

# Why Do I Need Flood Insurance?

**I don't live near water!**

**Doesn't my homeowner's insurance cover flood damage?**

**Won't the federal government assist me?**

**Isn't flood insurance expensive?**

**Is flood insurance readily available?**

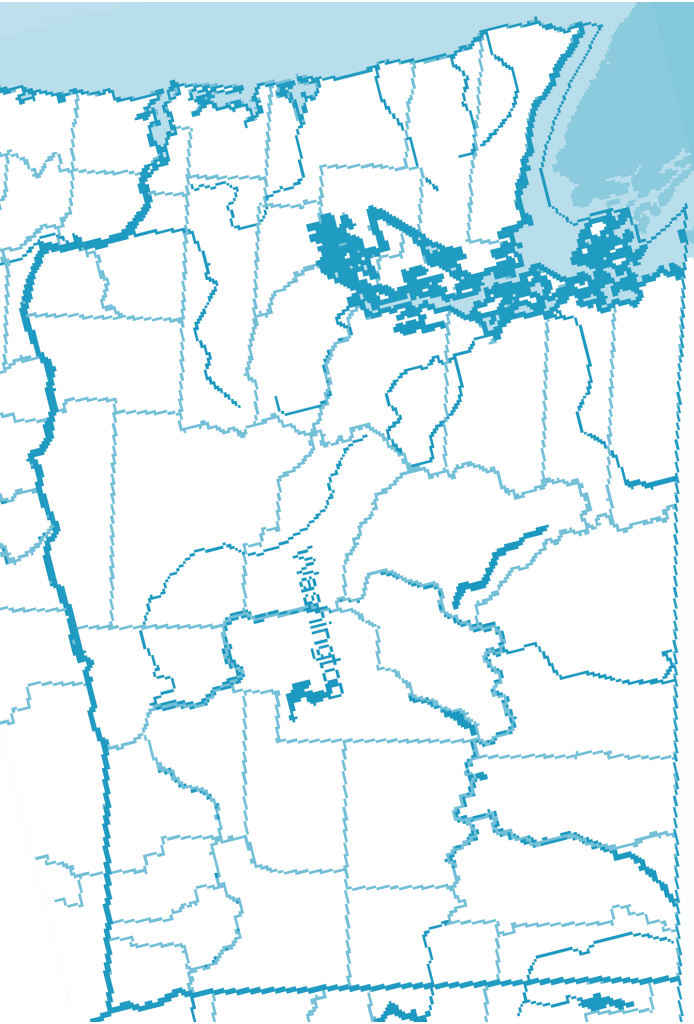
**Is flood insurance ever required?**

**Does my community participate in the National Flood Insurance Program?**

**Who can purchase flood insurance?**

**Where can I purchase flood insurance?**

**NOTE:** There are a number of things you can do to reduce the risk from flood damage. While insurance, possibly the least expensive option, will offset your financial loss, it does nothing to prevent the physical loss of your home. However, there are things you can do to keep your home from being damaged or destroyed in a flood. You can elevate your home so that it will always be higher than flood waters. Alternatively, you can relocate your home to an area where flooding is not a problem. For information on these and other mitigation strategies as well as possible funding sources, contact your local office of emergency management.



For more information about the NFIP and flood insurance, contact your insurance company or agent, or call the NFIP at 1-888-CALL-FLOOD, ext. 314

Washington State Military Department  
Emergency Management Division  
Camp Murray, WA 98430-5122  
1-800-562-6108

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# Frequently Asked Questions About Flood Insurance

## **Why do I need flood insurance? I don't live near water.**

People who live near water are not the only ones who experience flooding. Floods move, and can spread for miles. They can have strong currents that, in a few moments, can sweep away everything, leaving a thick residue of mud and debris behind. In Washington State, we also have a considerable amount of ground water flooding and ponding that comes about when the ground becomes super saturated with water and has no place to go. Homes, even those on high ground, may be many miles from a river, lake, or other body of water, and still have damage because of groundwater flooding or ponding. It's not just the high-risk areas that are flooded. Between 20 and 25 percent of flood insurance claims come from a medium or low flood-risk areas.

## **Doesn't my homeowner's insurance cover flood damage?**

Typically, homeowners' insurance policies do not cover such things as flooding, landslides, and earthquakes. A special policy or rider is needed to cover damage from these as well as other special hazards. Check with your insurance agent to find out what is and is not covered in your homeowner's policy.

## **Won't the federal government assist me with flood damages?**

Yes, but probably not quite the way you would expect. Federal disaster assistance is only available if the president of the United States

declares a disaster. When available, federal assistance is often in the form of a loan – repayable in full – with interest! In contrast, if you have a flood insurance policy, you can be reimbursed for all your covered losses, even if the president does not declare a disaster.

## **Isn't flood insurance expensive?**

It depends on your perspective. Consider the alternatives. Paying back a \$50,000 disaster loan, for example, will cost an average of \$300 a month – for approximately 20 years, while the average flood insurance premium is a little over \$300 per year for an average of \$100,000 of coverage. For most people, a home is by far their most valuable possession. Why risk the financial loss from flood damage when you can protect it with flood insurance.

## **Is flood insurance readily available?**

Yes, you can protect yourself and your future from the crippling financial losses often caused by flooding through a program administered by the Federal Emergency Management Agency (FEMA). Under FEMA's National Flood Insurance Program (NFIP), federally backed flood insurance is available in communities that adopt and enforce regulations to reduce flood losses.

As long as your community participates in the NFIP, except for areas protected by the Coastal Barrier Resources Act, you can purchase a flood insurance policy. Flood insurance is available in either high or a low risk flood hazard areas.

## **Is flood insurance ever required?**

If you buy a house in a designated high-risk area, and receive a mortgage loan from a federally regulated lender, your lender must, by law, require that you buy flood insurance.

## **Does my community participate in the NFIP?**

The good news is that most communities in Washington State participate in the NFIP, so the chances are good that flood insurance is available to you. Contact your local planning or emergency management office to see if NFIP insurance is available in your community.

## **Who can purchase flood insurance?**

Coverage is available for residential and commercial buildings and contents, and can be purchased by renters:

- Up to \$250,000 for single-family, two-to-four family, and other residential buildings.
- Up to \$500,000 for non-residential buildings, including small businesses.
- Up to \$100,000 for content coverage for residences for owners and/or renters.
- Up to \$500,000 for content coverage for businesses, including small businesses.

## **Where can I purchase a flood insurance policy?**

Call your local insurance company or agent and ask for details about how to buy flood insurance. Don't wait. Policies go into effect 30 days after a policy is purchased.