

Flood Insurance Payments Drive Recovery

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LACEY, Wash. – Many Washington residents may believe they don't need to buy flood insurance because they don't live in a high-risk flood zone. However, flooding can happen anywhere, often to the surprise of residents who thought they were covered for disaster. One inch of floodwater can cause up to \$25,000 of damage in a home and when flooding happens, the damage is not covered by most homeowners' insurance policies.

Additionally, FEMA disaster assistance is only available if the president approves individual assistance for a declared disaster and even then, the aid provided is designed to help people have a safe, secure and habitable place to live while they begin their recovery, not cover the complete cost of their loss. Without flood insurance, many survivors will need to cover the cost for this damage out-of-pocket.

In response to the recent Washington state flooding, FEMA's individual assistance program awarded \$5.3 million to Washington survivors. The U.S. Small Business Administration issued \$8.6 million in low-interest loans that must be paid back.

In comparison, the National Flood Insurance Program (NFIP) paid Washington residents over \$19 million to restore their homes to pre-disaster conditions. Most of these funds were distributed within two months of the flooding. This represents the difference in the ability of these families to rebuild following a disaster. With flood insurance, families are given the financial resources to cover the cost of damages. Without flood insurance, however, many families are forced to cover a large percentage of this cost through loans or out-of-pocket. There's no better way to protect the life you've built than with NFIP flood insurance.

Here are some important facts to keep in mind:

- Homeowners and renters insurance do not typically cover flood damage.



- Disaster assistance comes in two forms: a U.S. Small Business Administration loan, which must be paid back with interest, or a FEMA disaster award, which is about \$5,000 on average per household.
- By comparison, the average flood insurance claim is nearly \$30,000 and does not have to be repaid.
- In Washington, approximately 30% of flood claims come from properties outside of high-risk flood zones.
- Flood damage is covered regardless of whether there is a presidential disaster declaration in place. Wherever it rains, it can flood. While flood zones are specific geographic areas where there is a higher statistical probability of a flood occurring, floods often occur outside named flood zones.

- Flooding can be an emotionally and financially devastating event. Without flood insurance, most residents have to pay out of pocket or take out loans to repair and replace damaged items. With flood insurance, you're able to recover faster and more fully.

Property owners can protect themselves from financial losses by having a flood insurance policy through the NFIP. If your community participates in the NFIP as a homeowner or a business, both building and contents coverage can be included in your policy. Renters can get coverage for contents only.

There is a 30-day waiting period before new policies go into effect, so don't wait to obtain a policy. The spring flooding season looms.

How to buy:

- Contact your insurance company or agent. In addition to the NFIP, flood insurance is also available from some private insurance providers. Please visit [floodsmart.gov](https://www.floodsmart.gov) for valuable resources and information pertaining to floods and the NFIP
- For an agent referral, call 800-427-4661 or visit [fema.gov/flood-insurance](https://www.fema.gov/flood-insurance).

For more information about Washington flood recovery, visit [fema.gov/disaster/4635](https://www.fema.gov/disaster/4635). Follow the FEMA Region 10 Twitter account at twitter.com/femaregion10.

