

Flood Safety Awareness Week Day 4: Flood Risk and Flood Insurance

The National Weather Service has declared March 15 through 19 Flood Safety Awareness Week. The National Weather Service in Caribou will feature a different educational topic each day during the week. Today's topic: Flood Risk and Flood Insurance.

What is Flood Insurance?

In 1968 Congress created the National Flood Insurance Program, or NFIP, in response to the rising cost of taxpayer funded disaster relief for flood victims and the increasing amount of damage caused by floods.

Why do I need flood insurance?

Flood losses aren't covered by your homeowners insurance policy. Local flooding can happen in all parts of the country at almost any time of the year. Flooding causes more damage in the United States than any other weather related event. An average of 4.6 billion dollars a year in the past 20 years.

How do I obtain a flood insurance policy?

You can purchase National Flood Insurance from private insurance companies and agents. In fact, you may be able to purchase it with a credit card. Currently there are over 100 insurance companies that sell National Flood Insurance coverage, in addition to some sixty thousand independent insurance agents.

If the seller of a property has flood insurance coverage on the building they are selling, that policy can be assigned to the buyer at the time of closing. If the mortgage company requires flood insurance as a condition of the loan the lender may escrow flood insurance premiums, making it easy to ensure that your will not get caught without flood insurance when a flood threatens your home.

Who can purchase flood insurance?

Anyone is a community that participates in the National Flood Insurance Program can purchase building and/or contents coverage with a few exceptions. Coastal barrier resources system areas, otherwise protected areas, and buildings principally below ground or entirely over water are not eligible for National Flood Insurance.

More information on the National Flood Insurance Program can be found at

<http://www.floodsmart.gov>.