



FEMA

Recovery News

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MANY GOOD REASONS FOR BAY STATERS TO CONSIDER FLOOD INSURANCE

ANDOVER, Mass. – If your area flooded during the March heavy rainfall, it's likely to flood again. And many have learned too late that an ordinary homeowner's policy does not cover flood damage, disaster recovery officials said.

Flood zone ratings do not guarantee flood safety; they simply indicate the degree of risk for potential flooding. Experience shows people don't need to live near water to be flooded. In fact, years of statistics reveal between 20 and 25 percent of all flood insurance claims come from low-risk areas caused by severe downpours, hurricanes, water backup due to inadequate or overloaded drainage systems as well as dam or levee failure, etc.

A strong reason for purchasing flood insurance is that it provides coverage for most flood-related events, not just the 10 percent that are presidentially declared as disaster areas. As long as you have a valid policy on your home and/or its contents, when the floods come, you will be covered.

In the case of recurring losses due to repeated flooding, individuals must pay for repairs themselves; flood insurance is often the only answer to avoiding these costs.

Flood insurance is available to all Massachusetts homeowners, renters and business owners in communities that participate in the National Flood Insurance Program (NFIP). Every community in the seven federally designated counties for the March 2010 flooding participates in the NFIP program according to recovery officials. Participating communities are those that have agreed to adopt and enforce sound floodplain management practices to reduce future flood damage.

NFIP coverage is available from Massachusetts insurance agents licensed to sell property and casualty insurance. The NFIP sets flood insurance rates nationally, but premiums will vary depending on different levels of flood risk. For more information, call NFIP at **800-427-4661** or 800-427-5593 (TTY) for people with speech or hearing disabilities, contact your local insurance agent, or visit the FEMA Web site www.fema.gov.

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People who must purchase and maintain flood insurance, or risk being ineligible for disaster assistance in the future, include the following:

- **Homeowners/renters who receive state and federal Individuals and Households Program (IHP) disaster assistance and who live in the floodplain.** As part of an assistance grant, the state and FEMA will purchase flood insurance for the homeowner/renter for a period of three years. After that, the insured parties are required to renew the policy at their own expense for the life of their ownership of the property.
- **Homeowners/renters/business owners who receive SBA loans for disaster-related damages to properties in floodplains.** These individuals must purchase flood insurance as a condition of the loan.
- **Homeowners who receive FEMA funds for mitigation to their home in a high-risk Special Flood Hazard Area (SFHA).** These individuals must purchase flood insurance as a condition of receiving federal assistance and maintain it during the life of the property.
- **Renters who receive grants to replace disaster-related *contents* losses.** Renters must maintain flood insurance as long as they occupy the dwelling for which the grant was made.
- **Purchasers of property on which the seller is already required to maintain flood insurance.** The seller must inform the buyer of the requirement to maintain coverage.
- **People who obtain mortgage loans from federally regulated lenders.** These individuals must also maintain flood insurance for the life of the federally “backed or traded” loans.

Massachusetts residents and business owners with losses related to the March flooding who have not yet registered for assistance are urged to do so immediately by calling FEMA at **800-621-FEMA (3362)** or 800-462-7585 (TTY) for the hearing and speech impaired. The lines are open from 7 a.m. to 10 p.m. daily. Multilingual assistance is available. Registration may also be done online at www.DisasterAssistance.gov.

FEMA’s mission is to support our citizens and first responders and to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.

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