



Protecting Your Property

New Cost-Saving Flood Insurance Option From FEMA

(NAPSA)—There may be good news for residents and business owners in locations recently designated as high-risk flood areas. Starting in 2011, the Federal Emergency Management Agency's (FEMA's) low-cost insurance policy may be available to help them save on flood protection.

Making New Insurance Requirements More Affordable

Flood risks are dynamic and change over time due to a variety of factors, including changes in the natural landscape, the impacts of land use and development, and the condition of flood control structures such as levees.

Since mandated by Congress in 2003, a multi-year effort has been underway to update the nation's flood maps to reflect these changes. The new maps are providing more accurate information about where flooding is most likely to occur.

As a result, many property owners are finding that their risk has changed and they may now be required to purchase flood insurance. Fortunately, FEMA understands the financial burden this may place on some property owners and is expanding eligibility for its popular lower-cost flood insurance policy.

A New Insurance Option

Beginning January 1, 2011, a new insurance rating option from FEMA's National Flood Insurance Program (NFIP) will allow many property owners who previously didn't qualify, to take advantage of the low-cost insurance for two years before they are required to pay standard rates.

The program will make Preferred Risk Policies (PRPs), which start at just \$129 a year, available for properties that have been newly mapped into high-risk areas due to a flood map revision on or after October 1, 2008.

"Floods are the nation's most costly and frequent natural disaster and those who are now in the



A new savings option on insurance coverage may help those facing increased flood risk.

highest risk areas really must have flood insurance protection. But we recognize the challenge of additional expenses in the current economy. This new option provides time for residents to adjust to the higher risk level—and continue their flood coverage at a more affordable rate," said Edward L. Connor, Acting Federal Insurance and Mitigation Administrator.

While extended eligibility for the PRP does not become effective until the start of the new year, policyholders who believe they may qualify should contact their insurance agent for further details.

After two years at the reduced PRP rates, policies will increase to standard rates. However, there are other options to reduce cost, including a grandfathering provision, use of elevation ratings and higher deductible policies.

To learn more, visit http://www.floodsmart.gov/floodsmart/pages/flooding_flood_risks/prp_extension_for_property_owners.jsp or call (800) 427-4661.

Addressing Your Risk

This new option represents an important way to save on flood insurance for those who are newly required to carry it. But flooding routinely impacts people across the country, and flood insurance is recommended even when not legally required. FEMA encourages residents to learn more about their risk and consider flood insurance to safeguard their home and assets.