



## An Open Letter to Insurance Agents:

Again this year, thousands of people are living with the terrible consequences of heavy rains and massive flooding. Some have suffered the total loss of their home. Others are still dealing with the difficult and costly work of replacing walls, floors, utilities and damaged possessions.

Flooding is America's number one natural disaster. Yet too many property owners remain uninformed about flood risk and flood insurance. When floods struck the Midwest this summer, fewer than 10 percent of residents in the high-risk areas of flooded communities had flood insurance. Less than one percent of those in lower-risk areas were insured. They were left without a financial backstop and we were left with the question....Why were so many uninsured?

Property owners continually report that they were unaware they could buy flood insurance, thought they were ineligible for coverage or were told they didn't need it. Many do not know their homeowners insurance doesn't cover flood damage. Some did not believe a flood could happen to them. These tragic misconceptions have to end.

### What you can do

As a trusted professional, you can make a real difference. You can:

- *Dispel the myth that flood insurance is only for buildings in high-risk<sup>1</sup> areas.* Low-to-moderate risk areas also flood, and a quarter of all National Flood Insurance Program (NFIP) claims come from these areas. Most home and business owners, condominium unit owners and renters will qualify for a Preferred Risk Policy, the lowest-cost policy offered by the NFIP.

<sup>1</sup>For insurance purposes, a high-risk area is defined as an area with at least a one-in-100, or 1 percent, chance of being flooded in any given year. If the community participates in the NFIP (most do), the entire community is eligible to purchase flood insurance, inside and outside of high-risk areas. Underwriting restrictions apply in certain limited circumstances.

- *Give them the facts about flood insurance costs.* Even in high-risk areas, buildings that meet floodplain management requirements can be insured at an affordable rate.
- *Make clear that "not required" doesn't mean "not needed."* By law, federally regulated and insured lenders require flood insurance for buildings in high-risk areas. But, all properties are at risk, regardless of the flood zone!
- *Provide your clients with helpful information.* Give them a copy of the *Standard Flood Insurance Policy*, the booklet, *Answers to Questions about the National Flood Insurance Program* and the *Summary of Coverage* brochure. These and other materials are available at the NFIP website: [www.fema.gov/business/nfip/](http://www.fema.gov/business/nfip/).
- *Refer your clients to [www.FloodSmart.gov](http://www.FloodSmart.gov)* for information about flood risk, flood insurance claims and flood mitigation measures.

### How the NFIP can help

The NFIP is committed to helping you meet the needs of prospects and clients. Many resources are available through [www.Agents.FloodSmart.gov](http://www.Agents.FloodSmart.gov), a secure website for insurance agents. You can find out about NFIP training seminars and online courses, and, once trained, sign up for the FloodSmart Advertising Co-op Program, direct mail support and the FloodSmart Agent Referral Program, which refers interested prospects directly to you.

### The NFIP Team

You are an essential part of the NFIP mission. With your help, we can ensure that no one has to recover from flood damage without the help of flood insurance.

A handwritten signature in cursive script that reads "Edward L. Connor".

Edward L. Connor  
Deputy Assistant Administrator for Insurance  
Mitigation Directorate, Federal Emergency Management Agency  
U.S. Department of Homeland Security  
Washington, D.C.



**FEMA**

For more information about flood insurance, call 888-724-6973.