You should determine whether you need flood insurance coverage regardless of the proximity of your home or business to a flood-prone area. Flood insurance policies are inexpensive and can save you thousands of dollars in the event of Katrina-like storms.
National Flood Insurance Program Zones

Zones B, C, and X. (Low to Moderate risk)
Areas with less than a 1% chance of flooding each year; areas that have less than a 1% chance of sheet flow flooding with an average depth of less than 1 foot; areas that have less than a 1% chance of stream flooding where the contributing drainage area is less than 1 square mile; or areas protected from floods by levees.

Zones A, AE and A1-A30. (High risk)
Areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage.

Zone AH. (High risk)
Areas with a 1% annual chance of shallow flooding, usually in the form of a pond, with an average depth ranging from 1 to 3 feet. These areas have a 26% chance of flooding over the life of a 30-year mortgage.

Zone AO. (High risk)
River or stream flood hazard areas, and areas with a 1% or greater chance of shallow flooding each year, usually in the form of sheet flow, with an average depth ranging from 1 to 3 feet. These areas have a 26% chance of flooding over the life of a 30-year mortgage.

Zone AR. (High risk)
Areas with a temporarily increased flood risk due to the building or restoration of a flood control system (such as a levee or dam).

Zone A99. (High risk)
Areas with a 1% annual chance of flooding that will be protected by a Federal flood control system where construction has reached specified legal requirements.

Zones V, VE, & V 1-30. (High risk)
Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage.

(Source: http://www.floodsmart.gov)
**FLOOD INSURANCE COVERAGE**

Flood insurance through NFIP covers loss of property caused by flood damage. NFIP also covers flood debris cleanup costs and floor surfaces (replacement of carpeting, etc.).

It does not cover water damage resulting from wind damage, such as water damage caused after roof damage from winds (see “Items Covered by Flood Insurance”).

Supplemental coverage is also available that covers loss of personal property/contents to a specified limit.

Residential 1- to 4-family unit dwellings and residential buildings containing more than four units are eligible for up to $250,000 in building coverage and $100,000 in personal property insurance coverage.

Non-residential buildings (schools, churches, businesses, etc.) are eligible for up to $500,000 in building coverage and $500,000 in personal property coverage.

Building coverage and personal property coverage policies have separate deductibles.

For structures located in low to moderate flood risk zones, the Preferred Risk Policy is also available, but some exclusions apply. Coverage for the Preferred Risk Policy is as follows:

- **Homeowners:** a minimum of $20,000 building and $8,000 contents coverage for $112 per year ($25 more if there is a basement).
- **Renters:** $8,000 contents coverage for as little as $39 per year.
- **Business owners:** $50,000 building and $50,000 contents coverage (per building) for $500 per year.

**Business owners who lease their space:** $50,000 contents coverage for $112 per year.

About 25 percent of paid NFIP claims are for policies in the low or moderate risk zones.

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**COASTAL BARRIER RESOURCES ACT**

The Coastal Barrier Resources Act (CRBA) of 1982 restricted development in important coastal barriers which protect inland areas from flooding and provide coastal habitat.

These areas included ocean-front land, the Great Lakes, barrier islands, and other coastal habitats.

Developments within a CRBA area are only eligible to participate in the NFIP if structures were built prior to 1982; otherwise, private flood insurance may be obtained.

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**Items Covered by Flood Insurance**

<table>
<thead>
<tr>
<th>Covered</th>
<th>Not covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>The insured building</td>
<td>Vehicles</td>
</tr>
<tr>
<td>Built-in appliances and central air</td>
<td>Decks and plants</td>
</tr>
<tr>
<td>Permanently installed paneling, wallpaper, cabinets and carpets</td>
<td>Land and fences</td>
</tr>
<tr>
<td>Limited coverage for basements</td>
<td>Animals</td>
</tr>
<tr>
<td>Debris removal</td>
<td>Currency</td>
</tr>
<tr>
<td>Contents, if contents coverage has been purchased</td>
<td>Boats</td>
</tr>
</tbody>
</table>

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**PURCHASING FLOOD INSURANCE**

To purchase flood insurance, contact your homeowners insurance agent. If he or she is unfamiliar with the program, you may find agents in your area at http://www.floodsmart.gov/floodsmart/pages/agentsearch/searchform.jsp.

Depending on the location and age of the structure, a Certificate of Elevation may be required to purchase flood insurance.

A Certificate of Elevation is required if the structure was built after Dec. 31, 1974, or is in high risk flood zones (zones starting with the letters A or V).

Contact a licensed land surveyor to have a certificate completed.

Renters are eligible to purchase coverage to cover the contents of their residence in the event of a flood.
To determine an area’s flood risk, FEMA conducts a Flood Insurance Study (FIS) of the area. Data collected includes river flow, storm tides, rainfall, topography (land elevations), and hydrologic and hydraulic analysis.

This data is analyzed for flood risk and flood zones are delineated on maps, known as Flood Insurance Rate Maps (FIRM).

FIRMs are used for floodplain management and insurance purposes. A FIRM shows a community’s base flood elevations, flood zones, and floodplain boundaries. Due to changes in the community or the watershed, FIRMs are periodically updated (see “Why Flood Maps Change”). Only the most recently updated map for a community is in effect.

Anyone can view and/or purchase FIRMs on the FEMA Map Services Center Web page (http://www.fema.gov/business/nfip/mscjumppage.shtm).

When reading a FIRM, keep in mind that Special Flood Hazard Areas and high risk zones (zones starting with the letters A or V) are darkly shaded on the map, while low to moderate risk zones (starting with the letters B, C, and X) are lightly shaded or not shaded at all.

The above FIRM illustrates this shading. Zone AE is shaded and labeled while Zone X has both light shading and no shading. Zone X also is labeled. These labels have been circled on the FIRM for illustration.

**WHY FLOOD MAPS CHANGE**

People discussing flood insurance frequently say, “This area has never flooded before. Why should I worry now?”

However, changes in a watershed can influence flooding potential and flood zone designations. Increased amounts of impervious surfaces (such as parking lots, roads, and buildings) allow less water to be absorbed into the soil. The surfaces help create more stormwater runoff that can cause more downstream flooding.

Because of development, flood zones can change.