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## Changes in Flood Maps

### What Property Owners Need to Know



### Changes in Flood Risks Mean Changes in Flood Insurance

Flood risk changes over time. Water flow and drainage patterns can change dramatically because of surface erosion, land use, and natural forces. Likewise, the ability of levees and dams to provide the necessary protection can change. As a result, the Flood Insurance Rate Maps (FIRMs) for a given area might no longer accurately portray current flood risks, especially if the FIRMs are 10 or more years old. To reflect the most current flood risks, the Federal Emergency Management Agency (FEMA) is updating the nation's FIRMs using the latest data gathering and mapping technology and is issuing new FIRMs nationwide.

As a result of updated FIRMs, many property owners will see that their risk of flooding has changed. For some, their property may be mapped into a high-risk area. This can mean new, mandatory Federal flood insurance purchase requirements. Other property owners might see that their flood risk has been reduced and the Federal requirement has been removed, although the lender can still require it. Flood insurance is still strongly recommended since the risk has not been eliminated, just reduced.

### Changes in Flood Risk

If your area is going through re-mapping, it is important to know if and how your flood risk has changed so that you can take advantage of the most cost-efficient way to financially protect your home from the risk of flooding.

### Mapped From Moderate- to Low-Risk to High-Risk: PRP Eligibility Extension

To help reduce the financial burden for affected property owners, the National Flood Insurance Program (NFIP) offers a cost-saving option for property owners whose buildings are newly mapped into high-risk flood zones (shown on a flood map as a zone beginning with the letter "A" or "V") on or after October 1, 2008. The NFIP will allow the low-cost Preferred Risk Policy (PRP), usually written only on buildings in moderate- to low-risk areas (shown on a flood map as a zones "X", "B" or "C"), to continue to be written for buildings even though they are now in a high-risk area.

To be eligible, the building must meet certain loss-history requirements. If there have been two disaster relief payments, claims for flood losses of \$1,000 or more, or three losses of any amount, the building is not eligible for a PRP; however, it may be eligible for grandfathering (see next section). Contact your insurance agent for information on additional PRP eligibility requirements.

Beginning October 1, 2013, these policy premiums will increase 20 percent each year.

### Mapped From High-Risk to Higher-Risk: Grandfathering

If your building is mapped into a high-risk area and not eligible for a PRP, your building is mapped from a high-risk zone (e.g., Zone AE) to a higher-risk zone (e.g., Zone VE), or the Base Flood Elevation (BFE) around your property will be higher when the new FIRM takes effect, the NFIP offers an option to keep the current flood zone or BFE for insurance rating purposes. This option is called "grandfathering."



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The easiest way to take advantage of grandfathering is to purchase a policy before the new FIRMs take effect. This will allow you to lock in the rating of the current flood zone or BFE when the policy is renewed in the future.

For older structures that were built before the community's first FIRM was issued (known as pre-FIRM buildings), the only grandfathering option is to purchase a policy before the new FIRM becomes effective. Buildings constructed after the community's first FIRM was issued (post-FIRM buildings) have two opportunities to lock in the flood zone or BFE for future rating:

1. Purchase a policy before the new map takes effect; or
2. Purchase a policy after the effective date. However, you must show proof that the building was built in compliance with the FIRM that was in effect at the time of construction. Your insurance agent can help you produce the necessary documentation.

In some cases, the new FIRM might result in a lower premium than what grandfathering provides. Make sure your insurance agent reviews all options.

## Mapped From High-Risk To Moderate- to Low-Risk

When a building has been mapped into a moderate- to low-risk area, the Federal mandatory purchase requirement is removed (although the lender can still require it). Keep in mind that the risk has not been eliminated; it only has been reduced. Flood insurance is now available at a significantly lower price. Converting an existing policy to a PRP is easy and does not require additional costs; in fact, you will get a refund while still maintaining coverage. In addition, that policy will automatically include contents coverage (40 percent of the building coverage). Consequently, it is much less expensive and you stay continuously covered.

## Summary

The following table summarizes the different flood map changes and available flood insurance options. If a mapping project is occurring in your community, stay in contact with your local floodplain administrator to learn when and where changes are occurring. To learn more about the status of a mapping project, visit [fema.gov/rm-main](http://fema.gov/rm-main). To learn more about flood insurance coverage and options, contact your insurance agent or visit [FloodSmart.gov/floodriskchange](http://FloodSmart.gov/floodriskchange).

If Maps Show...	These Requirements, Options, and Savings Apply
Change from a <b>moderate- to low- risk</b> to a <b>high-risk</b> (e.g., flood zone B, C, or X to Zone A, AE, AH, AO, V or VE)	<b>Flood insurance is most likely mandatory.</b> Flood insurance will be federally required for most mortgage holders. Insurance costs may rise to reflect the true, higher risk.  <b>Rating options can offer savings.</b> The NFIP is providing savings by temporarily extending eligibility for the PRP. This cost-saving option applies to buildings newly mapped into a high-risk area on or after October 1, 2008.
Change from <b>high-risk</b> Zone A or AE to <b>higher-risk</b> Zone V or VE, or increase in BFE	<b>An increase in risk can result in higher premiums; however, grandfathering can offer savings.</b> The NFIP grandfathering rules allow policyholders who have built in compliance with the FIRM in effect at the time of construction to keep their previous zone or BFE to calculate their insurance rate. This could result in significant savings.
Change from <b>high-risk</b> to <b>moderate- to low-risk</b> (e.g., flood Zone A, AE, AH, or AO to Zone X or shaded X)	<b>Flood insurance is optional but recommended. The risk has been reduced, but not removed.</b> Flood insurance can still be obtained and at lower rates. More than 20 percent of all flood insurance claims and one-third of flood disaster claims come from areas mapped outside high-risk flood zones.  <b>Conversion offers savings.</b> An existing policy can be converted to a lower-cost PRP easily, if the building qualifies. Note that lenders always have the option to require flood insurance in these areas.
No change in risk level	<b>No change in insurance rates.</b> However, this is a good time to review your coverage and ensure that your building and contents are adequately insured.