



# FEMA

# Fact Sheet

## Federal Insurance and Mitigation Administration

### National Flood Insurance Program and the Consolidated Appropriations Act of 2014

#### Answers to Frequently Asked Questions

#### **How does the FY 2014 Budget Bill impact Biggert-Waters?**

The Consolidated Appropriations Act of 2014 (Omnibus), prohibits FEMA through the National Flood Insurance Program (NFIP) from implementing Section 207 of the Biggert-Waters Flood Insurance Reform Act of 2012.

Section 207 directed FEMA to ensure that certain properties' flood insurance rates reflects their full risk after a mapping change or update occurs. Section 207 has not yet been implemented and is not related to changes to flood insurance rates that have already taken place.

NOTE: The Omnibus does not roll back any rate increases that have already occurred as a result of Biggert-Waters. Also, other provisions in Biggert-Waters will continue to be implemented, as directed by Congress, including the phase out of subsidies on certain Pre-Flood Insurance Rate Maps (Pre-FIRM) properties. You can find an overview of the phase out of subsidies [here](#).

FEMA continues to map flood risk for the nation, as directed by Congress.

#### **What other Sections of Biggert-Waters are impacted by the FY 2014 Budget Bill?**

The Omnibus does not affect any other provision of Biggert-Waters. This means FEMA is still prohibited from offering subsidized rates to Pre-FIRM properties purchased after Biggert-Waters was enacted, properties not insured when Biggert-Waters was enacted, and properties that experienced a lapse in coverage. Additionally, FEMA will continue to phase-out subsidized

rates for Pre-FIRM non-primary residences, businesses, and properties with severe or repeated flooding. You can find an overview of the phase out of subsidies [here](#).

#### **If a new flood map shows my flood risk has increased, does this mean I won't see an increase in my premium anymore?**

The Omnibus only delays FEMA's ability to expend funds appropriated under the Act to implementation of Section 207 through the remainder of the Fiscal Year (Until September 30, 2014). It does not amend or change the requirements in Section 207. Once funding is made available, FEMA will be required to phase in full risk rates, as required under Section 207, for properties located within a community with a revised or updated FIRM dated after July 6, 2012. Additionally, premium rates may be increased under other provisions of the National Flood Insurance Act such as those provisions related to the Reserve Fund or standard rate increases associated with inflation or changes in flood risk.

#### **How long will it take FEMA to implement Section 207 if funding is restored?**

FEMA estimates that it will take an additional twelve to eighteen months to issue guidance to Write Your Own companies and implement Section 207 once funding is restored