



FEMA

Flood Insurance

Lower Your Premium by Reducing Your Risk

FEMA RX Public Affairs: 425.487.4610 or FEMA-R10-NewsDesk@fema.dhs.gov

Flooding is the most costly and prevalent natural hazard in the nation, it is also one of the most predictable. This resource is intended to help guide you through a complex process so that you can get the answers you need to make informed decisions and possibly lower your annual flood insurance premium. If you live in the special flood hazard area, by following these steps, you should also learn specific mitigation strategies for your unique situation that could make your building safer and preserve the long-term value of your investment.

Take Action: 3 steps to identify risk and potential savings if you live in the special flood hazard area

Step One: Know your status, gather the right information, have the right conversation.

- ✓ Do you have an Elevation Certificate?
- ✓ What are your current policy limits?
- ✓ What is the principal balance on your mortgage?

Step Two: Find the right people, ask the right questions

Your Insurance Agent:

- ✓ Ask about “full risk rates” and annual premium increases.
- ✓ What does my Elevation Certificate tell you?
- ✓ Are there specific issues I can address to reduce my premium?

Your Community Floodplain Manager:

- ✓ Tell them about your conversation with your agent.
- ✓ Ask them which mitigation solutions are available to you under local codes.
- ✓ Ask if there are any community hazard mitigation programs that you can participate in.

Step Three: Weigh your options

Your best mitigation strategy may or may not be expensive, but even the smallest steps make your building safer and protect your investment. Some of these solutions may result in a more affordable premium over the life of your building.

- ✓ What are your costs: How much is your policy premium if you do nothing? What will your premium be if you invest in mitigation strategies?
- ✓ What are the benefits if an investment is made: life and property are safer, decreased personal recovery time, more resilient community.

Need help with your research?

Here are additional resources to start the conversation with your agent and community official.

- ✓ **Flood Zone Inquiries:** To find out if your building is in the special flood hazard area, go to the FEMA Map Service Center at www.msc.fema.gov.
- ✓ **Information on Elevation Certificates:**
Go to www.fema.gov and search for “elevation certificate”
- ✓ **Locating a Licensed Land Surveyor:** Ask your community floodplain administrator if they maintain a list of reputable licensed land surveyors in your area
- ✓ **Flood Insurance General Information:** To learn more about flood insurance, current program updates, and access frequently asked questions, visit www.floodsmart.gov

5 Most Common Mitigation Solutions

Elevate Utilities:

If you locate any machinery or equipment that services your building (i.e., electrical, heating, ventilation, plumbing, and air conditioning equipment) below the base flood elevation inside a basement or attached garage, an additional surcharge could be added to your insurance premium. If your house was elevated to a safer level, maximize your savings and reduce your risk by relocating your machinery and equipment above the base flood elevation. Consider using your attic, an extra closet, or an elevated platform to store utilities. Check with your community for any permits required. For more information on relocating utilities, see FEMA publication 259: *Engineering Principles and Practices of Retrofitting Floodprone Residential Structures*.

Install Flood Openings

One common reason why insurance policies can be more expensive is due to a lack of proper flood openings. IBC/IRC minimum building code requirements for “foundation vents” in areas outside the special flood hazard area (SFHA) may not meet the same specifications as “flood openings” or “flood vents” within the SFHA. For buildings in the SFHA, there must be at least two openings with 1 sq inch of opening per sq ft of enclosed area, and the bottom of those openings can be no higher than 1 ft above the exterior finished grade. There are no discounts for “partial credit.” If you have 1,000 sq ft of enclosed crawlspace and 900 sq inches of openings, you will be rated as though there are no openings (i.e., basement loading fees could apply). Garage doors, windows, and doors do not count as flood openings unless they have openings installed within them. Check with your community for any permits required. For more information on flood openings, see FEMA *Technical Bulletin 1-93*.

Remove Basements

Unless explicitly authorized, basements in new buildings constructed in the special flood hazard area (SFHA) are prohibited. If your community has adopted building standards that allows such construction, homeowners in the SFHA with an excavated sub-grade crawlspace will likely see additional fees included in the annual premium. When building, you can save that cost by backfilling any excavated areas within the foundation. It can also be done at a later date by using a suitable material (e.g. pea-gravel) to raise the interior crawlspace floor elevation to the same height or higher than the exterior finished grade. Check with your community for any permits required. For more information on basements, see FEMA *Technical Bulletin 11-01*.

Elevate the Building

Elevating your structure above the base flood elevation, in conjunction with proper venting, is the most effective way to reduce the cost of your annual flood insurance premium and make your building safer. You could see considerable savings in your annual premium for every foot the elevated first floor is located above the base flood elevation. Check with your community for any permits required. For more information on elevation, see FEMA *Technical Bulletin 2-93*.

Relocate the Building or (for new construction) Build Outside SFHA

One of the most effective ways to reduce your risk and vulnerability is to elevate your home or building on an area of your property that is naturally above the base flood elevation. This method is costly for retrofits, but should be considered for new construction. Besides being safer, locating buildings outside of the special flood hazard area (SFHA) means flood insurance is an optional. Insurance is still available in areas outside the SFHA. If you still want to maintain protection against residual risk, talk to your agent about obtaining a “Preferred Risk” policy. Check with your community for any permits required. For more information on relocation, see FEMA *Technical Manual 312, Homeowner’s Guide to Retrofitting*.