



FLOOD INSURANCE AND FLOOD MAPS

BACKGROUND

When the State of Georgia embarked on its Flood Map Modernization Program, 20% of the State did not have flood maps and 32% of the State had flood maps 15 years or older. Nationwide, about 70% of the flood maps were ten years or older. As part of the national Map Modernization effort, the State of Georgia teamed with FEMA to produce updated flood maps more quickly, in a digital format, and provide users easier access to the flood hazard data. As a result, Georgia's Flood Map Modernization Program has provided updated digital flood maps and data for all 159 counties in the state; these maps are more accurate, easier-to-use, and readily available.

Building on the strengths of Map Modernization, FEMA and Georgia are embarking on a new effort to help communities better assess their flood risk and minimize or avoid damage from future floods. Through this new statewide program, Georgia Flood M.A.P. (Mapping, Assessment & Planning), more accurate and complete flood hazard information will be delivered as well as information and tools to help communities and their citizens better understand their flood risk and take action to reduce it.

NEW MAPS MEAN A SAFER STATE

By showing the extent to which areas of each county and individual property are at risk for flooding, the new maps will help guide financial protection, planning, investment, building, development and renovation decisions.

- **Residents and business owners** will understand their *current* flood risk and be able to make better decisions about insuring and protecting their property against floods.
- **Builders and developers** can use the updated map data to determine where and how to build structures more safely and how high to build to reduce the risk of flood damage.
- **Real estate agents** will be better able to inform clients of the risk factors that may affect the property they are buying or selling as well as any flood insurance requirements.
- **Insurance agents** will know their clients' current flood risk and can provide more informed recommendations regarding flood insurance coverage options.

HOW RESIDENTS AND BUSINESS ARE AFFECTED

With the release of the new flood maps, some property owners will learn that their risk is higher, or lower, than they thought or that the current base flood elevation¹ by their building will change. Some property owners with mortgages will then face new flood insurance requirements while others may find that the requirement has been lifted. Flood insurance is a federally underwritten program that can help property owners repair or replace their structure and belongings after a flood.

¹ *The Base Flood Elevation (BFE) is the level, in feet above sea level, that flood waters have a 1% annual chance of reaching or exceeding in any given year. In order to meet federal standards for protection from a major flood, a property's first floor should be at or above the base flood elevation.*

To help reduce the cost to property owners affected by map changes, the National Flood Insurance Program (NFIP) provides different rating options. For buildings being newly mapped into a high-risk zone, the NFIP Preferred Risk Policy (PRP) Extension and “grandfather” rating rules could offer savings compared to what may result from rating based upon the new maps. For buildings being mapped into a moderate- or low-risk zone, the NFIP’s rule of converting an existing policy to a lower-cost Preferred Risk Policy will provide continued protection and a refund to the property owner. An insurance agent can help determine the best option.

If New Maps Show...	These Requirements, Options And Savings Apply
<p>Change from moderate or low flood risk to high risk (flood zone B, C, or X to zone A, AE, AH, AO, A99, AR, V or VE)</p>	<p>Flood insurance is mandatory. Flood insurance will be federally required for most mortgage holders. Insurance costs may rise to reflect the true (high) risk.</p> <p>Rating Options can offer savings. The National Flood Insurance Program has PRP Extension and “grandfathering” rating options to offer savings and recognize policyholders who built in compliance with the flood map in effect at the time of construction or who maintain continuous coverage. Sometimes, though, using the new flood maps can actually result in a lower premium, especially if the home is high enough above the BFE.</p>
<p>Change from high flood risk to moderate or low risk (e.g., flood zone A, AE, AH, AO, A99, AR to X or shaded X)</p>	<p>Flood insurance is optional but recommended. The risk has only been reduced, not removed. Flood insurance can still be obtained, and at lower rates. Nearly 25 percent of all flood insurance claims come from moderate-to-low-risk areas.</p> <p>Conversion offers savings. An existing policy can be easily converted to a lower-cost Preferred Risk Policy, if the building qualifies. Note that lenders always have the option to require flood insurance in these areas.</p>
<p>Increase in the Base Flood Elevation (BFE)</p>	<p>An increase in BFE can result in higher premiums; however, “grandfathering” can offer savings. The National Flood Insurance Program grandfathering rules allow policyholders who have built in compliance with the flood map in effect at the time of construction to keep the earlier base flood elevation to calculate their insurance rate. This could result in significant savings.</p>
<p>No change in risk level</p>	<p>No change in insurance rates. However, this is a good time to review your coverages and ensure that your building and contents are adequately protected.</p>

WHERE CAN I GET FURTHER INFORMATION?

- If you have any questions regarding the **effects of map changes on insurance requirements**, please contact the FEMA Map Information eXchange (FMIX) at 1-877-FEMA MAP (1-877-336-2627).
- For more information about **flood insurance or to find an insurance agent**, visit www.FloodSmart.gov.
- To learn more about **FEMA’s Map Modernization effort and Risk MAP**, visit www.fema.gov/plan/prevent/fhm/index.shtm.
- To learn more about **Georgia’s Map Modernization Project**, visit www.GeorgiaDFIRM.com.