October 1 of each year. The data contained in this fact sheet were current through October 1, 2010.

CRS CREDIT

A community accrues points to improve its CRS class rating and receive increasingly higher discounts. Points are awarded for engaging in any of 18 creditable activities, organized under four categories:

- Public information
- Mapping and regulations
- Flood damage reduction
- Flood preparation

Formulas and adjustment factors are used to calculate credit points for each activity.

The communities listed below are among those that have qualified for the greatest premium discounts:

Class 1: Roseville, California

Class 2: Tulsa, Oklahoma
King County, Washington

Class 3: Pierce County, Washington

Class 4: Fort Collins, Colorado
Skagit County, Washington
Snohomish County, Washington
Charleston County, South Carolina
Sacramento County, California

BENEFITS OF THE CRS

Lower cost flood insurance rates are only one of the rewards a community receives from participating in the CRS. Other benefits include:

- Citizens and property owners in CRS communities have increased opportunities to learn about risk, evaluate their individual vulnerabilities, and take action to protect themselves, as well as their homes and businesses.
- CRS floodplain management activities provide enhanced public safety, reduced damage to property and public infrastructure, and avoidance of economic disruption and loss.
- Communities can evaluate the effectiveness of their flood programs against a nationally recognized benchmark.
- Technical assistance in designing and implementing some activities is available to community officials at no charge.
- CRS communities have incentives to maintain and improve their flood programs over time.

HOW TO APPLY

To apply for CRS participation, a community must initially inform the Federal Emergency Management Agency (FEMA) Regional Office of its interest in applying to the CRS and will eventually submit a CRS application, along with documentation that shows it is implementing the activities for which credit is requested. The application is submitted to the Insurance Services Office, Inc. (ISO)/CRS Specialist. ISO works on behalf of FEMA and insurance companies to review CRS applications, verify communities' credit points, and perform program improvement tasks.

A community's activities and performance are reviewed during a verification visit. FEMA establishes the credit to be granted and notifies the community, the State, insurance companies, and other appropriate parties.

Each year, the community must verify that it is continuing to perform the activities that are being credited by the CRS. In addition, a community can continue to improve its class rating by undertaking new mitigation and flood-plain management activities that earn even more points.

CRS TRAINING

CRS specialists are available to assist community officials in applying to the program and in designing, implementing, and documenting the activities that earn even greater premium discounts. In addition, a week-long CRS course for local officials is offered for free at FEMA's Emergency Management Institute (EMI) located on the National Emergency Training Center campus in Emmitsburg, Maryland, and can be field deployed in interested states.

FOR MORE INFORMATION

A list of resources is available at the CRS website: http://www.fema.gov/nfip/crs.shtm. For more information about the CRS or to obtain the CRS application, contact the Insurance Services Office by phone at (317) 848-2898 or by e-mail at nfipcrs@iso.com.

Mitigation's Value to Society

BUILDING SAFER AND STRONGER

Mitigation is the effort to reduce the loss of life and property by lessening the impact of disasters. A recent study by the Multihazard Mitigation Council (MMC) shows that each dollar spent on mitigation saves an average of $4.00.*

VALUE TO SOCIETY

Mitigation yields benefits to society and therefore:

- It creates safer communities by reducing loss of life and property;
- It enables individuals to recover more rapidly from floods and other disasters; and
- It lessens the financial impact on the Federal Treasury, States, Tribes, and communities.

FEMA's Federal Insurance and Mitigation Administration implements numerous Congressionally-authorized programs that address the effects of natural hazards through mitigation activities.

MITIGATION CREATES SAFER COMMUNITIES

In any disaster, buildings constructed to a higher standard not only reduce property damage but can also save lives. Homes constructed to National Flood Insurance Program (NFIP) standards incur 80 percent less damage from floods than structures not built to those standards.

MITIGATION SPEEDS RECOVERY

Mitigation is key to decreasing the time it takes to rebuild and recover after a disaster. By using existing, proven plans and building standards, mitigation allows individuals and communities to lessen post-disaster disruption and rebuild more quickly. Long-term hazard mitigation planning and projects enable communities and individuals to break the cycle of disaster damage, reconstruction, and repeated loss.

MITIGATION SAVES MONEY

Mitigation activities have been proven to lessen the financial impact on individuals, communities, and society as a whole. Floodplain management actions save the country more than $1 billion in prevented damages each year.

MITIGATION IS COST-EFFECTIVE

In December 2005, the MMC of the National Institute of Building Sciences (NIBS) released *Natural Hazard Mitigation Saves: An Independent Study to Assess the Future Savings from Mitigation Activities*. The report was the culmination of a 3-year, Congressionally-mandated independent study.

CASE STUDY: GRAND FORKS, NORTH DAKOTA

In 1997, the Red River flooded 8,600 homes in Grand Forks, North Dakota, causing $3.7 billion in flood losses. Following the disaster, the State of North Dakota, local governments, and FEMA worked together to buy out almost 700 of the most vulnerable homes in the State with FEMA mitigation grant program funds. The Red River flooded again in 2006, yet losses were kept to $6.5 million as a result of the mitigation projects and studies. Demonstrating mitigation's cost-effectiveness is critical to the continued success of FEMA mitigation programs.

Key findings included:

- A dollar spent on mitigation saves society an average of $4.00, with positive benefit-cost ratios for all hazard types studied.
- In addition to savings to society, the Federal Treasury can redirect an average of $3.65 for each dollar spent on mitigation resulting from disaster relief costs and tax losses avoided.
- In each of the eight communities studied in-depth, FEMA mitigation grants were a significant part of the community's mitigation history and often led to additional loss reduction activities.
- Mitigation is sufficiently cost-effective to warrant Federal funding both before disasters occur and during post-disaster recovery.

MMC REPORT RECOMMENDATIONS

The MMC report demonstrated through statistical and community analyses that positive net benefits result from hazard mitigation. In addition, the MMC report included three basic recommendations:

- Mitigation should continue to be Federally funded on an ongoing basis. It should encompass projects that relate to enforcing strong building codes and land use measures, and promote development of comprehensive plans to limit damage and reduce losses.
- Mitigation is most effective when carried out on a comprehensive, community-wide, and long-term basis. Implementing coordinated mitigation activities over time is the best way to ensure that communities will be physically, socially, and economically resilient to future hazard impacts.
- The effectiveness of mitigation activities must continue to be studied and analyzed. Systematic data collection and assessment of various mitigation approaches are required to ensure that lessons learned are incorporated into disaster public policy.

FOR MORE INFORMATION

The two-volume study report is available for free download at: http://www.nibs.org/index.php/mmc/projects/nhms.

* The purpose of the Multihazard Mitigation Council (MMC) is to reduce the total costs associated with natural and other related hazards to buildings by fostering and promoting consistent and improved multihazard risk mitigation strategies, guidelines, practices, and related efforts. The Council was established in 1997 as a voluntary advisory, facilitative body of the National Institute of Building Sciences (NIBS), a non-profit corporation incorporated in the District of Columbia.

FEMA

Program Information **Mitigation**

The Unified Hazard Mitigation Assistance Grant Programs

HMA

Hazard Mitigation Assistance

Hazard Mitigation Assistance

The Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) Hazard Mitigation Assistance (HMA) programs present a critical opportunity to reduce the risk to individuals and property from natural hazards while simultaneously reducing reliance on Federal disaster funds.

A Common Goal

While the statutory origins of the programs differ, all share the common goal of reducing the risk of loss of life and property due to natural hazards.

Funding Disaster Recovery Efforts

The Hazard Mitigation Grant Program (HMGP) may provide funds to States, Territories, Indian Tribal governments, local governments, and eligible private non-profits following a Presidential major disaster declaration.

HMGP HAZARD MITIGATION GRANT PROGRAM

The Hazard Mitigation Grant Program (HMGP) is authorized by Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (the Stafford Act), Title 42, United States Code (U.S.C.) 5170c. The key purpose of HMGP is to ensure that the opportunity to take critical mitigation measures to reduce the risk of loss of life and property from future disasters is not lost during the reconstruction process following a disaster. HMGP is available, when authorized under a Presidential major disaster declaration, in the areas of the State requested by the Governor. The amount of HMGP funding available to the Applicant is based upon the total Federal assistance to be provided by FEMA for disaster recovery under the Presidential major disaster declaration.

PDM PRE-DISASTER MITIGATION

The Pre-Disaster Mitigation (PDM) program is authorized by Section 203 of the Stafford Act, 42 U.S.C. 5133. The PDM program is designed to assist States, Territories, Indian Tribal governments, and local communities in implementing a sustained pre-disaster natural hazard mitigation program to reduce overall risk to the population and structures from future hazard events, while also reducing reliance on Federal funding from future disasters.

FMA FLOOD MITIGATION ASSISTANCE

The Flood Mitigation Assistance (FMA) program is authorized by Section 1366 of the National Flood Insurance Act of 1968, as amended (NFIA), 42 U.S.C. 4104c, with the goal of reducing or eliminating claims under the National Flood Insurance Program (NFIP).

RFC REPETITIVE FLOOD CLAIMS

The Repetitive Flood Claims (RFC) program is authorized by Section 1323 of the NFIA, 42 U.S.C. 4030, with the goal of reducing flood damages to individual properties for which one or more claim payments for losses have been made under flood insurance coverage and that will result in the greatest savings to the National Flood Insurance Fund (NFIF) in the shortest period of time.

SRL SEVERE REPETITIVE LOSS

The Severe Repetitive Loss (SRL) program is authorized by Section 1361A of the NFIA, 42 U.S.C. 4102a, with the goal of reducing flood damages to residential properties that have experienced severe repetitive losses under flood insurance coverage and that will result in the greatest amount of savings to the NFIF in the shortest period of time.

Additional HMA resources, including the HMA Unified Guidance, may be accessed at www.fema.gov/government/grant/hma/index.shtm

Program Comparisons

Cost Sharing

In general, HMA funds may be used to pay up to 75 percent of the eligible activity costs. The remaining 25 percent of eligible costs are derived from non-Federal sources.

The table below outlines the Federal and State cost share requirements.

COST SHARE REQUIREMENTS

Programs	Mitigation Activity Grant (Percent of Federal/ Non-Federal Share)
HMGP	75/25
PDM	75/25
PDM (subgrantee is small impoverished community)	90/10
PDM (Tribal grantee is small impoverished community)	90/10
FMA	75/25
FMA (severe repetitive loss property with Repetitive Loss Strategy)	90/10
RFC	100/0
SRL	75/25
SRL (with Repetitive Loss Strategy)	90/10

Eligible Applicants and Subapplicants

States, Territories, and Indian Tribal governments are eligible HMA Applicants. Each State, Territory, and Indian Tribal government shall designate one agency to serve as the Applicant for each HMA program. All interested subapplicants must apply to the Applicant.

The table below identifies, in general, eligible subapplicants.

ELIGIBLE SUBAPPLICANTS

Subapplicants	HMGP	PDM	FMA	RFC	SRL
State agencies	✔	✔	✔	✔	✔
Indian Tribal governments	✔	✔	✔	✔	✔
Local governments/communities	✔	✔	✔	✔	✔
Private non-profit organizations (PNPs)	✔				

✔ = Subapplicant is eligible for program funding

Individuals and businesses are not eligible to apply for HMA funds, however, an eligible subapplicant may apply for funding to mitigate private structures. RFC funds are only available to subapplicants who cannot meet the cost share requirements of the FMA program.

Available Funding

PDM, FMA, RFC, and SRL are subject to the availability of appropriations funding, as well as any directive or restriction made with respect to such funds.

HMGP funding depends on Federal assistance provided for disaster recovery.

General Requirements

All mitigation projects must be cost-effective, be both engineering and technically feasible, and meet Environmental Planning and Historic Preservation requirements in accordance with HMA Unified Guidance. In addition, all mitigation activities must adhere to all relevant statutes, regulations, and requirements including other applicable Federal, State, Indian Tribal, and local laws, implementing regulations, and Executive Orders.

All Applicants and subapplicants must have hazard mitigation plans that meet the requirements of 44 CFR Part 201.

Eligible Activities

The table below summarizes eligible activities that may be funded by HMA programs. Detailed descriptions of these activities can be found in the HMA Unified Guidance.

ELIGIBLE ACTIVITIES

Mitigation Activities	HMGP	PDM	FMA	RFC	SRL
1. Mitigation Projects	✔	✔	✔	✔	✔
Property Acquisition and Structure Demolition or Relocation	✔	✔	✔	✔	✔
Structure Elevation	✔	✔	✔	✔	✔
Mitigation Reconstruction					✔
Dry Floodproofing of Historic Residential Structures	✔	✔	✔	✔	✔
Dry Floodproofing of Non-Residential Structures	✔	✔	✔	✔	
Minor Localized Flood Reduction Projects	✔	✔	✔	✔	✔
Structural Retrofitting of Existing Buildings	✔	✔			
Non-Structural Retrofitting of Existing Buildings and Facilities	✔	✔			
Safe Room Construction	✔	✔			
Infrastructure Retrofit	✔	✔			
Soil Stabilization	✔	✔			
Wildfire Mitigation	✔	✔			
Post-Disaster Code Enforcement	✔				
5% Initiative Projects	✔				
2. Hazard Mitigation Planning	✔	✔	✔		
3. Management Costs	✔	✔	✔	✔	✔

✔ = Mitigation activity is eligible for program funding

Management Costs

For HMGP only: The Grantee may request up to 4.89 percent of the HMGP allocation for management costs. The Grantee is responsible for determining the amount, if any, of funds that will be passed through to the subgrantee(s) for their management costs.

Applicants for PDM, FMA, RFC, or SRL may apply for a maximum of 10 percent of the total funds requested in their grant application budget (Federal and non-Federal shares) for management costs to support the project and planning subapplications included as part of their grant application.

Subapplicants for PDM, FMA, RFC, or SRL may apply for a maximum of 5 percent of the total funds requested in a subapplication for management costs.

National Flood Insurance Program (NFIP) Participation

There are a number of ways that HMA eligibility is related to the NFIP:

SUBAPPLICANT ELIGIBILITY: All subapplicants for FMA, RFC, or SRL must currently be participating in the NFIP, and not withdrawn or suspended, to be eligible to apply for grant funds. Certain non-participating political subdivisions (i.e., regional flood control districts or county governments) may apply and act as subgrantee on behalf of the NFIP-participating community in areas where the political subdivision provides zoning and building code enforcement or planning and community development professional services for that community.

PROJECT ELIGIBILITY: HMGP and PDM mitigation project subapplications for projects sited within a Special Flood Hazard Area (SFHA) are eligible only if the jurisdiction in which the project is located is participating in the NFIP. There is no NFIP participation requirement for HMGP and PDM project subapplications located outside of the SFHA.

PROPERTY ELIGIBILITY: Properties included in a project subapplication for FMA, RFC, and SRL funding must be NFIP-insured at the time of the application submittal. Flood insurance must be maintained at least through completion of the mitigation activity.

Application Process

Applications for HMGP are processed through the National Emergency Management Information System (NEMIS). Applicants use the Application Development Module of NEMIS, which enables each Applicant to create project applications and submit them to the appropriate FEMA Region in digital format for the relevant disaster.

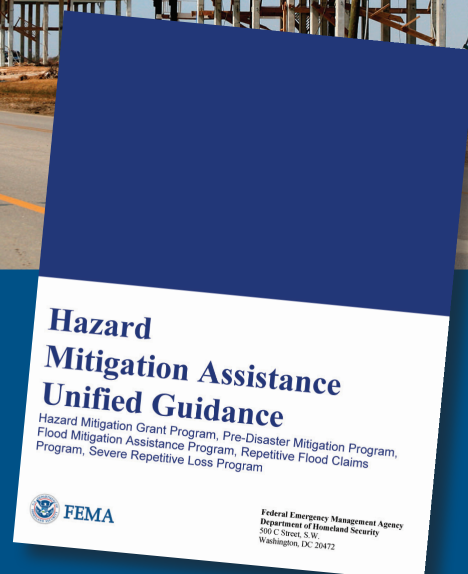
Applications for PDM, FMA, RFC, and SRL are processed through a web-based, electronic grants management system (eGrants), which encompasses the entire grant application process. The eGrants system allows Applicants and subapplicants to apply for and manage their mitigation grant application processes electronically. Applicants and subapplicants can access eGrants at https://portal.fema.gov.

Application Deadline

The PDM, FMA, RFC, and SRL application period is from early June through early December. Applicants must submit a grant application to FEMA through the eGrants system. The HMGP application deadline is 12 months after the disaster declaration date and is not part of the annual application period. Details can be found in the HMA Unified Guidance.

FEMA Review and Selection

All subapplications will be reviewed for eligibility and completeness, cost-effectiveness, engineering feasibility and effectiveness, and for Environmental Planning and Historical Preservation compliance. Subapplications that do not pass these reviews will not be considered for funding. FEMA will notify Applicants of the status of their subapplications and will work with Applicants on subapplications identified for further review.



Details about the HMA Grant Application process can be found in the Hazard Mitigation Assistance Unified Guidance, which is available at www.fema.gov/government/grant/hma/index.shtm

GovDelivery Notifications

Stay up-to-date on the HMA Grant Programs by subscribing to GovDelivery notifications. Have updates delivered to an e-mail address or mobile device. To learn more, visit **www.fema.gov**

Contact Information

HMA Helpline: Tel 866-222-3580, or e-mail **hmagrantshelpline@dhs.gov**

Contact information for FEMA Regional Offices is provided at **www.fema.gov/about/contact/regions.shtm**

Contact information for each State Hazard Mitigation Officer (SHMO) is provided at **www.fema.gov/about/contact/shmo.shtm**

FEMA

HAZUS-MH

ESTIMATING POTENTIAL LOSSES FROM DISASTERS

HAZUS-MH is a nationally applicable standardized methodology that estimates potential losses from earthquakes, floods, and hurricane winds. HAZUS-MH was developed by the Federal Emergency Management Agency (FEMA) under contract with the National Institute of Building Sciences (NIBS).

PROVIDING ESTIMATES OF HAZARD-RELATED DAMAGE

HAZUS-MH is FEMA's risk assessment and loss estimation tool that helps States, communities, and businesses prepare for, mitigate the effects of, respond to, and recover from a hazard event. HAZUS-MH provides estimates of hazard-related damage before a disaster occurs and takes into account various impacts of a hazard event.

Potential loss estimates analyzed by HAZUS-MH include:

- Physical damage to residential and commercial buildings, schools, critical facilities, and infrastructure;
- Economic loss, including lost jobs, business interruptions, repair and reconstruction costs; and
- Social impacts, including estimates of shelter requirements, displaced households, and population exposed to scenario earthquakes, floods, and hurricanes.

USING GIS TECHNOLOGY

HAZUS-MH can quantify the risk for a study area of any size by using geographic information system (GIS) technology to combine hazard layers with national databases, and applying standardized loss estimation and risk assessment methodology. The GIS-based environment allows users to create graphics to help communities visualize and understand their hazard risks and possible solutions. The nationwide databases built into HAZUS-MH include datasets on demographics, building stock, essential facilities, transportation, utilities, and high-potential-loss facilities.

HAZUS-MH METHODOLOGY

HAZUS-MH can estimate losses from earthquakes, floods, and hurricane winds by using:

- Ground motion and ground failure information to calculate losses for earthquakes
- Flood frequency, depth, discharge, and velocity for floods
- Information on wind pressure, windborne missiles, and rain for hurricane winds

HAZUS-MH HELPS BUILD SAFER AND STRONGER COMMUNITIES

HAZUS-MH can help States and communities:

- Anticipate the scope of disaster-related damage
- Identify areas at risk from hazards that may require special land-use or building codes
- Assess the vulnerability of housing and essential facilities
- Estimate potential losses from specific natural disasters
- Prioritize mitigation projects
- Educate communities about their risk and how to reduce it
- Develop damage prevention, preparedness, response, and recovery plans

INTEGRATED RISK ANALYSIS

HAZUS-MH can perform multi-hazard analyses by combining the results from earthquake, flood, and hurricane wind models to provide integrated multi-hazard reports and graphs. HAZUS-MH also contains a third-party model that provides access and operational capability to a wide range of natural, manmade, and technological hazard models (nuclear and conventional blast, radiological, chemical, and biological) that can supplement the natural hazard loss estimation capability.

HAZUS-MH USER GROUPS SUPPORT MITIGATION PLANNING

HAZUS-MH User Groups unite the resources of public and private organizations to reduce the risk of loss and respond to natural hazards. By pooling the talents of GIS professionals, risk managers, contingency planners, natural hazard experts, and elected officials, User Groups use HAZUS-MH to develop hazard mitigation plans as well as to identify and execute mitigation projects. User Groups throughout the country benefit from group collaboration and the sharing of information, data, and software usage tips.

For information about forming hazard-specific or multi-hazard HAZUS-MH User Groups, please consult *How to Start a User Group* (FEMA 404), available online at: http://www.fema.gov/plan/prevent/hazus/hz_users.

INFORMATION AND TRAINING

FEMA provides many HAZUS-MH publications free of charge from the FEMA Distribution Center as well as online. *HAZUS: What Could Happen* (FEMA 410) is a video overview of how communities are using HAZUS-MH in planning for earthquake, flood, and wind loss mitigation; emergency preparedness; response; and recovery. *Using HAZUS-MH for Risk Assessment: How-To Guide* (FEMA 433) helps users prepare standardized, scientifically based risk assessments with HAZUS-MH software.

Additional HAZUS resources are available online at: http://www.fema.gov/plan/prevent/hazus/hz_resources.

Regularly scheduled HAZUS-MH training classes are held at FEMA's Emergency Training Institute (EMI) located on the National Emergency Training Center campus in Emmitsburg, Maryland. Classes range from Basic to Advanced and can benefit emergency managers, GIS specialists, geologists, state and local planners, and others involved in assessment activities. For upcoming training dates, go to: http://www.fema.gov/plan/prevent/hazus/hz_training.

FOR MORE INFORMATION

Many States also offer HAZUS training. For more information, please contact the HAZUS Regional Point of Contact (POC) in your area or check online at: http://www.usehazus.com/hugs/contacts/.