

Meeting FEMA's Federal Flood Insurance Requirement

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AUSTIN, Texas – Recovering from a major presidentially declared disaster like the **July 2-18** flooding in Central Texas can be emotionally overwhelming and financially difficult. A disaster grant from FEMA's Individuals and Households Program can help you recover a portion of your losses.

If you receive funds from this program, you may be required by law to purchase a flood insurance policy from FEMA's National Flood Insurance Program.

Texas received a major presidential disaster declaration for the July flooding, designating **Burnet, Guadalupe, Kerr, Kimble, McCulloch, Menard, San Saba, Tom Green, Travis and Williamson** counties as eligible to apply for federal assistance.

FEMA requires you to have flood insurance for buildings and personal property that were damaged by flooding in a high-risk flood area, also known as a Special Flood Hazard Area. This is to protect you and the life you've built from future financial devastation after a flood – whether or not a presidential disaster declaration was approved for that event.

To learn if your home is in a high-risk Special Flood Hazard Area, visit <https://msc.fema.gov/portal/home>.

If you receive federal disaster assistance, the requirement to maintain flood insurance coverage is tied to the property. If you are the homeowner and sell your property, you must inform the new owner of the requirement to maintain flood insurance. In most cases, an existing insurance policy should transfer to a new owner, with no lapse in coverage. If you are a renter and move to another property, the policy does not transfer to the new tenant and that tenant must purchase their own flood insurance.



Failure to comply with the mandatory federal flood insurance requirement can make you ineligible for future federal disaster assistance.

There are three ways to meet the flood insurance requirement.

FEMA's Group Flood Insurance Policy

- A Group Flood Insurance Policy from FEMA is issued only after a presidentially declared disaster and is only for people who receive federal assistance under FEMA's Individuals and Households Program. There is no out-of-pocket expense to get a group policy. FEMA will use part of your grant to pay the cost of the policy (currently about **\$2,400** for a three-year term) to the National Flood Insurance Program. The policy takes effect 60 days after the major disaster was declared, or on **Thursday, Sept. 4**. If the cost of the group policy is greater than what you were awarded, you will not be eligible for the policy and you will have to purchase flood insurance on your own.
- A FEMA group policy covers both buildings and contents (each with a **\$200** deductible), or just contents if you are a renter. The coverage amount varies from year to year but is currently about **\$85,000**. The deductible is subtracted from your FEMA award before you are paid.

Standard Flood Insurance Policy

- A standard flood insurance policy is available through the National Flood Insurance Program, with coverage up to **\$250,000** for a building and up to **\$100,000** for its contents. It is available through NFIP Direct or companies participating in the NFIP's Write Your Own Program.

Private Flood Insurance Policy

- Private insurance companies write and service their own flood insurance policies, separate from the federal government. They are responsible for processing claims and paying losses themselves. Premiums vary from carrier to carrier as do coverage amounts. Contact your insurance agent to learn more.

To learn more about the National Flood Insurance Program, participating communities and policy types, or to purchase a policy, visit floodsmart.gov or call the **NFIP Direct Helpline** at **800-638-6620**.



For the latest information about the Texas recovery, visit fema.gov/disaster/4879. Follow FEMA Region 6 on social media at x.com/FEMARegion6 and at facebook.com/FEMARegion6



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