

Flooding Happens Everywhere, Protect Yourself and Your Family

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LITTLE ROCK, Ark. — Homeowner and renter insurance policies do not cover damages incurred during flooding. To protect themselves and their family from future financial loss, Arkansans are advised to purchase and maintain flood insurance coverage. Several provisions are in place to help ensure financial recovery after a flood. Examples may include amount of coverage, deductibles, content coverage and more. Please visit www.floodsmart.gov/how/what-is-covered for more information.

The requirement to purchase flood insurance coverage applies to insurable buildings and personal property damaged by a flood disaster event and located in areas at high risk of flooding called Special Flood Hazard Areas (SFHAs). If you live in a designated flood zone, flood insurance may be required. For properties in the SFHAs, all federal or federally insured lenders require that the property owners purchase flood insurance pursuant to federal law. Policies are also available outside the SFHA, anywhere in a National Flood Insurance Program (NFIP) participating community.

Homeowners who receive federal flood disaster assistance must acquire and maintain flood insurance for their building. If they sell their home at any time after receiving flood assistance, they must inform the new owners of the requirement to maintain flood insurance coverage. In most cases, an existing flood insurance policy transfers to the new owner with no lapse in coverage.

Renters who receive federal flood disaster assistance must maintain flood insurance coverage for as long as they live at the flood-damaged rental property.



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The flood insurance requirement ends if they move from that property.

Anyone who receives flood disaster assistance through FEMA's Individuals & Households Program (IHP) and resides in a special flood hazard area may be referred to receive a Group Flood Insurance Policy (GFIP) from FEMA. They must be ineligible for a Small Business Administration (SBA) loan to receive a Group Flood Insurance Policy. If these criteria are met, they will receive a Certificate of Insurance showing they have flood insurance through the GFIP. The GFIP premium is deducted from their disaster assistance grant. A GFIP covers both the building and contents, up to the amount of the FEMA maximum grant for the year the policy was issued, or just contents if the individual is a renter. There is a separate deductible of \$200 for the building and \$200 for the contents.

The GFIP provides flood coverage for up to three years. After the three-year period, it is the responsibility of the homeowner to remain compliant. A policyholder may choose to upgrade coverage (up to \$250,000) by switching to an individual flood insurance policy at any point during the term.

At least 30 days before the GFIP expires, the policyholder is required to apply for and maintain a Standard Flood Insurance Policy (SFIP) through the National Flood Insurance Program (NFIP) to avoid a lapse in coverage. If they do not maintain coverage, they may not be eligible for any future disaster assistance.

Insurance companies and agents who offer flood insurance can provide general information about policies and how to sign up. For more information about the National Flood Insurance Program and flood insurance, call the NFIP Call Center at 800-427-4661 or visit fema.gov/business/nfip.

Those with questions about the Group Flood Insurance Policy program should contact the National Flood Insurance Direct Call Center at 800-636-6620.



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