



Changes to the Community Rating System to Improve Disaster Resiliency and Community Sustainability

In 2011, the National Flood Insurance Program (NFIP) completed a comprehensive review of the Community Rating System (CRS) that will result in the release of a new *CRS Coordinator's Manual*.

The changes to the 2013 *CRS Coordinator's Manual* are the result of a multi-year program evaluation that included input from a broad group of contributors to evaluate the CRS and refine the program to meet its stated goals.

The upcoming changes will drive new achievements in the following six core flood loss reduction areas important to the NFIP: (1) reduce liabilities to the NFIP Fund; (2) improve disaster resiliency and sustainability of communities; (3) integrate a Whole Community approach to addressing emergency management; (4) promote natural and beneficial functions of floodplains; (5) increase understanding of risk, and; (6) strengthen adoption and enforcement of disaster-resistant building codes.

CRS Background

The CRS program, started in 1990, provides flood insurance premium reductions based on a participating community's implementation of floodplain management programs that exceed the minimum requirements established by the NFIP. Credit points for the CRS floodplain management activities determine a community's CRS Class. Currently, there are 1,229 communities participating in CRS. The CRS continues to see growth with an average of 35 new communities joining each year, and 80 communities achieving CRS Class improvements.

The CRS is governed by three goals: reduce and avoid flood damage to insurable property; strengthen and support insurance aspects of the NFIP; and foster comprehensive floodplain management.

The primary motivators for communities to join the CRS are to reduce the cost of flood insurance for citizens, receive recognition for their strong floodplain management



Credit: John Kinley

The 2013 CRS Manual changes will give more recognition to the benefits of flood loss reduction and floodplain natural functions.

programs, and enjoy the positive sense of community pride that comes with CRS participation.

What led to the 2013 changes in the CRS? The CRS program has over 20 years of experience, which has allowed for understanding of how floodplain management has changed and has provided a valuable base from which to guide program improvements. Although minor revisions to the CRS have occurred regularly with the release of each *CRS Coordinator's Manual*, there had been a growing list of suspected changes needing research and assessment to fully understand. In 2008, Federal Insurance and Mitigation Administration (FIMA) and the CRS Task Force began to implement *A Strategic Plan for the Community Rating System*, which, based on the CRS goals, detailed CRS objectives that guided the program evaluation that led to the 2013 changes.

How were suggestions for the 2013 changes gathered? FIMA and the CRS Task Force managed an extensive effort to gather input and recommendations from nationally recognized flood loss reduction experts, community CRS coordinators, insurance industry professionals, professional organizations, and others about the effectiveness of CRS activities in meeting the CRS goals. Due to the wide range of CRS activities, numerous opportunities were pursued for learning and receiving input, including:

- 11 CRS committees were convened to review and comment on CRS activity revisions.
- 50 individuals participated in a 2011 “weighting forum” to provide recommendations on the relative importance and viability of various CRS changes.
- 3 newsletters were distributed that highlighted anticipated revisions and sought input from participating community CRS coordinators.
- 5 academic institutions conducted original research related to CRS and provided reports and recommendations
- 34 two-hour webinars with a total of 1,000 participants were hosted in 2011 that provided details on the anticipated changes and collected input.
- 45 written comments were received about the changes. Comments overwhelmingly acknowledged the need to move in a direction that contributed greatest to flood loss reduction.

What do the 2013 changes mean for CRS Class improvements or retrogrades? The 2013 *CRS Coordinator's Manual* changes will impact each CRS community differently. Some communities will see an increase in the points they receive since points for certain activities have increased (e.g., Activity 420 Open Space Preservation). Other communities will receive fewer points for certain activities (e.g., Activity 320 Map Information Service). It is likely that some communities with marginal CRS Class 9 programs will have to identify new CRS credits in order to remain in the CRS.

Typically, CRS communities do not request credit for all the activities they are currently implementing unless it would earn enough credit to advance the community to a higher CRS Class. A community that finds itself losing CRS credit with the 2013 *Manual* could likely identify activities deserving credit they had not previously received.

How will the changes affect a specific community and its current CRS Class? Due in the changes in both activities and CRS points, community CRS coordinators should speak with their ISO/CRS Specialist to understand how the 2013 *Manual* will impact their community and when.



Credit: David Zapotosky

The CRS 600 Warning and Response activities have been enhanced to focus more clearly on the emergency management aspects associated with flood warning, levees, and dams.

When must communities use the 2013 *CRS Coordinator's Manual*? Any community receiving a CRS verification cycle visit before the 2013 *CRS Coordinator's Manual* becomes effective will be verified using the current *Manual*. Once the 2013 *Manual* becomes effective – anticipated to be Spring 2013 – any community receiving a CRS verification cycle visit will be verified using the 2013 *Manual*. As with all verification visits, the ISO/CRS Specialists will work with communities to identify additional CRS activities eligible for CRS points that the community might not have previously received.

How does a community CRS coordinator get more information? In addition to contacting a community's ISO/CRS Specialist, CRS coordinators will be kept informed through the *CRS Update* newsletter.

Summary

The CRS program strives to improve community floodplain management programs. Changing demographics and other built environment conditions are likely to result in increased risk of flooding. Additionally, communities face future challenges posed by climate change, including more intense storms, frequent and heavy precipitation, extreme flooding, and high sea levels. CRS communities are striving to adjust to changing environments in order to reduce the vulnerabilities of individual families and their communities. Similarly, these challenges require the CRS program to make adjustments that best complement community capabilities and uphold the CRS goals.