

Six Things You Don't Know about Flood Insurance

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OKLAHOMA CITY – The National Flood Insurance Program (NFIP) has approved nearly \$37 million in claims to Oklahomans for damages from the severe storms and flooding that took place this spring.

September is National Preparedness Month, a good time to inform Oklahomans just how valuable flood insurance can be.

“I get three to five calls a week from individuals asking me if their homes are in a flood zone,” said Logan County Emergency Director David Ball. “I always tell them ‘whether your home is or isn’t, I still recommend securing a flood insurance policy.’ Water doesn’t read lines on a map and it doesn’t just stop at a particular property line.”

Here are six surprising facts about flood insurance you may not know:

1. Flooding causes 90 percent of disaster damage every year in the U.S. In fact, about 33 percent of the NFIP’s claims come from outside Special Flood Hazard Areas. Property owners located in low-to-moderate risk areas should ask their agents if they are eligible for the Preferred Risk Policy which costs homeowners an average of \$439 a year.
2. Most homeowners’ insurance policies do NOT cover flood damage. Unfortunately, many property owners don’t find this out until it’s too late. The NFIP is federally-funded and offers a separate policy that protects your home



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or business. If NFIP is not available in your community, you may purchase separate private flood insurance.

3. Flood Insurance is available even when there is no federal disaster declaration. Federal disaster assistance is available only if the president declares a disaster. This disaster assistance comes in two forms: a low-interest disaster loan which must be paid back, or a FEMA disaster grant, which averages about \$5,000 per household. And both programs have strict eligibility requirements and depend on individual needs. Many disaster survivors may not qualify. By comparison, the average flood insurance claim is nearly \$30,000.
4. The federal government requires homes backed by a federally regulated lender in a high-risk flood area to have flood insurance. Lenders must notify borrowers of their flooding risk prior to closing if their property is in a high-risk area.
5. A community must participate in the NFIP for individuals to purchase an NFIP policy. Today, more than 22,000 communities in the U.S. participate in the NFIP. Of those communities, about 15 percent of their floodplains are located outside Special Flood Hazard Areas (SFHAs). In fact, there are some participating communities that are not located in an SFHA at all. Homeowners and individuals whose communities do not participate in the NFIP and would still like to purchase flood insurance can do so through a private insurance carrier. Ask your insurance agent about your options.
6. Renters can also purchase flood insurance. Renters can purchase flood insurance to protect their personal property. Contents are insured for up to \$100,000.

For additional information, please visit: [floodsmart.gov](https://www.floodsmart.gov) or [fema.gov/nfip](https://www.fema.gov/nfip).

Find out more at [fema.gov/okmit](https://www.fema.gov/okmit) and [fema.gov/disaster/4438](https://www.fema.gov/disaster/4438). Follow us on Twitter at twitter.com/femaregion6 and the FEMA Blog at blog.fema.gov.

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