IMPORTANT NOTICE
October 2026

To: All West Virginia State and Local Governmental Entities and Non-Profit Organizations

The West Virginia Offices of the Insurance Commissioner is responsible for issuing an annual communication to all West Virginia state and local governmental entities and non-profit organizations to make them aware:

(1) That the 1988 amendments to the federal Robert T. Stafford Emergency Assistance and Disaster Relief Act imposes penalties in the form of reductions in Federal Emergency Management Agency (FEMA) disaster relief funds on public entities who fail to purchase adequate flood insurance on all property located in identified flood hazard areas;

(2) Of the magnitude of risk exposure and potential financial loss that may result from these penalties; and

(3) That low-cost, federally subsidized flood insurance may be available through the National Flood Insurance Program (NFIP).

This communication is being issued in accordance with WV Code §33-2-15a and in conjunction with the Robert T. Stafford Emergency Assistance and Disaster Relief Act. Please review your eligibility for this program. Penalties in the form of reductions in FEMA relief funds are possible for entities **that fail to purchase** adequate flood insurance on all property located in identified flood zones. Section 406(d) of the Stafford Act mandates a special reduction in the amount of public assistance funding for a structure that is:

- insurable under the NFIP,
- located in a Special Flood Hazard Area as identified by FEMA, and
- damaged or destroyed by flooding

For insurable structures that do not have flood insurance or carry inadequate coverage, FEMA will reduce eligible loss payments to **the lesser of**:

- the maximum amount of insurance proceeds that could have been obtained from a standard NFIP flood insurance policy **OR**
- the value of the structure at the time of the disaster.

Additionally, federal law requires recipients of federal disaster assistance for flood-damaged facilities to purchase and maintain flood insurance as a condition for receiving future disaster assistance. This requirement applies regardless of whether a new facility is rebuilt out of a Special Flood Hazard Area if the original facility was in a floodplain and received FEMA funding due to flood-related damages. Noncompliance may result in FEMA withholding or denying assistance for future disasters, recoupment of funding already provided for the rebuilt facility, or a finding that the entity is non-compliant with federal grant requirements, which could affect eligibility for other grants or assistance.

If you are unsure whether your agency's/organization's structure is located within a floodplain, contact your local county planning office or the NFIP at 1-800-358-9616. Flood maps and graphical flood information covering most of the State can be found on the WV Flood Hazard Determination tool at www.mapwv.gov/flood. Any other questions may be answered by visiting www.floodsmart.gov or by contacting the State Division of Emergency Management at https://EMD.WV.gov or (304) 558-5380.

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