NATIONAL FLOOD INSURANCE PROGRAM FALL 2000/WINTER 2001

WATERMARK

FEDERAL EMERGENCY MANAGEMENT AGENCY

Latest NFIP Program Enhancements

What's new at the NFIP? Modification and improvement are a way of life for a program that constantly refines itself as it responds to the needs of its stakeholders. Some NFIP changes are regularly scheduled. For example, the status of the Community Rating System communities is updated every April and October. The timing of other Program alterations depends on Congressional as well as publication requirements.

A number of significant changes to the NFIP were implemented at the end of December 2000. Details about these and all other Program enhancements are available at NFIP workshops for agents, lenders, public officials, and claims adjusters. See pages 28-30 or the NFIP web site (at www.fema.gov/nfip/wshops.htm) for a list of upcoming workshops. Because it is updated almost daily, the NFIP web site is an excellent source of news about all aspects of the Program.

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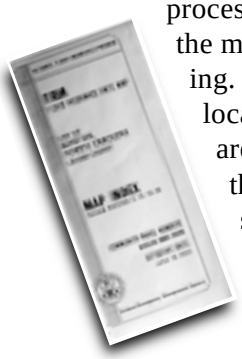
LOMCs: Separating the LOMAs from the LOMRs

Maps show us where we are, where we're going, and where we've been. But if maps are to be dependable, they must reflect periodic changes in landscapes caused by weathering or development and they must incorporate improvements in mapping technology as enhancements are made.

Mapping technology and landscapes have changed a great deal since the Federal government started mapping floodplains in the late 1960s. But the process of updating the maps has moved much more slowly due to lack of funding. Sometimes, FEMA flood maps will show a house located in a floodplain with a "hilltop neighbor" that both are in the same flood zone. Until the map is amended, the hilltop property owner often is required to pay the same flood insurance rate as the neighbor who is located lower on that hill, even though the hilltop property is far less likely to flood. A Letter of Map Change, commonly known as a LOMC, is used to



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Message from Jo Ann Howard

Dear *Watermark* Reader,

As we move forward, I want to thank the Federal Insurance Administration and our partners in the insurance industry who share a common interest in helping citizens protect themselves. Our product—flood insurance—offers a promise of protection that is backed by an old-fashioned value: neighbors helping neighbors. It is a promise that, when floods drench families or destroy homes, we will be there. It is a promise that, before the waters come, we will help people prepare. And, it is a promise that we will deliver the best service to our customers.

We are partners in keeping that promise.

The value of our product cannot be calculated in dollars and cents alone. Unlike other consumer goods, our product provides lasting stability. Its value can be measured in the peace of mind of the family that doesn't need to cash in a college fund to rebuild…children who don't have to give up music lessons for new carpet…and American taxpayers who are spared disaster expenses.

Our stakeholders are on the front lines of delivering this product. Our customers are your customers and neighbors. You have a crucial role in communicating information about the risk of flooding and the availability of insurance.

We work together not just for a program, but also for a purpose. We pursue that purpose in an environment of constant change. Often, the highest hurdle in flood preparedness is getting people to recognize the magnitude of risk. Just about everybody insures his or her car. Most people insure their homes against theft. But if you live in a floodplain—below Base Flood Elevation—your chances of sustaining flood damage are two and one-half times greater than car theft or home burglary.

Despite this, fewer than one-third of the structures located in Special Flood Hazard Areas across the United States are insured. That is why we work hard to insure Americans against flood losses. I discuss our blueprint for the future in the WYO News article on pages 20-21.

The NFIP is making a difference. By boosting the number of insured structures among those that experience disaster loss, we have reduced the portion of recovery costs borne by taxpayers. By giving policyholders a financial incentive to reduce their risk, we empower them to take control of their future. With your help, we're giving Americans the information and incentives they need to make smart, responsible decisions about where and how to build stronger, safer communities.

So, thank you for your efforts on behalf of the NFIP. The FIA staff and I appreciate your efforts and we wish you continued success.

Jo Ann Howard
Administrator (1998-2001)
Federal Insurance Administration

WATERMARK

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The current issue and selected back issues of the ***Watermark*** newsletter are available at:

www.fema.gov/nfip/wm2.htm

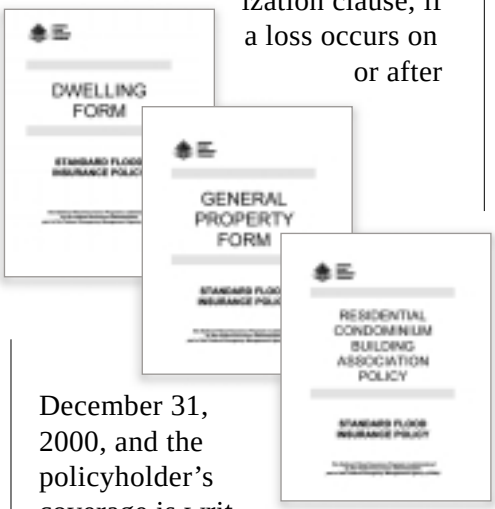
Latest NFIP Program Enhancements, *continued from page 1*

New Look, New Language

We've rewritten the three Standard Flood Insurance Policy (SFIP) forms in accordance with the Federal government's "Plain English" initiative. The Dwelling Form, General Property Form, and Residential Condominium Building Association Policy now reflect the language and style used on insurance policies throughout the insurance industry.

In addition, numerous changes have been made in the provisions of the SFIP. We've highlighted below a few of the coverage changes you will find on the forms.

- Coverage options have changed for property owners whose buildings have additions and extensions attached to and in contact with their building by means of a rigid, exterior wall; a stairway; an elevated walkway; or a roof. Now, policyholders have the option of purchasing either a separate policy for each or one policy covering the building with all additions and extensions connected by any of these methods.
- Coverage limits have been raised for items such as fine art and jewelry as well as for loss prevention efforts such as sandbagging.
- Contents coverage for condo unit owners has been extended to apply (with limits) to interior walls, floors, and ceilings that aren't covered under the condo association's master policy.
- Several coverages—detached carports, outdoor spas and hot tubs among them—have been removed from the SFIPs. New coverage limitations have been put in place for mobile homes and travel trailers eligible for Replacement Cost Coverage.
- Clarifications have been made in the definition of land subsidence and the circumstances under which losses caused by it can be covered by flood insurance.



According to the SFIP's liberalization clause, if a loss occurs on or after December 31, 2000, and the policyholder's coverage is written on the old form because it has not yet been renewed, the policyholder will be entitled to all of the benefits available under the terms of the new policy.

Copies of the new forms as well as summaries of changes are available on the NFIP web site (at www.fema.gov/nfip/sfip.htm). The new forms and change summaries also are included in the Policy section of the *Flood Insurance Manual* (see page 4 for information about how to subscribe to the manual).

Flood Insurance Manual Revisions

Twice each year, the NFIP *Flood Insurance Manual* is updated to reflect changes in the Program that were established during the previous six months. Publication of the latest edition of the manual was held until the end of December so that it could include the rewritten SFIPs that were released on December 31. Several other important revisions also were made.

www.floodalert.fema.gov/

Look over the new manual carefully. Many subtle changes make it easier to navigate through the manual. For example, some areas within the publication have been reorganized to keep related information in proximity. And, the rate tables in the Rating and Condominium sections now are numbered for easier reference. Following are a few other highlights of the recent manual revisions.

- An entirely new section has been added about the Mortgage Portfolio Protection Program. This program was designed to help lenders comply with the Flood Disaster Protection Act of 1973. Coverage in this program must be written with a WYO company.
- The Building Drawings section has been expanded and renamed the *Lowest Floor Guide*. This section now includes extensive information that helps insurance agents determine the lowest floor of a building for rating purposes. Drawings of buildings are more detailed than in the past, and they now correspond to information provided on FEMA's new Elevation Certificate.
- Throughout the manual, references to manufactured homes (also known as mobile homes) now include travel trailers. Underwriting forms and significant text headings have been modified to reflect this change.

New Subscriptions Required for *Flood Insurance Manual*

Because the previous subscription period ended September 30, 1999, a new subscription will be required for the latest printed edition of the NFIP *Flood Insurance*

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Manual. The subscription cost is $25 for the full *Flood Insurance Manual* plus the abbreviated *Producer's Edition* (which does not contain all of the information needed to rate all policies) or $15 for the *Producer's Edition* alone. The subscription fee covers not only the new manuals, but also semiannual updates through December 31, 2002.

Write Your Own companies and agents providing flood insurance are responsible for ensuring that all rules and requirements are understood and followed. Rules, changes, requirements, and other NFIP-related issues are tracked in the manual. To subscribe and receive future manual updates, call FEMA's Map Service Center at 800-358-9616. A copy of the manual order form can be found on the FEMA web site at www.fema.gov/msc/orderfrm.pdf.

Free copies of both the full *Flood Insurance Manual* and the *Producer's Edition* are located on the NFIP web site at www.fema.gov/nfip/manual.htm.

New Claims Manual

For the first time since 1988, the NFIP *Adjuster Claims Manual* has been rewritten. For details about what changes you can look for in the revised edition as well as information about how to receive the new manual, see the related article in "Adjuster News," pages 26-27.

Repetitive Loss Property Renewal Exceptions

FEMA has embarked on a long-term strategy to reduce the number of insured repetitive loss properties. FEMA is identifying insured properties that have been damaged by floods most often in the last 10 years. Insurance policies for these properties are being transferred to FIA's Special Direct Facility (SDF), operated by the NFIP Servicing Agent.

As policies on these properties are issued by the SDF, policyholders are given several alternatives they can use to reduce the disruption to their lives and the destruction of their property by floods. Options include elevating their building above the floodplain, relocating their building, or selling their building to the local community for demolition.

Actual risk-based premiums in predictable flooding areas are expected to be considerably higher than those that owners of repetitive loss properties may have paid in the past.

Identifying and then transferring information about each repetitive loss property to the SDF will take some time. Because Renewal Premium Notices for these policies can be sent to property owners only after all necessary information about the policy is transferred from the WYO company to the SDF, it is possible that during the first year of the SDF's operation, there may be delays in billing to a few policyholders. For this reason, the Federal Insurance Administrator has provided these property owners with a 30-day grace period (beyond the required 45 days for all policyholders) before their coverage lapses. In addition, the Administrator has rescinded the requirement of submitting a new application when renewal premium is received by the SDF 90 days or more after expiration of the policy. The 75-day grace period and the rescission of the requirement for new application submission are effective for policies with expiration dates from August 1, 2000, to August 1, 2001.

Community Inspection Procedures

FEMA is assisting the communities of Monroe County and the Village of Islamorada, Florida, in verifying that structures comply with local floodplain management ordinances and that NFIP policyholders are paying premiums that reflect the flood risk of their buildings. Owners of identified insured buildings in these two communities must obtain an inspection from local floodplain managers as a condition for renewing their Standard Flood Insurance Policies.

After receiving a monthly listing of policies identified for inspection, WYO companies send notices to these policyholders (and their insurance agents and lenders) 6 months prior to policy expiration advising them of the inspection requirement. A reminder is sent with the renewal notice at least 45 days before the policy expires.

Next, the policyholder contacts a local community official to arrange for an inspection and then sends the report to the insurer by the end of the grace period so that the policy may be renewed. The WYO company's underwriting staff reviews the report to verify that the rating information and rates are appropriate. Corrected rates are applied to policies and new premium assessed, when necessary. More details about the reporting requirements for the community inspection procedure can be found on the NFIP web site at www.fema.gov/nfip/frinsstr.htm.

LOMCs, *continued from page 1*

exclude a patch of land, and any structure located on that land, from a designation on FEMA's current Flood Insurance Rate Map (FIRM) for the area—allowing the "hilltop neighbor" to avoid getting flood insurance.

Although faced with the knowledge that 25 percent of all flood insurance claims today occur in moderate- to low-risk flood zones, many property owners request a LOMC because the letter represents a significant short-term savings for those willing to go through the LOMC process—"short-term" because, if the property does flood, even though located on a "hilltop," the homeowner will not be insured against flood. This option is much less expensive and faster to perform than amending and republishing a map for a particular area. Because it is simple, this option increasingly is favored by FEMA.

Hilltop buildings may be exempted from insurance purchase requirements.

Letter of Map Amendment (LOMA)

If a building is situated on natural ground (as opposed to fill dirt) that is at or above the Base Flood Elevation (BFE) shown on the FIRM, the property owner may request a LOMA. To support this request, the property owner must have a surveyor determine the elevation of the ground next to the building and complete an Elevation Certificate (EC). If, after reviewing the request, FEMA determines that the lowest ground adjacent to the building listed on the EC is at or above the BFE, a LOMA is issued.

A LOMA includes a cover letter from FEMA that identifies the case number, requester, property address, NFIP community name and number, and additional resource contact information. Also included are the LOMA Determination Document (Removal), which provides further details about the location of the property and the affected FIRM panel, and the Determination Document Attachment, which lists additional considerations such as whether or not any portions of the property remain in a FEMA-designated Special Flood Hazard Area (SFHA) even though the identified building may have been removed.

By law, Federally regulated lenders must require the purchase of flood insurance coverage for buildings constructed within an SFHA. With a LOMA, it is not compulsory for a lender to require flood insurance purchase. However, lenders may choose to do so to protect their investments.

Letter of Map Revision (LOMR)

Issuing a LOMR actually revises a FIRM. A LOMR may change the flood insurance risk zones, floodplain and floodway boundaries, and even the Base Flood Elevations for an area. For this reason, a LOMR is usually more extensive in its impact than a LOMA. Typically, a LOMR will require a new engineering analysis and may take as long as 90 days to complete.

When the LOMR is issued, included with it will be a cover letter and LOMR Determination Form, as well as attachments such as annotated FIRMs, flood profiles, and floodway data tables. Because this type of LOMC may change the BFE for the area, a statutory 90-day appeal period can be required before it takes effect.

Letter of Map Revision Based on Fill (LOMR-F)

If a building is constructed on earthen fill, the property owner may request a LOMR-F. The fill must be engineered through compaction and must include erosion protection.

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Our Mission

The National Flood Insurance Program educates United States property owners about the risks of floods and provides flood insurance to accelerate recovery from floods, mitigate future losses, and reduce the personal and national costs of flood disasters.

LOMCs, *continued from page 5*

If the building's lowest floor and lowest adjacent grade are at or above the BFE, FEMA may issue a LOMR-F, removing the structure from the floodplain. Again, lenders may choose whether or not to require flood insurance on the building.

When is a LOMC not a LOMC? When it's a CLOMC!

Prior to constructing a building in a floodplain, a property owner or developer may request a "Conditional" LOMC (a CLOMC!). A CLOMC does not amend or revise a FIRM, but it does elicit FEMA's formal comment about the eventual revision to a map as well as about a proposed project's compliance with regulatory requirements. Issuance of a CLOMC is an indication of whether the project, if built as proposed, will be recognized by FEMA. A CLOMC requires a fee.

A CLOMA (Conditional Letter of Map Amendment) provides FEMA's response to whether a proposed project would be excluded from the floodplain shown on the effective NFIP map. A CLOMR (Conditional Letter of Map Revision) is FEMA's comment about a proposed project that would affect the hydrologic and hydraulic characteristics of a flooding source–such as constructing or modifying a bridge or culvert; dredging, straightening, or otherwise physically modifying a channel; or building a levee or floodwall–any of which might change the effective floodway or floodplain delineations, or Base Flood Elevations. A CLOMR-F provides FEMA's position about whether a building that is planned for construction on earthen fill would be excluded from the Special Flood Hazard Area.

LOMCs are becoming a favored option for hilltop residents.

LOMCs on the Rise

Between 1993 and 1999, the number of requests for LOMCs tripled, going from approximately 4,000 to more than 12,000 per year. Of the 64,968 requests for LOMCs during that time period, 60 percent were for LOMAs, 20 percent were for LOMR-Fs, and 8 percent were for LOMRs. Requests for Conditional LOMCs accounted for the remaining 12 percent.

Filing the Forms

A homeowner who is seeking a LOMA or a LOMR-F for a single lot or structure will need to complete the MT-EZ form. The MT-1 form must be filled out for multiple lots or structures. A homeowner who is seeking a LOMR for either single or multiple lots or structures must fill out the MT-2 form. All LOMC forms are available on-line at www.fema.gov/mit/tsd or by calling 877-FEMA-MAP (877-336-2627) and asking for the form number.

Once approved, a copy of the LOMC will be sent to the homeowner and the community's Chief Executive Officer. An additional copy will be filed at the Community Map Repository, the LOMC subscription service will be updated to include the new document, and the LOMC will be included in the compendium of flood map changes, which is updated twice per year on the FEMA web site.

LOMA 2000

The LOMA 2000 is a database-driven product in use since 1999 that streamlines and automates the review, preparation, and distribution of LOMC transmittal letters, determination documents, and attachments. It is presently used for LOMAs, LOMR-Fs, CLOMAs, and CLOMR-Fs.

Use of this new determination product has reduced turnaround times and FEMA's costs for processing the letters and consistently produces error-free determinations.

Additional LOMC Improvements on the Horizon

FEMA is developing a new LOMR product as part of the agency's map modernization objectives. Because of the length and format of the present LOMR, recipients often must search through the document for the

information most important to them. In addition, preparation of the letter by FEMA takes a great deal of time because it requires review by two engineers, a technical writer, an engineering director, and a project engineer.

A FEMA work group is looking into how to improve the LOMR product and the process by which it is created, beginning after the engineering review takes place. Under consideration is development of a LOMR document comprised of a cover letter and several technical and administrative enclosures succinctly describing, among other things, the Flood Insurance Study (FIS) and FIRM changes and community responsibilities. In addition to providing easy access to specific information, the new LOMR format should decrease the amount of time required to generate the final product by streamlining the letter-preparation process.

The work group also is considering ways to use computer technology to improve the engineering review and letter-preparation. For instance, database tables could be used throughout the LOMR process to provide an up-to-date case history. Through the database, engineers would have immediate access to the pertinent information about the case. The database could be accessed by personnel staffing FEMA's toll-free telephone line to field questions regarding the status of requests, and aspects of the database could be linked to FEMA's web site.

Ultimately, writing the LOMR could be automated, and the information in the database could be accessed automatically for letter and enclosure preparation. Automation of the LOMR process will allow engineers to concentrate more fully on reviewing the technical aspects of revisions. It will also allow easy data archival and retrieval for responding to future queries.

Another mapping improvement on the horizon is the use of the Internet to post information about FIRM changes resulting from the issuance of LOMCs. Updated information will be available at FEMA's Map Service Center web site located at www.fema.gov/nfip/msc/. LOMC data will be in tabular form giving the affected FIRM, actions taken, and the document number.

Other Resources

A wealth of additional information about flood hazard maps is only a click away at FEMA's mapping web site: www.fema.gov/mit/tsd. Homeowners can wander through a tutorial, "How to Challenge a Flood Risk Determination," or browse through such frequently asked questions (FAQs) about mapping as "Why do I need flood insurance?," "What are the different flood hazard zone designations and what do they mean?," and "What is a Base Flood Elevation?"

Insurance agents and lenders will find the requirements established by the National Flood Insurance Reform Act of 1994, information about how to become a Write Your Own insurance agent, flood insurance rate information, and a listing of flood zone determination companies.

Engineers and surveyors will find a listing of NFIP approved and test version software with links to free downloads, forms, and fee schedules for requesting a map change or back-up study data, and a link to a listing of training courses and conferences related to emergency management. Floodplain managers and community officials will find the compendium of map changes, numerous guidance publications, a listing of key contacts at FEMA with direct e-mail links, and all of the forms needed to initiate requests for back-up study data.

The mapping web site contains information about all NFIP policies and regulations as well as answers to more than 80 FAQs, access to a database containing the status of recent requests for map changes, and numerous reports and guidance documents in both PDF and MS Word formats. The web site includes forms for making map change requests, a subscription service that provides free news about the latest developments in flood hazard mapping via e-mail, information about map modernization initiatives with direct e-mail links to FEMA task leaders, and e-mail links to map specialists at the FEMA Map Assistance Center. Map specialists also can be reached at the Map Assistance Center's toll-free number, 877-336-2627.

Keeping up with the LOMCs

FEMA has a LOMC subscription service that provides updates of all LOMCs twice each month. The service includes self-contained viewing software with a searchable index for using with the updates, which are issued on a CD-ROM. The LOMC subscription services costs $2,000 annually. Information about how to subscribe is available at FEMA's Map Service Center at 800-358-9616.

CRS Reports That a Good Thing Is Getting Even Better

How do we keep flood damage from happening in the first place? FEMA's Community Rating System (CRS) does just that, by providing incentives for communities to reduce the risk of flood losses before they even occur.

The CRS was implemented in 1990. Through this program, communities are recognized and rewarded for their mitigation efforts that exceed the NFIP's minimum standards for floodplain regulation. As a CRS community engages in additional mitigation activities, the annual flood insurance premiums for its NFIP policyholders are reduced.

As of October 1, 2000, 926 communities across the United States were participating in the CRS. More than half of those communities received a 10 percent or greater reduction in premium last year as a result of their mitigation activities. The six most active CRS communities provided their policyholders with 25-35 percent premium reductions last year.

Growing the Program

Each year, dozens of new CRS community applications are reviewed, modifications are made to the programs of communities already participating in the CRS, and verification visits are conducted. Dozens of CRS workshops are held and other special presentations are made to train community officials in floodplain management planning. In addition, CRS representatives visit numerous conferences of professional organizations to exhibit the CRS booth or to make presentations.

Every 2 years, FEMA submits a report to Congress about the program's recent accomplishments. According to the report issued in October 2000, progress was made toward all four goals identified in FEMA's last report to Congress, issued in 1998.

Goal One: Support FEMA's Project Impact and Similar Mitigation Programs

Nearly 250 communities have been designated as Project Impact communities nationwide since this initiative was begun in 1997. More than a third of these Project Impact communities now participate in the CRS. In 2000, an outreach effort was implemented to assist Project Impact communities not participating in the CRS to submit applications to the program.

Other national, state, and local mitigation programs are supported by the CRS in a variety of ways. For example, several reports issued by local communities and States during the last 2 years point to CRS data, materials, and activities as resources used to design their own programs that paid off in reduced flood losses after heavy floods. According to one report, the CRS had a primary influence on a floodplain management plan developed by officials in Arnold, Missouri, a community that suffered major flood damage in 1993. Another State, North Carolina, reported that the CRS helped guide the development of a planning strategy that combined stricter coastal building requirements with activities to preserve floodplains as parkland. A third example of community planning influenced by the CRS was the development of a strategy to reduce flood losses by acquiring floodplain property in Peoria, Illinois. And on the national level, the U.S. Army Corps of Engineers now requires a floodplain management plan as a condition of flood control assistance and has noted that CRS-approved plans qualify.

The CRS is helping implement FEMA's repetitive loss strategy (see page 4 for related information) by working with participating communities to identify their repetitive loss properties and the sources of repetitive flooding in their area. Community Repetitive Loss Updates help refine FEMA's repetitive loss database by providing additional information about

each identified repetitive loss property.

Another nationwide mitigation effort being supported by the CRS is the use of consistently recognized building codes throughout the United States. Each community's CRS classification (and corresponding premium discount) is now tied to the new Building Code Effectiveness Grading Schedule (BCEGS).

Goal Two: Encourage Communities to Improve Their CRS Class

In the last 2 years, CRS community classifications have steadily upgraded. A typical pattern of improvement demonstrates how this happens. First, a community engages in just enough mitigation activities to receive the minimal Class 9 rating (5 percent premium reduction). Then, during verification visits, local officials are shown how they can start new CRS activities or modify existing ones to improve their effectiveness. Newsletters, technical publications, and other materials follow.

As local officials increasingly become familiar with CRS materials, they usually begin to attend CRS-sponsored workshops. Fueled by examples of how other communities are improving their classifications, many community officials become motivated to do more at home.

CRS Publications

In the last 2 years, several new or revised CRS publications were released. The *CRS Coordinator's Manual, CRS Application,* and *CRS Commentary Supplement for Special Hazards Credit* were published in 1999, all of the program's technical assistance publications were revised and reprinted, and updated PC software for computerized calculations for the Community Rating System and Elevation Certificate was released. In addition, thousands of the new color brochure, *The National Flood Insurance Program's Community Rating System*, were published and distributed as part of community outreach efforts. CRS materials and descriptions of model programs also were posted on the FEMA web site located at www.fema.gov/nfip/crs.

Communities of all sizes participate in the CRS.

Goal Three: Encourage Nonparticipating Communities to Join the CRS

A wave of communities joined the CRS during its first 5 years. However, between 1996 and 1999 the total number of communities in the program began to level off. New applications averaged about 10 per year and a number of communities either dropped out voluntarily or were removed because they no longer met program requirements.

The tide has turned. During 2000, participation in the CRS increased by 20 communities. Why? The increase in the number of new CRS communities may have been caused by recent innovations in the program:

- The CRS application was simplified.
- A new brochure was developed to describe the CRS to prospective participants.
- A letter campaign targeted the 500 nonparticipating communities that have the most NFIP policies.
- A CRS presence was established on the NFIP web site.
- New training programs were conducted about how to apply to the CRS.
- Presentations about the CRS were made at local workshops for public officials.
- Articles about the benefits of the CRS were published in the newsletters of professional and public official organizations.
- FEMA's Project Impact focused energy and attention on mitigation and encouraged CRS participation.

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CRS Reports, *continued from page 9*

Goal Four: Encourage "All-Hazards" Planning

Hazard planning is making more sense to communities nationwide. In fact, the number of communities applying for CRS credit for planning activities has increased by 20 percent since 1997.

Once flood mitigation activities are under way in a community, it is easy to use the same strategies to organize mitigation programs for other hazards. FEMA Regional Offices and several State governments have used CRS planning guidance to develop the mitigation plans that are required to receive disaster assistance funds, even when the disaster does not involve flooding.

The CRS is promoting all-hazards planning by requiring communities that want to upgrade their classification from a Class 8 to implement an up-to-date, all-hazards building code and an enforcement program recognized by the BCEGS. Additional credits for even higher CRS classes are based on a community's BCEGS grading.

Elevating buildings reduces damage from coastal storm surge.

More Than Just a Touch of Class

It is hard to put a dollar value on the benefits of the CRS. Of course, there is a substantial savings in premium for flood insurance policyholders, a savings of approximately $70 million annually.

But the real success of the CRS is harder to measure. Over time, FEMA will be able to more accurately assess flood losses in CRS communities due to their mitigation efforts and then compare loss data to those of non-CRS communities. Increased public safety, a reduction in damage and economic disruption after a flood, and reduced human suffering are just a few of the immeasurable values of this program.

The CRS program is expected to grow more quickly in the future. More communities are expected to join, and participating communities will continue to improve their floodplain management programs and upgrade their CRS classifications.

For more information about the CRS or for assistance in joining this program, please write us or call us at the following locations:

NFIP/CRS
P.O. Box 501016
Indianapolis, IN 46250-1016
Nfip/crs@iso.com
317-848-2898

DEFINITION

Lowest Floor

In the world of the NFIP, the lowest floor doesn't necessarily mean the ground floor. In fact, it never means the ground floor in elevated buildings that have garages, or other minimal enclosures, below the living space. It also doesn't mean the ground floor in buildings that have basements.

So what is the lowest floor? Here's what the *Flood Insurance Manual* has to say about where the lowest floor really is in a building:

"The lowest floor of the lowest enclosed area (including a basement). An unfinished or flood-resistant enclosure, usable solely for parking of vehicles, building access, or storage in an area other than a basement area, is not considered a building's lowest floor provided that such enclosure is not built so as to render the structure in violation of requirements. (Formerly called 'reference level' or 'reference level floor.')"

Project Impact Update

In the past 10 years, FEMA has spent $25 billion to help people repair and rebuild communities throughout the United States after natural disasters. One of the most successful interventions has been FEMA's Project Impact: Building Disaster-Resistant Communities—a nationwide initiative now in its fourth year of reducing devastating effects of natural disasters. Since its inception, Project Impact has grown to 250 communities—those are communities that have committed to implementing a locally based effort to reduce their risks and susceptibility to damage. The goal is to make Project Impact communities disaster resistant so that, should a disaster strike, they will need less help to rebuild, and recovery will be less painful and time consuming.

Two programs that have sprung from Project Impact are the Prevention Loan Program and a joint arrangement with several top NASCAR drivers to promote Project Impact's message of disaster prevention.

Prevention Loan Program

Fannie Mae has joined with Project Impact and several states to offer consumer installment loans at competitive interest rates so that homeowners can make disaster prevention improvements. Available through Crown Bank, the Prevention Loan Program began in Florida in June 2000 and is expected to spread throughout the United States.

A similar program in California was launched next to help residents of the San Francisco Bay area protect their homes against damage from future natural disasters, including earthquakes. Georgia, Kansas, and Oklahoma also have implemented Prevention Loan Programs to prevent losses from disasters in these states. The objective is to assist homeowners in taking preventive steps against the "next disaster" by safeguarding their family's safety and financial future today.

The Prevention Loan Program has a quick approval process and requires that work be performed by certified contractors who are qualified to make disaster-resistant improvements to homes. Unsecured, fixed-rate loans of up to $20,000 are available with repayment terms of up to 10 years. The loans are originated by a Fannie Mae-approved specialty third-party originator and serviced by a Fannie Mae-approved loan servicer. Interest rates are based on market conditions for the term of the loan. There are no income limitations for borrowers. Similar programs are available through many banks and other financial institutions across the United States. Your bank may offer loan programs that would enable you to protect your home and family against damage from a future disaster.

Project Impact and Fannie Mae recommend the following upgrades as ways to make homes resistant to wind and water damage from hurricanes:

- Strengthen the roofing system.
- Install hurricane shutters for windows and doors.
- Strengthen structural elements for wind resistance.
- Construct an in-home safe room.
- Elevate the structure or the utilities within it.
- Bolt structural elements to the foundation.
- Brace chimneys.
- Install wind-resistant windows.

Upgrades also are recommended to make homes more resistant to damage from tornadoes, earthquakes, and floods. For more information on specific upgrades for other disasters, contact FEMA's Project Impact at 202-646-4117.

For More Information About the Prevention Loan Program:

- Consumers in Florida, Georgia, Kansas, and Oklahoma may call Fannie Mae at 800-732-6643 or Crown Bank at 888-703-0478 for details about the program.
- Consumers in California may call Fannie Mae at 800-732-6643 or Greg Sanders of First Financial at 800-300-0974 for program information.
- Contractors may call Crown Bank at 888-703-0478 for information about contractor certification.

Florida residents who would like information about insurance coverage against wind and hail damage should contact the Florida Windstorm Underwriting Association at 904-296-6105.

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Project Impact Update, *continued from page 11*

NASCAR Drivers Join FEMA's Disaster Prevention Efforts

On September 8, 2000, FEMA Director James L. Witt announced a new partnership between Project Impact and several NASCAR drivers and their sponsors. The new Project Impact partners are Winston Cup Series drivers Tony Stewart and Jerry Nadeau and Busch Grand National Series drivers Jeff Green and Jason Leffler. Sponsors include Home Depot, Michael Holligan.com/MH2 Technologies, MBNA, and Nestlé. In developing relationships with drivers and their sponsors, FEMA will be reaching out to NASCAR fans across the country to inform them that fast action can and should be taken to protect their homes and businesses from severe weather and disruptions associated with hurricanes, floods, earthquakes, tornadoes, and wildfires.

"NASCAR is the number one spectator sport in the nation. Their fans are homeowners, employers, business leaders, educators, and community officials who are the fabric of our communities," explained Witt. "Working with the NASCAR drivers and their sponsors provides us with a tremendous opportunity to reach out to a large segment of the public."

Project Impact was introduced to the racing community in May 2000 at the Winston Cup in Charlotte, North Carolina, with a Project Impact paint scheme on the car driven by the late Kenny Irwin, Jr. Irwin and his BellSouth sponsor were Project Impact partners.

For NASCAR fans, and anyone threatened by disaster risks, Project Impact recommends:

- Determining your vulnerability to disaster.
- Installing hurricane straps.
- Installing storm shutters on windows.
- Ensuring that your roof is reinforced with straps and bracing.
- Reinforcing garage doors.
- Trimming dead or weak branches from trees and keeping debris clear of the property.
- Ensuring that fixed doors are secured at the top and bottom and adding pins or bolts where needed.
- Creating a disaster prevention plan.

Since its 1997 inception, Project Impact has been embraced by several hundred communities and more than 2,500 business and media partners. Instead of waiting for disasters to occur, Project Impact communities take action to reduce potentially devastating disasters. For more information about Project Impact or preventing disaster damage, call 202-646-4117, send an e-mail message to project.impact@fema.gov, or visit www.fema.gov/impact.

DEFINITION

Freeboard

First there were ironing boards. Then there were skateboards and then there were snowboards. Now there is freeboard. Not something that sports enthusiasts ride on, the freeboard is a measurement that shows a building's compliance with local floodplain rules. Many communities do not require the freeboard measurement on compliance forms such as the Elevation Certificate. You've got to figure out the Base Flood Elevation for the area where your building is located. Then you've got to figure out what the elevation is of your building's lowest floor (see the definition on page 10). Provide this information to your local floodplain manager, who then will be able to tell you what the freeboard for your building has to be for it to conform to your community's building ordinances.

According to the *Flood Insurance Manual*, freeboard is:

"An additional amount of height above the Base Flood Elevation used as a factor of safety (e.g., 2 feet above the Base Flood) in determining the level at which a structure's lowest floor must be elevated or floodproofed to be in accordance with State or community floodplain management regulations."

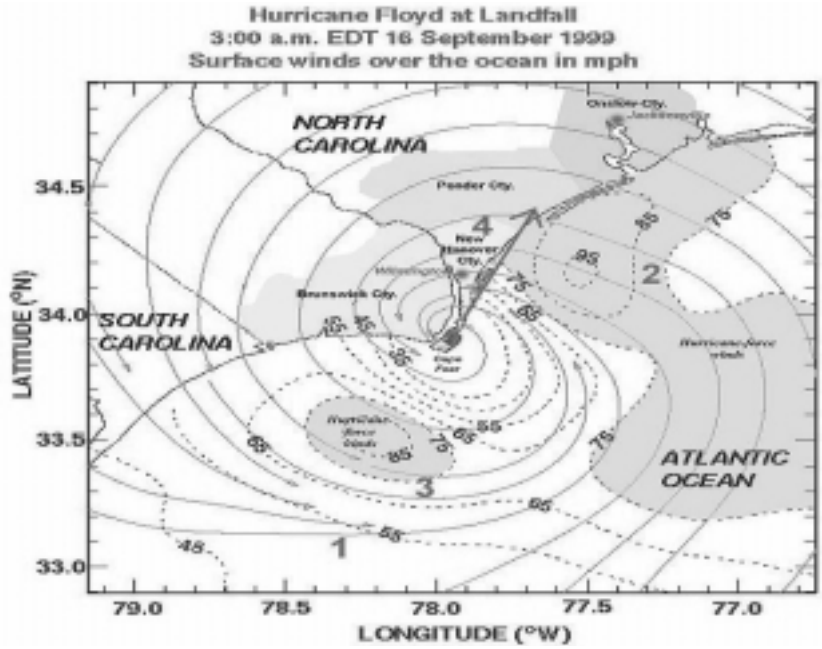
"Buyout" Process Refined for Hurricane Floyd Victims

In times of great natural disasters, FEMA often seeks unique solutions to put people back on their feet after the damage is done. Hurricane Floyd in September 1999 was just such a disaster.

While Hurricane Georges (September 1998) currently ranks as FEMA's most costly hurricane ($2.4 billion in disaster costs), followed by Andrew in 1992 ($1.8 billion), Hugo in 1989 ($1.3 billion), Fran in 1996 ($602.2 million), and Marilyn in 1995 ($496.3 million), experts believe Hurricane Floyd will be among the most costly hurricanes to date once all the costs have been calculated.

Thus, FEMA sought to ease the burden of this considerable disaster. Congress made $215 million available for post-Hurricane Floyd buyout grants in November 1999 and added $50 million to that in July 2000 for buyouts and elevation grants. While there are some restrictions—Congress was concerned about how FEMA would determine eligibility for the grants and also wanted to ensure review by FEMA's Inspector General—the funds are available to help families move away from high-risk locations.

Buyouts, also known as acquisitions, are an important way for states and the Federal government to reduce the risk of future disasters. Numerous states across the nation have successfully used buyouts to move homes and businesses out of harm's way. Since 1993, some 20,000 properties have been purchased under



FEMA's mitigation grant programs. In many of those cases, the land left behind has been flooded again. Without a buyout, those homes and families would have suffered once more.

Buyout projects, although 75 percent funded by FEMA, are administered by the state and local communities. The state and local communities work together to identify areas where buyouts make the most sense. Under the rules for buyouts funded by FEMA, the space is permanently deeded as open land. This means that no one can live on the land or put new buildings on the land in the future. Many communities have taken advantage of the open space to create recreational opportunities.

Congress initiated review of several areas of the buyout program. While Congress was concerned about determining eligibility criteria for the program, it also sought to lessen the future impact of similar disasters by examining the feasibility of reducing buyout assistance to those who fail to purchase and maintain flood insurance. The program also will involve controlled oversight of state planning and prioritizing procedures. Congress required cost-benefit determinations and a means to measure the project's success in the aftermath. Reviewing these areas will be the job of an internal FEMA task force drawn from FEMA's Mitigation Directorate and FIA, among others.

The challenge for FEMA is to review the buyout program, address Congress's concerns, and then implement the task force's findings and recommendations. FEMA's priorities include providing efficient delivery of funds to the affected states and communities for their distribution of those resources. FEMA will provide staff to assist state and regional personnel with the management and administration of their internal buyout programs in accordance with the task force's recommendations and with forthcoming Federal regulations related to buyout funds.

Cover America II Update

Amie Coxon Ware, FIA

Our yellow diamond "Be Flood Alert" street sign logo is almost a year old now. This logo is helping FIA brand the NFIP through the new Cover America II campaign to establish the NFIP as a well-recognized, trusted entity that assists people in protecting against and preventing flood damage. The logo was introduced in television commercials during the week of Thanksgiving in 1999. In January 2000, print ads began targeting consumers to increase awareness and generate sales leads for insurance agents.

As the campaign has progressed, FIA has added to it print advertising to insurance agents and lenders, television and radio public service announcements, media tours, a public relations kit for members of the National Association of Insurance Commissioners (NAIC), an updated NFIP display ad for Yellow Pages directories, and new ad slicks for use through the Co-op Advertising Program.

NFIP Co-op Advertising Program

Through the NFIP Co-op Advertising Program, insurance companies and agents can save up to 50 percent of their flood insurance advertising costs. Flood insurance ads that mention other insurance products can qualify for 25 percent cost sharing with the NFIP.

Typically, this program has run from October through September. Now, the co-op program runs from April through March, consistent with the rest of the Cover America campaign. Due to this change, we have extended the current co-op program offer through March 31, 2001. Reimbursement caps for insurance agencies and Write Your Own companies have been increased to accommodate the 6-month extension for this program period. Watch for details in the mail, check the NFIP web site at www.floodalert.fema.gov (select "Information for Insurance Companies," then go to "Marketing and Advertising Campaign"), or call an NFIP co-op manager at 800-564-8236.

To participate, you can either create your own flood insurance ad or use one of the professionally designed ad slicks that have the same message and images as the national campaign. These ad slicks are free and are designed to be customized with company or agent information. New ad slicks will be available on the NFIP web site, so make sure to check it frequently. Soon, we will provide live-read radio scripts that can be taken to radio stations, recorded by local DJs, and used as paid ads without incurring production costs.

The new 30-second "Street Sign" television commercial also is available for insurance agents and companies to use through the co-op program. The last 5 seconds of this commercial can be customized with insurance agent or company contact information. The videotaped ad is free; however, you will need to work with a local production company at your own expense to tailor the last 5 seconds of the commercial. Photo boards of the commercial are available to help with customization and the approval process.

Between July and September, NFIP print ads appeared in the following magazines:

Agent
American Agent and Broker
Best's Review—Property & Casualty/Life Health Edition
Business Insurance
Independent Agent
Insurance Journal
Insurance Journal of Texas
National Underwriter
Professional Agent
Rough Notes

Lender
ABA Banking Journal
Bank Director
Banking Strategies
Credit Union Magazine
Financial Services Marketing
Financial Services On-line
Mortgage Servicing News
U.S. Banker

Consumer
American Heritage
American Homestyle and Gardening
Better Homes and Gardens Home Plan Ideas
Conde Nast Traveler
Country Gardens
Country Home
Country Living
Metro Magazine
Midwest Living
Money
Old House Journal
Preservation Magazine
Southern Living
Traditional Home

If you choose to produce your own flood insurance ad to use through the co-op program, be sure to download the new "Be Flood Alert" logo from our web site (www.floodalert.fema.gov). High-quality color and black-and-white versions of the logo are available in easy-to-use JPEG format files. Also, download the graphic standards for use of the logo.

No matter what you choose, make sure to send your flood insurance ad or commercial to the NFIP Co-op Advertising Manager for pre-approval before you run it to be sure it qualifies for reimbursement.

NFIP Advertising

Between July and September, NFIP television advertising ran on 15 national cable stations for 6 weeks; on network news programs on ABC, CBS, and NBC for 3 weeks; and on "Who Wants to Be a Millionaire?" and the finale of "Survivor." An average of 51.69 million viewers watched the summer phenomenon's final episode, which ranked as the highest-rated summer broadcast since such marks first were kept in 1987. All of those viewers had the chance to see the NFIP commercial.

Full-force television advertising including "events," network news, and national cable continued through the fall.

High-Viewership Events

World Series in October 2000

Macy's Thanksgiving Day Parade 2000

The Grammy Awards 2001

Public Relations

"The 'Be Flood Alert' News Minute"

The new series of radio public service announcements (PSAs) called "The 'Be Flood Alert' News Minute" was distributed to radio stations in hurricane-prone states on July 20 and 21. These radio PSAs feature experts providing information about floods; flood risk; prevention; insurance; Project Impact; and what to do before, during, and after a flood. Each PSA is 1 minute long and eventually will be available for anyone to hear, or to download for use, from the web site. Some of the spots will be translated into Spanish. Distribution will continue throughout the year to different regions of the country immediately before their flood season. As of September 13, more than 32 radio stations in 31 states had aired these spots, serving an estimated audience of more than 17.5 million people.

Al Roker Public Service Announcement

Broadcasts of the Al Roker television PSA had climbed to nearly 2,200 as of September 7. This equates to more than 28 broadcast hours, with an estimated value of $153,000. Fifty-four stations in 48 markets reported using the PSA, potentially making nearly 23 million viewer impressions. The stations that have aired the PSA are located in a number of markets throughout the country including Philadelphia, Tampa, Phoenix, Charlotte, Cincinnati, New Orleans, Salt Lake City, Norfolk, Las Vegas, Honolulu, Madison, Springfield (Missouri), and many more.

Weathercaster Al Roker

2000 Hurricane Season Satellite Media Tour

At the end of May, Jo Ann Howard, the Federal Insurance Administrator, was featured in a satellite media tour with television and radio stations across America to discuss flood insurance in connection with the 2000 hurricane season. As of the end of June, there were 273 confirmed television broadcasts of the interview and 824 confirmed radio broadcasts. Interviews were broadcast to audiences of 4,744,000 and 14,600,000 people respectively.

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DEFINITION

Doublewide Manufactured (Mobile) Home

A contradiction of terms? This mobile home doesn't actually move. And for an unmoving mobile home, it's pretty roomy—providing at least 600 square feet of space to come home to.

The *Flood Insurance Manual* says that a doublewide manufactured (mobile) home is:

"A manufactured (mobile) home that, when assembled as a nonmovable, permanent building, is at least 16 feet wide and has an area within its perimeter walls of at least 600 square feet."

Cover America II Update, *continued from page 15*

Article for Consumers

In March 2000, a consumer article titled "Water, Water Everywhere: Test Your Flood IQ" was released to news publications nationwide. As of September 5, the article had been placed 736 times in 23 states in newspapers with an estimated circulation of more than 64 million people.

Results

All campaign efforts encourage people to contact their insurance agent or the NFIP for more information. From October 1995 through July 31, 2000, more than 750,000 people contacted the NFIP. More than 585,000 of these contacts were by telephone. Of those calls, more than 106,000 were referred to an insurance agent to buy a policy. In follow-up calls by our researchers, about 30 percent of those surveyed said that they purchased a flood insurance policy.

According to modeling completed for a return-on-investment analysis of the campaign, at least 21 percent of all new policy sales between 1994 and 1999 can be directly attributed to NFIP advertising and about 12 percent to flood events. The remaining 67 percent includes a number of factors that could not be specifically identified but may include lender compliance and other marketing efforts. Further, this modeling shows that every $1,000 invested in advertising leads to 13 new flood insurance policies and that advertising has the greatest impact on increasing flood insurance policy sales in low- and medium-risk areas.

Future

A number of additional efforts are in development including: direct mail packages targeting consumers and insurance agents; redesigned kits for consumers, insurance agents, and lenders who request more information about the NFIP; a grassroots public relations kit for state and local officials; redesigned display booths; and live-read radio scripts for the NFIP and for use through the Co-op Advertising Program.

Consumers are interested in obtaining more information and securing coverage against flood damage, and their first point of contact is their own insurance agent. Use the Cover America II campaign to make sure people know they can go to you for reliable, accurate information about flood insurance.

Amie Coxon Ware is an Insurance Marketing Specialist in the Marketing Division of the Federal Insurance Administration. She has worked on various marketing and public relations projects at FIA for 9 of her 11 years at FEMA, including managing the Cover America campaign from 1995 to 1999 and the Cover America II campaign, which kicked off in 1999.

DEFINITION Flood

A flood is a whole lot of water finding its own level where it isn't supposed to, right? Not necessarily. According to the *Flood Insurance Manual*, a flood is:

"A general and temporary condition of partial or complete inundation… of normally dry land area…from:

- Overflow of inland or tidal waters.
- Unusual and rapid accumulation or runoff of surface waters from any source.
- Mudflow.
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above."

FIA Samples Life in Local Insurance Agencies

As part of FIA's ongoing effort to improve the NFIP, FIA Administrator Jo Ann Howard last year directed two FIA teams to go "on site" and sample life in insurance agencies. The purpose of the visits was to learn firsthand how agents sell and service flood insurance and to report to FIA about the challenges agents face in working with the NFIP.

In early 2000, FIA teams visited two agencies in the Washington, DC, area. One team visited David Anderson, of the Bogart & Brownell Insurance Company in Bethesda, Maryland. The other team visited Paulette Troutner, agent and owner of Boizelle Insurance in Gaithersburg, Maryland. After observing these agents at work and interviewing them about marketing NFIP flood insurance, the research teams presented their results to Administrator Howard.

What Has Worked Well and What Could Be Improved

Each host agency was given an NFIP information packet that included the Program's latest forms and publications. Both agents agreed that information provided by FIA's Cover America advertising campaign and by other NFIP publications has been effective in addressing agents' needs. One of the agents volunteered that Program publications had improved in recent years.

Both Anderson and Troutner were familiar with the NFIP *Flood Insurance Manual*. They reported that, although they found the manual easy to read, it would be improved if the text were put into "plain English." Both agents had attended NFIP workshops; they said that the training they'd received was "good" and "actually useful."

Areas they identified for improvement included the incorrect spelling of names on documents, the long wait and multiple iterations required for endorsements to be processed correctly, and the lengthy processing time for the assumption of flood insurance policies by new owners.

Flood Insurance Can Be a Hard Sell

Anderson acknowledged that marketing flood insurance is good protection against Errors and Omissions liability and that it is a basic need for some of his clients. His retention rate is high, he said, because of the mandatory purchase requirement for buildings that are in high-risk areas and mortgages from Federally regulated lending institutions. However, both agents reported that consumers generally view flood insurance coverage as expensive. According to Anderson and Troutner, this perception has made it especially difficult to market flood insurance to consumers whose buildings are located in B, C, or X zones and who, for that reason, are not required by law to purchase flood insurance.

According to both agents, NFIP coverage limitations and exclusions also have been barriers to marketing flood insurance. Both Anderson and Troutner related incidents in which explaining NFIP policy limitations—such as minimal sewer backup and basement coverage—resulted in losing a sale.

Improving the Product

Anderson and Troutner had a number of suggestions for making flood insurance products more marketable and useful. Echoing a popular sentiment, both agents recommended that flood insurance be made an endorsement to the home-

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"Call for Issues" Update

Working hard does not guarantee continued success. Sometimes it takes outside feedback to provide guidance for improvement. In 1998, FEMA solicited public input about the National Flood Insurance Program (NFIP). A nationwide "Call for Issues" was published in the *Federal Register* and posted on the FEMA/NFIP web site. Letters were sent to hundreds of people in various constituent groups. The agency requested comments about all facets of the NFIP from the Program's partners and customers.

Of the 739 comments and questions that were submitted, 419 related to insurance, 149 concerned floodplain management, and 171 were about mapping.

FEMA's response to this input has been completed and can be viewed on the NFIP web site at www.fema.gov/nfip/calliss.pdf. Printed copies of the report were mailed to all individuals and organizations that responded to the Call for Issues.

The *Call for Issues Status Report* is divided into three parts:

- Part I. Federal Insurance Administration Issues
- Part II. Mitigation Floodplain Management Issues
- Part III. Mitigation Hazard Identification/Mapping Issues

Insurance issues included expanding mandatory purchase requirements and developing less complicated approaches to rating flood risks. On the other end of the scale were recommendations to change the wording of particular forms and guidance documents. Mitigation issues also ranged greatly; many comments addressed the same subject matter from different perspectives.

For a number of the issues, FEMA must perform additional studies or coordinate follow-up activities with its NFIP partners. Updates will be published annually until all issues have been addressed. Updates also will be provided in the *Watermark* and the *Federal Register*.

ON HIGH GROUND

State Floodplain Coordination

Peter Finke, Ohio Department of Natural Resources

When Congress created the National Flood Insurance Program (NFIP) in 1968, it acted in response to spiraling flood disaster costs brought about by increased construction in flood hazard areas. However, despite these higher flood disaster outlays, many flood victims were falling through the cracks of the Federal programs, primarily because Federal disaster funds do not become available after every flood.

Then as now, Federal funding was made available only if disaster costs exceeded State recovery capabilities. This meant that Federal disaster assistance funds typically went to recovery from large flood disasters, leaving victims of smaller flood disasters looking for help from other sources, such as the State or charitable organizations. Even where Federal aid was available, it did not cover all losses. Furthermore, the bulk of the Federal assistance came in the form of loans, to be repaid with interest.

Thus, Congress made the NFIP an insurance-based program, which would provide more equitable compensation to flood victims. To avoid making this a Federal "give-away" program, Congress tied community eligibility for flood insurance to rigorous standards for new construction in flood hazard areas. This was the origin of the NFIP's "carrot and stick" approach of providing affordable flood insurance in communities that choose to enact floodplain management regulations.

Localizing the NFIP

Congress understood that the Federal government would need to rely heavily on the States to assist flood-prone communities in joining the NFIP. This Federal-State coordination is reflected in the first flood insurance regulations, published in 1969, and remains the same today. Late in 1969, the Federal Insurance Administration (FIA) sent letters to all governors asking that each designate an NFIP State Coordinating Office to handle most of the day-to-day NFIP coordination efforts within the State or Territory. Tasked with being the primary point of contact to help communities apply for and maintain their eligibility in the NFIP as well as to provide other information and assistance about the Program, the NFIP State Coordinating Office had the following responsibilities as listed in the 1969 flood insurance regulations:

- Assisting and providing communities with information about the Program.
- Encouraging and assisting communities in qualifying for participation in the Program.
- Promoting, where necessary, State legislation enabling communities to regulate floodplains.
- Coordinating Federal, State, and local floodplain management activities.
- Assisting in the delineation of floodplain areas.
- Recommending priorities for flood insurance rate studies.
- Participating in flood warning and emergency preparedness programs.
- Providing notification to FIA when a participating community violates the Program's requirements.

The decision about which State agency would become the NFIP State Coordinating Office was left up to each governor according to the State's administrative structure.

State Response

I work for the State of Ohio. In my State, the governor designated the Ohio Department of Natural Resources (ODNR), Division of Water, to act as the State NFIP Coordinating Office. For 18 years I headed Ohio's State NFIP coordination efforts. The ODNR was chosen to coordinate with the NFIP because it administered

most of Ohio's water resources programs, including water planning, floodplain management, and flood control.

Although NFIP State Coordinating Offices of many states are located in natural resources agencies, some governors have assigned this function to their state emergency response agencies, development agencies, or community affairs agencies. Regardless of their location, NFIP State Coordinating Offices perform similar functions.

Especially in the early years of the NFIP, one of the major responsibilities of the ODNR Division of Water's Floodplain Program was to help communities enroll in the NFIP. This meant that our staff visited communities, worked with them in drafting the required floodplain management ordinances, and attended local council or commission meetings to answer questions. Because of the large number of communities to be enrolled, this task took several years to accomplish. The ODNR also worked with State legislators to enact laws enabling all of Ohio's flood-prone communities to participate in the NFIP. Our staff successfully assisted 712 municipalities and counties in becoming eligible for the NFIP.

Concurrent with enrolling Ohio communities in the Program, ODNR also assisted FIA staff in planning flood insurance studies for flood-prone communities. During the late 1970s and most of the 1980s, FIA undertook a massive nationwide program to prepare flood insurance rate studies for thousands of communities that were joining the NFIP. These studies are costly hydrologic and hydraulic engineering analyses that determine flood heights and flood velocities. The process of completing a flood insurance rate study involves at least three visits to each community—an initial meeting to determine which bodies of water need to be studied, a public meeting to release the results of the preliminary study, and a meeting with the local legislative body to discuss adoption of the study results into the community's floodplain management regulations.

In 1979, oversight of the NFIP passed from the Department of Housing and Urban Development, its original "parent," to the newly created Federal Emergency Management Agency (FEMA). In the 1980s, FEMA initiated a monitoring program to assess community compliance with NFIP floodplain management requirements and to offer assistance when it was determined that a community's regulatory efforts were not up to NFIP standards. FEMA looked to the NFIP State Coordinating Offices to carry out the bulk of these assessment visits. To ensure State cooperation, FEMA initiated a formal agreement in which States were reimbursed for undertaking specific NFIP activities. Ohio, like most other states, chose to participate in this cooperative agreement, thereby assuming even greater responsibility in running the day-to-day local operations of the NFIP.

www.floodalert.fema.gov/

Coordination on the Local Level

The NFIP State Coordinating Office often is the first office contacted by a local official, property owner, lender, real estate agent, or insurance agent for information about flood insurance cost, coverage, availability, and purchase requirements, or to find out how to obtain a map of the flood zones for a specific area. Our office averages about five to six flood insurance-related inquiries every day.

To respond more effectively to basic flood insurance questions, ODNR Division of Water employees attend FEMA-sponsored agent and lender training seminars and keep abreast of FIA's latest changes in insurance coverages and rates. Because there is still a large amount of public misunderstanding about the NFIP, these ODNR employees spend much of their time participating in meetings with trade groups and the general public to explain the benefits of and procedures for obtaining a flood insurance policy.

Coordination on the State Level

The State NFIP Coordinating Office is a major partner in State emergency response activities. This role has significantly increased over the years, spurring States' efforts to create their own State emergency management agencies, some of which have assumed the NFIP State Coordinating Office functions.

Regardless of where the NFIP State Coordinating Office remained, creation of FEMA at the Federal level helped transform State emergency management

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On High Ground, *continued from page 19*

planning and recovery efforts into a more coordinated, multi-agency process. Floodplain and emergency management professionals are jointly working on projects that frequently combine a number of planning approaches, such as buying out repetitively flooded buildings, promoting flood insurance, encouraging the preservation of floodplains, and fostering disaster-resistant communities.

A Multifaceted Approach to the NFIP

The NFIP State Coordinating Office wears many hats to meet a variety of NFIP-related activities. These include working with land use regulations, mapping and engineering, insurance, and emergency management. As with any job, being a State NFIP Coordinator has its good days and bad days, but for me the good experiences have far outnumbered the frustrating ones. I learned early on that a key asset in this job is not so much having technical knowledge as having people skills—in particular the abilities to listen, explain, and persuade. I've learned that flood studies and maps mean little to local community members, but that an actual flood event can make a "true believer" out of anyone. I've learned, too, that there is a time and place for everything—a time to help flood victims get back on their feet and a time to talk regulations. Finally, I've learned to accept small victories and realize that not everyone shares my views of the solution.

Peter Finke is Deputy Chief of the Division of Water, Ohio Department of Natural Resources, where from 1976 to 1994 he managed Ohio's NFIP State Coordinating Office. He chairs the Insurance Committee of the Association of State Floodplain Managers and is an advisor to the Flood Insurance Producers National Committee (FIPNC).

WYO News

The NFIP Blueprint for the Future

Excerpts from a speech by Jo Ann Howard, FIA Administrator (1998-2001)

To meet the challenges of the new millennium, the Federal Insurance Administration (FIA) has gone through many changes over the last few years. The NFIP has developed a new, clearer mission—to educate U.S. property owners about the risks of floods, to provide flood insurance to accelerate recovery from floods, to mitigate future losses, and to reduce the personal and national costs of flood disasters.

People need to understand the impact floods can have on their lives and property. This means using multiple marketing channels and public relations efforts and promoting incentives-based partnerships with local communities, the insurance industry, and lending institutions. FIA also is working closely with the FEMA Mitigation Directorate to reduce the costs and risks of floods through preventive measures.

Jo Ann Howard

Our vision for the future is simple—a strong customer focus coupled with responsiveness to the needs of the Write Your Own companies and our other partners.

Our strategy to realize this vision is composed of three elements. The NFIP must become:

- A program that delivers insurance products that are accessible, desired, and seamlessly provided to our customers and partners.
- A program in which communities not only meet but exceed our floodplain management standards.
- A program that is financially sound both as an agent of change and as a long-term insurance solution.

With this blueprint, FIA has a clear picture of where it is going and why. We seek to make our product—flood insurance—more accessible and to assist communities in meeting and exceeding our floodplain management standards. We have begun to develop and act on initiatives that could have a direct impact on the flood insurance business. We have consolidated the management of repetitive loss properties in a Special Direct Facility. We are examining ways to offer mitigation alternatives to these property owners and thus stop the cycle of multiple flooding.

Here are some changes that may already be affecting you:

- Our new "Plain English" policies became effective December 31, 2000. We appreciate the input Write Your Own companies provided during the development process. These improved policies provide an ideal

opportunity for you to update your agent training and communicate with your customers.

- We raised the limit of Increased Cost of Compliance coverage from $15,000 to $20,000 to help cover the costs of rebuilding in compliance with local floodplain management ordinances.
- Our Business Process Improvement initiative is examining our processes so that we can make the best decisions about investing in information technology systems and improve the way we do business with you.
- We are revising the annual Arrangement to clarify the respective roles of the WYO companies and the Government. This will facilitate the proper disposition of NFIP litigation to the Federal, rather than State, court. We appreciate the assistance provided by a number of WYO company attorneys on this matter.

So with that summary of FIA's accomplishments and plans for the future, let's concentrate on you. What's your company's vision of the future? I'd like to suggest eight ways to increase your flood insurance business in the years ahead.

1. Forge strategic alliances with lending institutions. New legislation allows banks to sell insurance products. Banks are aggressively seeking ways to take every advantage of this opportunity. They want to develop profit centers and increase their market share in all financial products. This provides you with the perfect opportunity to talk to lending institutions about flood insurance. Propose to them win-win solutions for working together to ensure every borrower is protected.

2. Seek new markets for flood insurance. Cross-sell flood insurance to your other policyholders. Offer Preferred Risk Policies to all eligible customers. Look at the opportunities for selling flood insurance to condominium associations, commercial building owners, public building owners, and renters.

3. Take advantage of the Cover America campaign. Tie in to the "Be Flood Alert" message of FIA's national advertising campaign. Cover America is branding flood insurance in the minds of Americans through prime-time TV and major magazines daily. Cover America is an easy way for WYO companies to help make flood insurance a top national priority in the minds of all Americans. In your advertising that lists the coverages you sell, if you already tell the world you sell fire, homeowners, and auto insurance, just add "flood" to that list.

4. Communicate regularly with your agents that flood insurance is a top corporate priority. Our web site, www.floodalert.fema.gov, is a great source of informational material you can provide to agents. Use our newsletter, *Watermark*, as another resource to share with your agents. Make the agents' job easier. Use all the advantages of new technology to help them determine flood zones, calculate premiums, and complete flood policy applications.

5. Give your agents incentives for sales and retention. Train them regularly. The new "Plain English" policies and the new Elevation Certificate are program changes that agents need to understand. Encourage agents to take advantage of the new, dynamic, on-line training modules on our web site. Recognize and reward them when they complete these modules.

6. Share successes. Issue news releases with public interest stories about claimants who were glad they were insured for flood. Let us know about your extraordinary customer service.

7. Make retaining flood insurance customers a top priority. We all know that it costs far more to get a new customer than it does to retain a current one. Retention is not just customer satisfaction; it's 100 percent passionate commitment to keeping customers. Plan ways to regularly communicate to current customers about the benefits of flood insurance coverage. Give them value in being your customer, even before they ever file a claim.

8. Become a Project Impact partner. Support FEMA's initiative to make communities disaster resistant. You can be a local or regional spokesperson for the NFIP and disaster resistance. Contact the media in your area. Contact local business and service clubs. Let them know you are an expert in flood insurance and disaster resistance. The FEMA web site is an excellent source of information to help you refine your disaster resistance expertise.

• • •

With these eight elements, and an assessment of the environment in which your business operates, your vision for the future can be realized.

So, thank you for all you do for the NFIP. The FIA staff and I appreciate all your efforts, and we wish you continued success.

The preceding was taken from an address given at the NFIP Direct Servicing Agent's Conference for Write Your Own companies on October 20, 2000, by Jo Ann Howard, FIA administrator from 1998 to 2001.

LENDER NEWS

Compliance Is More than Filling Out Forms

David Schein, FEMA Region V, with Susan Bernstein, FIA

On March 2, 1974, the Flood Disaster Protection Act (FDPA) became effective. The FDPA stated that certain lenders considering certain loans had to require the purchase of flood insurance before making those loans. Those lenders had to give notice to the borrower of the presence of flood hazards and the availability or unavailability of Federal flood disaster assistance. From that day forth the loan officer and bank compliance officers knew they had to know those specifics.

The learning curve began to take off. As first the Department of Housing and Urban Development (HUD) and then FEMA administered the NFIP, lenders sought training. The NFIP offered that training. When the training broadened on the mandatory flood insurance purchase requirements, lender knowledge of the rules improved. It seemed the whole world wanted to learn. Loan officers, bankers, real estate personnel, as well as vice presidents and compliance officers attended training and became savvy about the FDPA and its amendments.

Training included flood insurance basics such as how to obtain and read floodplain maps, how to increase community NFIP participation, and how to get the mandatory purchase requirement waived where warranted. Special attention was placed on the statute's requirement that the lender determine the insurable collateral's location relative to the Special Flood Hazard Area. Loan officers took ownership of NFIP awareness and compliance for their institutions, mentoring bank staff, keeping current on program changes, and establishing an excellent rapport with FEMA regional offices and NFIP state coordinators.

Then came the Great Midwest Flood of 1993.

NFIRA Enacted

There had been formal, and informal, investigations of lender compliance before that, but this time Congress saw gaps in compliance. The result was the National Flood Insurance Reform Act (NFIRA) of 1994.

NFIRA strengthened mandatory purchase rules by making them consistent between Federal agencies and by clarifying who must require insurance, how much is needed, and when it is needed. For the first time, NFIRA set minimum fines for lenders who fail to correctly perform their mandatory purchase responsibilities.

Somehow, setting minimum fines has established a pattern of noncompliance. NFIRA gave lenders explicit permission to hire vendors to make flood hazard determinations and to pass on the fee to the borrower. The vendor must guarantee the accuracy of the work. A new mandatory form —the Standard Flood Hazard Determination Form (SFHDF)— was developed for all loan transactions affected by the Act. The form, to be completed by the lender or their agent, noted the property's flood zone, what map was used and its effective date, and who made the determination. The SFHDF had to be kept in the loan file to document that the required appraisal had been performed. Lenders no longer needed to maintain large stocks of FEMA's floodplain maps on paper or the people skilled in interpreting them.

Now, it seems that lenders simply hire one of the more than a hundred flood zone determination companies. It seems that understanding the NFIP and its mandatory flood insurance requirements is not popular. Lenders need only have an SFHDF on file, in case of review by their instrumentalities and regulators, such as the Federal Deposit Insurance Corporation or the Comptroller of the Currency.

David Schein's Experiences Post-NFIRA

I was an adjunct faculty member at the Chicagoland Compliance School of the American Bankers Association (ABA) in the 1980s and 1990s. Each year, I gave a half-day free seminar about lender compliance with the mandatory flood insurance rules, and these seminars were always full. After NFIRA, attendance trailed off to the point that ABA decided to stop offering the class.

What changed? Now lenders could use third-party flood zone determination companies, rather than the bank's staff or fee appraiser making the call. Loan officers no longer were engaged in the flood insurance business.

Often, when a lender uses third-party vendors, the loan officer may be less than cooperative with borrowers or FEMA when a map correction (and hence the possible waiver of the flood insurance requirement) is being sought. Lenders have data that can help the map correction process succeed, yet they are increasingly reluctant to participate in the process, possibly due to a fear of litigation. I always ask borrowers who have contacted me for assistance to have their loan officer call me so I can ascertain the kinds and quality of documentation and support material available, and so I can tell them that zone determination firms almost always will assist in the map correction process if better data are

supplied to them. Rarely do loan officers call me…maybe one in five times. In the area of flood insurance, customer service from bank loan officers may have deteriorated since the use of these third-party vendors. Indeed, at a recent ABA conference I attended, this seemed to be a prevalent perception.

As for the Future…?

Do lenders fear the NFIP? Does anyone ask if the actual structure being insured is correctly located relative to the SFHA? Are we betting that the *entire parcel* is either completely "in" or completely "out"? As many as 50 percent of these "in or out" determinations (millions each year) may be "partials," requiring further investigation and site-specific information.

The National Flood Determination Association, a trade group, is trying to set a standard of practices, but membership is voluntary at present. Lenders need to protect themselves; they need to be more cautious when contracting out their flood zone determination. They need to ask some tough questions. Without training in the mandatory purchase complexities, loan officers no longer know the questions to ask.

You can get some of that from FEMA's appendices to the September 1999 edition of the *Mandatory Purchase of Flood Insurance Guidelines*, but nothing takes the place of training plain and simple.

David Schein is a Senior Program Specialist with the Mitigation Division of FEMA Region V in Chicago, where he has presented lender compliance workshops to lenders and state and community representatives since the late 1970s. Susan Bernstein is Legal Liaison for the Federal Insurance Administration as well as Editor of the NFIP's Watermark newsletter.

RE:SOURCES

Watermark seeks to serve its readers with as wide a variety of relevant resources as possible. We remain dedicated to furthering information about flood insurance. As our readership expands to include more engineers, surveyors, and community planners, we hope to increase the available resources to ensure that they can provide their clients, their community members, and themselves with the tools needed to better protect against flood losses.

Publications

Saving: Lives, Property, Money. 2000. One-page brochure. Free. For printed copies, contact William Trakimas at wtrakimas@iso.com, by sending a fax to 317-848-3578, or sending a letter to:

ISO, Inc.
2033 Hamilton Lane
Carmel, IN 46032

The brochure describes the NFIP and the Community Rating System (CRS). It gives several examples of how a community can earn CRS credit and what the benefits of the program are.

The Next Flood: Getting Prepared. Final Report of the Red River Basin Task Force to the International Joint Commission. 2000. 164 pp. Free. Printed copies can be requested from:

International Joint Commission, U.S. Section
Suite 100, 1250 23rd Street, NW
Washington, DC 20440
202-736-9000
Commission@washington.ijc.org

The report also is available at ijc.org/ijcweb-e.html. *The Next Flood* examines the history of flooding along the Red River, flow management, communities at risk, flood preparedness and resiliency, and hydraulic and hydrologic modeling, with a focus on preparedness and mitigation for major floods.

Flood-Related Internet Sites

Here are a number of web sites that provide information useful to NFIP stakeholders:

www.fema.gov/nfip • The NFIP's web site.

ks.water.usgs.gov/kansas/pubs/fact-sheet/fs.024-00.html • U.S. Geographical Survey (USGS) web site lists significant 20th-century floods measured in lost lives and property damage.

www.egroups.com/group/floodsystems • Web site for professionals involved in flood warning.

www.nws.noaa.gov/om/svrawar/svrwx.htm • National Oceanic and Atmospheric Administration (NOAA) Severe Weather Awareness web site includes actions to take to protect your family, pets, and property against severe weather.

www.nws.noaa.gov/om/hazstats.htm • NOAA's Office of Meteorology and the National Climatic Data Center compile the data entitled U.S. Natural Hazard Statistics: statistical information on fatalities, injuries, and damages caused by weather-related hazards.

COAST TO COAST

NFIP Training On-Line

NFIP training for insurance agents is now available on the NFIP web site. Any insurance agent can simply log on and navigate the new "Flood Alert Agent Training" curriculum at leisure.

First in the mastery series of on-line courses is a training program that focuses on FEMA's new Elevation Certificate (EC). This self-paced, interactive module allows agents to skip over known material and concentrate on unfamiliar subject matter. Frequent practical exercises have been incorporated to reinforce learning along the way. The training module includes links to other NFIP resources such as the *Flood Insurance Manual* and an annotated EC that can be used as a handy reference.

Visit the "Flood Alert Agent Training" section of the NFIP web site at www.fema.gov/nfip/faatc.htm learn more about this practical new way for insurance agents and other NFIP stakeholders to provide better service to their clients by enhancing their knowledge of the Program.

Flood Protection Addressed by Rhode Island's "Showcase State Initiative"

The Institute for Business and Home Safety (IBHS) and its partners have launched a pilot program called the "Showcase State Initiative for Natural Disaster Resistance and Resilience." According to IBHS, the Showcase State Initiative is a comprehensive program designed to enhance a state's ability to withstand and recover from natural disasters such as floods.

At the end of 1998, the governor of Rhode Island signed an Executive Order that made Rhode Island the first Showcase State in the country. One of the 14 elements of the Executive Order encouraged communities to participate in the NFIP and the Community Rating System (CRS). It even provided technical assistance for preparation of CRS applications. The initiative also sought to improve the ratings of the three Rhode Island communities that already participate in the CRS.

Less than 2 years after the governor's Executive Order was signed, progress in the Rhode Island Showcase State Initiative was highlighted at the IBHS seventh annual Congress on Natural Hazards Loss Reduction held in mid-September 2000. Following the opening plenary session about the Rhode Island Showcase State model, panel discussions and breakout sessions were devoted to a wide range of topics from risk analysis tools and land use planning to disaster-resistant construction and building codes.

IBHS is helping Oregon qualify as IBHS's second Showcase State and is producing a template for use by other states. For more information, contact Diana McClure (dmcclure@ibhs.org) or Michele Steinberg (msteinberg@ibhs.org).

IBHS is a non-profit initiative of the insurance industry to reduce injuries, deaths, property damage, economic loss, and human suffering caused by natural disasters. Other IBHS activities to help policyholders include its small business activities and fortified homes initiatives. The IBHS Flood Committee has been providing FIA with input about the NFIP since 1983.

2000 and Beyond

NFIP policy and program changes were spotlighted at the NFIP Bureau Training Conference held for WYO companies and other stakeholders in November 2000. More than 80 people attended the conference in Lanham, Maryland, some coming from as far away as Montana and Puerto Rico.

Panel discussions focused on NFIP changes implemented in 2000—such as Quick Claim Reporting, collection of additional data for the Repetitive Loss Target Group strategy, and the new Elevation Certificate, *Lowest Floor Guide*, and revised Standard Flood Insurance Policy. Also covered were the May 2001 changes, the new manual for claims adjusters, and highlights of the latest revisions to the *Flood Insurance Manual*.

We Were There!

Representatives of the NFIP participate in flood awareness activities nationwide throughout the year. Some events, such as the annual National Flood Conference and numerous regional mini-conferences are hosted by FIA. For example, a mini-conference was conducted on November 9 last year in Kinston, North Carolina, and an NFIP Flood Forum was held in Lubbock, Texas, on December 7. On September 14, the "After the Storm" NFIP videoconference was broadcast from Tallahassee by satellite to 10 downsites throughout Florida. This event was presented by the NFIP in partnership with the Florida Department of Community Development, Division of Emergency Management.

Other events that are hosted, cosponsored, or coordinated by our stakeholders—such as the "Water Runs Downhill" videoconference coordinated by the Mobile Area Association of Realtors in Alabama on October 14—include NFIP panelists or speakers who address the flooding issues pertinent to that organization. If you would like to include an NFIP speaker in the program of your organization's next conference, contact Helen Harrington of the NFIP Bureau and Statistical Agent at 301-918-1458 for more information.

Hurricane Lessons Learned

Hurricane Floyd's arrival in September 1999 triggered the largest peacetime evacuation in U.S. history, according to Eric Tolbert, Director of the North Carolina Office of Emergency Management. Tolbert was a speaker at a conference held in North Carolina on November 13, 2000, to discuss the flooding disaster caused by Hurricane Floyd and the lessons learned from it. The conference included numerous panel discussions as well as a general session with speakers from each of the host organizations. Many speakers, including Dasheil Propes, Chief Deputy to the North Carolina Insurance Commissioner, referred to the need for greater NFIP coverage in the state. The event was hosted by FEMA, the Blue Sky Foundation of North Carolina, the Independent Insurance Agents of North Carolina, the North Carolina Association of Floodplain Managers, the North Carolina Division of Emergency Management, and the North Carolina Association of Realtors.

Project Impact Summit 2000

Hundreds of Project Impact partners attended the Third Annual Project Impact Summit held in Washington, DC, November 12-16. Business representatives, public officials, citizens, media representatives, and emergency managers from across the United States shared success stories from their communities as well as the lessons they've learned about how best to prevent disaster damage. Memorandums of Understanding were signed by several new corporate partners to the Project Impact initiative. These included the U.S. Chamber of Commerce, The Humane Society of the United States, and Coleman Powermate.

More than 20 individuals, businesses, and local governments were recognized for their efforts in disaster prevention.

Ten communities received the Project Impact Star Community Award, made annually to recognize the spirit, innovation, and commitment necessary for the success of Project Impact. Since its inception in 1997, nearly 250 communities and 2,500 business partners have joined Project Impact.

2000 Project Impact Star Community Award Winners

Alaska: Kenai Peninsula Borough/Soldotna
Colorado: . . . . . Morgan County
Illinois: . . . . . Urbana
Iowa: . . . . . Denison
Louisiana: . . . . . Ouachita Parish
Maine: . . . . . Saco
Nevada: . . . . . Sparks
Puerto Rico: . . . . . Culebra
South Carolina: . . . . . Charleston County
Virginia: . . . . . Roanoke

ADJUSTER NEWS

New Training Programs and Publications Demystify the NFIP

Sorting through the language used in many NFIP forms, manuals, and claims materials can be frustrating and time consuming. Written to define the legal rights and responsibilities of property owners and of insurance industry representatives who must interpret FIA policies, NFIP materials may use language that sometimes seems complicated and unlike that used by the rest of the insurance industry.

During the past few years, FIA has convened several work groups to revise the NFIP Standard Flood Insurance Policies (SFIPs) and a number of NFIP underwriting and claims adjusting publications. In the last year, we've held special training events to provide NFIP stakeholders with the updated materials and an arena for addressing questions and concerns about how to use them.

SFIP Rewrite Workshops

On December 31, 2000, FIA released the three rewritten SFIP forms (Dwelling Form, General Property Form, Residential Condominium Building Association Policy). Revisions in the forms range from simplification of language and layout to changes in coverage. In some cases, coverages have been added or expanded. For example, coverage limits for some collectibles, such as jewelry, furs, etc. have been increased to $2,500 and coverage for the cost of sandbagging has been increased to $1,000. In other cases, such as swimming pools and detached carports, coverages have been eliminated.

Claims adjusters must know the terms of the new SFIPs and be able to interpret them so that claims can be processed correctly. Prior to the December 31 release of the rewritten policies, we held a series of 14 half-day claims workshops to give claims adjusters the opportunity to discuss the new policies with the NFIP's General Adjusters. These workshops took place in East, West, and Gulf Coast cities as well as in Illinois.

Annual Claims Presentations Continue Until the End of May

Prior to hurricane season each year, we hold 20 to 30 day-long claims seminars that focus on the latest NFIP changes that affect adjusters. This year's claims presentations have been scheduled for cities on the East, West, and Gulf Coasts and for inland cities in states such as Georgia, Illinois, Minnesota, Missouri, and Tennessee that typically experience late spring and summer flooding.

These NFIP seminars are open to all claims adjusters, insurance agents, and public officials. In fact, adjusters must attend an NFIP claims presentation each year to retain certification in the Program and to remain on the database of the NFIP's 4,500 adjusters. This database is used by insurance agencies and WYO companies to select adjusters for claims processing after a flood event. If you have not attended an NFIP Claims Adjuster Presentation this year, see the following list of the remaining dates and locations. For registration information, call 301-918-1746 or send a fax to 301-918-1476.

2001 Claims Adjuster Presentations

Marietta, GA	March 26
Charleston, SC	March 28
Wilmington, NC	March 30
Virginia Beach, VA	April 2
Nashville, TN	April 4
Chicago, IL	April 17
St. Louis, MO	April 19
Philadelphia, PA	May 7
Ronkonkoma, NY	May 9
Randolph, MA	May 11
Minneapolis, MN	May 23

New, Improved Claims Manual Now Available

The NFIP's basic claims resource publication, the NFIP *Adjuster Claims Manual* has been rewritten for the first time in 12 years. The new adjuster manual became available in January 2001. Clarifying details have been added to all sections. In addition, the revised manual contains not only all NFIP claims forms and the new Elevation Certificate, but also all three of the new SFIP forms with a comparison table and commentary.

Copies of the revised NFIP *Adjuster Claims Manual* are available at no cost to those who attend NFIP claims presentations. Those who cannot attend can access the new manual on-line at www.fema.gov/nfip/manual.htm.

FIELD NOTES

Winter Into Spring

Frank Richards, National Weather Service

As winter gives way to spring, changes are afoot in nature. In many parts of the country, before new life can emerge from the earth, snowcover must melt. When snow has been bountiful, this melt can bring flooding.

While snowmelt is a relatively slow process—amounting to no more than an inch or two of water content per day—prolonged periods of warm weather can melt large amounts of snow. In areas where snow is a frequent occurrence during the winter, snow can accumulate like a savings account, with nature making modest deposits over a period of months.

Given the right temperature conditions, much of this water can be transformed from solid to liquid in a period as short as a week. Unlike summer storms, where limited parts of a river basin can receive several inches of rain in an hour or so while nearby locations see little or no precipitation, a snowmelt event can contribute to runoff in entire river basins. Therefore, the total amount of water flowing into a river can be considerably greater as a result of snowmelt than during scattershot spring and summer rain events that have a shorter duration.

River flooding occurs when runoff exceeds the ability of a river to convey water downstream. Snowmelt flooding is most common in the Midwest, where river basins are relatively flat and riverbeds drop gradually along their length. These conditions cause water to move slowly—and, just as when vehicles move too slowly on urban roadways, massive congestion can occur. When this happens in a river, not only does the water back up, it also rises, eventually causing flooding. While elevation differences and river flow rates sometimes are more pronounced in the Mid-Atlantic and Northeast than in the Midwest, snowmelt flooding is not uncommon there, either.

Another type of flooding occurs exclusively in winter and early spring. It is known as ice jam flooding, and it is caused either by snowmelt or by runoff from rainfall. As water levels rise on ice-covered streams, the ice sheet can fracture into chunks, some as large as the ubiquitous SUVs. As these masses of ice flow downstream, they sometimes jam up at constrictions or bends in the river or at bridges, much like traffic backing up at the site of an auto wreck. Water can rise rapidly behind these ice dams, causing significant upstream flooding. Occasionally, the jam can give way—causing a gush of water and chunks of ice to move downstream.

What about areas of the country that generally see mild, snow-free winters? Are they immune from spring flooding? Unfortunately, the answer is no. With spring comes an annual battle between warm, moist air in the south and cold air in the north. While the outcome is foreordained—with warmth inevitably spreading north—the clashes of these air masses trying to outflank each other result in severe weather that includes tornadoes, thunderstorms, hail, and flash flooding.

Unlike snowmelt and ice jam flooding, which are most severe in areas immediately adjacent to rivers, flash flooding can strike anywhere, including locations far removed from rivers and streams. Flash flooding usually is limited in the extent of the area it affects, and, as the name implies, its onset is rapid. It typically results from pockets of intense rain that fall far

continued on page 28

DEFINITION

Appurtenant Structure

This is not an insolent building. It is a detached garage used by homes, not businesses. This year the term "carport" has been dropped from the official definition in the Flood Insurance Manual, which now describes an appurtenant structure as:

"A detached garage servicing a 1-4 family dwelling."

Field Notes, *continued from page 27*

faster than soils can absorb it. As a result, water not only pools in low areas (including underpasses and basements) but also pushes small streams out of their banks.

Paradoxically, some of the most dangerous flash flooding occurs in the desert Southwest in summer. A circulation pattern called monsoon flow brings moist Pacific air into southern California, Arizona, Nevada, Utah, Colorado, and New Mexico, resulting in pockets of flooding. Many of these areas are subjected to prolonged periods of dry, hot conditions that cause the surface of the soil to become hardened like adobe, providing no opportunity for water to be absorbed into the ground. As a result, intense rainfall in the desert can be very "efficient" at causing flooding, because almost all the water that falls quickly flows into low areas, turning dry washes into deadly torrents.

While spring is the peak time for flooding in some parts of the nation, flooding occurs someplace in the country every month of the year. With some of the most varied weather in the world, the U.S. can experience flooding anywhere, anytime, making the purchase of flood insurance a wise decision.

Frank Richards is a hydrometeorologist with the Hydrologic Information Center of the National Weather Service's Office of Hydrology.

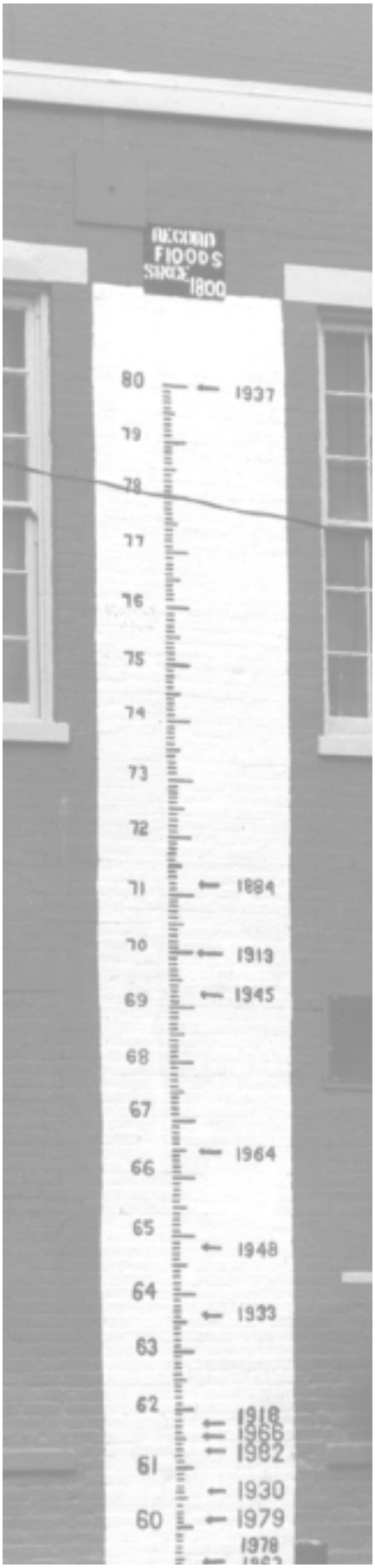
www.floodalert.fema.gov/

Just Around the Bend

Many more workshops will have been added to our schedule since publication of this issue. Please contact the NFIP Bureau and Statistical Agent Regional Offices listed on the detachable telephone sheet on the back cover for detailed information about NFIP events for agents, lenders, and other stakeholders. Up-to-date workshop information also is available on the NFIP web site at www.fema.gov/nfip/wshops.htm.

EVENT	CITY	DATE
ALASKA		
Agent Workshop	Borough	July 17
Lender Seminar	Borough	July 18
Agent Workshop	Anchorage	July 19
Lender Seminar	Anchorage	July 20
ARKANSAS		
Agent and Lender Seminar	Little Rock	May 1
Agent and Lender Seminar	Pine Bluff	May 3
CALIFORNIA		
Agent & Lender Seminar	Milpitas	April 19
Agent & Lender Seminar	Bakersfield	April 24
Agent & Lender Seminar	Santa Ana	June 6
NAIC Summer Meeting	San Francisco	June 9-13
Agent & Lender Seminar	Redding	June 21
Agent & Lender Seminar	San Diego	July 2
Agent & Lender Seminar	Monterey	August 23
Agent & Lender Seminar	Santa Rosa	September 13
CONNECTICUT		
Lender Seminar	Cromwell	May 17
Agent Workshop	Wethersfield	June 5
Agent Workshop	Norwalk	June 6
Agent Workshop	Norwich	June 7
Agent Workshop	Norwalk	September 6
Agent Workshop	Wethersfield	September 7
FLORIDA		
Agent Workshop	Sarasota	April 18
Lender Seminar	Sarasota	April 19
Agent Workshop	St. Augustine	April 24
Lender Seminar	St. Augustine	April 25
Agent Workshop	Daytona Beach Shores	May 2
Lender Seminar	Daytona Beach Shores	May 3
Governor's Hurricane Conference	Tampa	May 14-18
ACORD Technology Conference	Orlando	May 20-23
Agent Workshop	Silver Springs	June 4
Lender Seminar	Silver Springs	June 5
Agent Workshop	Ft. Lauderdale	June 20
Lender Seminar	Ft. Lauderdale	June 21
IDAHO		
Agent & Lender Seminar	Pocatello	April 18
Agent & Lender Seminar	Lewiston	April 19
Agent & Lender Seminar	Boise	April 20
Agent Workshop	Coeur d'Alene	July 26
Lender Seminar	Coeur d'Alene	July 27
ILLINOIS		
Agent Workshop	Chicago	April 18
Agent Workshop	Chicago	June 14
Agent Workshop	Chicago	September 19
NFIP Flood Forum	Quincy	September 26
NFIP Flood Forum	Moline	September 27

INDIANA		
Agent Workshop	Indianapolis	April 10
Agent Workshop	Fort Wayne	April 11
Agent Workshop	Merrillville	April 12
NFIP Flood Forum	Indianapolis	July 10
NFIP Flood Forum	South Bend	July 10
Agent Workshop	Evansville	October 23
Agent Workshop	Jeffersonville	October 24
Agent Workshop	Bloomington	October 25
IOWA		
Agent Workshop	Hamburg	March 20
Agent Workshop	Council Bluffs	March 21
Agent Workshop	Sioux City	March 22
Agent Workshop	Davenport	April 3
Agent Workshop	Dubuque	April 4
Agent Workshop	McGregor	April 5
JAPAN		
Fifth Asia-Pacific Conference on Wind Engineering	Kyoto	October 21-26
LOUISIANA		
RIMS Annual Conference	New Orleans	April 14-19
MAINE		
Lender Seminar	Augusta	May 3
Agent Workshop	Bangor	May 9
Agent Workshop	Augusta	May 10
Agent Workshop	Portland	May 11
MASSACHUSETTS		
Agent Workshop	Randolph	April 4
Agent Workshop	Westport	April 12
Agent Workshop	Andover	April 13
MICHIGAN		
Agent Workshop	Randolph	April 4
NFIP Flood Forum	Lansing	August 14
NFIP Flood Forum	Port Huron	August 15
MINNESOTA		
NFIP National Flood Conference	Minneapolis	May 22-25
NFIP Flood Forum	Moorhead	June 26
NFIP Flood Forum	Duluth	June 27
NFIP Flood Forum	Mankato	June 28
MISSOURI		
Agent Workshop	St. Joseph	March 28
Agent Workshop	Park Hills	April 24
Agent Workshop	Sikeston	April 25
Agent Workshop	Poplar Bluff	April 26
Agent Workshop	St. James	May 1
Agent Workshop	St. Louis	May 2
Agent Workshop	Chillicothe	May 3
NEBRASKA		
Agent Workshop	Omaha	May 15
NEVADA		
Agent & Lender Seminar	Reno	May 3
Lender Seminar	Las Vegas	May 8
Agent Workshop	Las Vegas	May 9
NEW JERSEY		
Lender Seminar	Iselin	June 21
Agent Workshop	Iselin	June 27
Agent Workshop	Atlantic City	July 19
Lender Seminar	Atlantic City	July 20
Agent Workshop	Iselin	September 26
Agent Workshop	Iselin	December 19
NEW YORK		
Agent Workshop	Amherst	April 11
Lender Seminar	Amherst	April 12
Agent Workshop	Albany	April 24
CRS Task Force Meeting	New York City	April 24-25
Lender Seminar	Albany	April 25
Agent Workshop	Albany	April 26
Lender Seminar	Staten Island	May 13
Agent Workshop	Staten Island	May 30



NEW YORK (cont.)		
Lender Seminar	Dunkirk	August 8
Agent Workshop	Dunkirk	August 9
Agent Workshop	Saratoga Springs	October 10
NORTH CAROLINA		
NAIW Annual Conference	Greensboro	June 6-9
OHIO		
Agent Workshop	Perrysburg	April 24
Agent Workshop	Miamisburg	April 25
Agent Workshop	Columbus	April 26
Agent Workshop	Blue Ash	May 9
Agent Workshop	Canton	May 15
Agent Workshop	Youngstown	May 16
Agent Workshop	Cambridge	May 17
NFIP Flood Forum	Portsmouth	July 24
NFIP Flood Forum	Marietta	July 25
Agent Workshop	Sandusky	September 11
Agent Workshop	Akron	September 12
Agent Workshop	Mansfield	September 13
OKLAHOMA		
Tulsa Flood Forum	Tulsa	April 4
OREGON		
Agent Workshop	Eugene	June 26
Lender Seminar	Eugene	June 27
Agent Workshop	The Dalles	June 28
Lender Seminar	The Dalles	June 29
Agent Workshop	Oregon City	August 1
Agent Workshop	Gresham	August 2
Lender Seminar	Gresham	August 3
PENNSYLVANIA		
Agent Workshop	Philadelphia	June 1
TEXAS		
Agent and Lender Seminar	San Antonio	May 15
Agent and Lender Seminar	Corpus Christi	May 16
VERMONT		
Agent Workshop	Waterbury	April 26
Agent Workshop	Rutland	April 26
Agent Workshop	Colchester	April 26
VIRGINIA		
Agent Workshop	Bristol	April 25
Agent Workshop	Colonial Heights	May 9
Agent Workshop	Manassas	May 10
Agent Workshop	Norfolk	June 5
Agent Workshop	Richmond	August 14
WASHINGTON		
Agent Workshop	Spokane	April 12
Lender Seminar	Spokane	April 13
Agent & Lender Seminar	Bellevue	May 4
International Tsunami Symposium	Seattle	August 7-10
Agent Workshop	Yakima	August 21
Lender Seminar	Yakima	August 22
Agent Workshop	Walla Walla	August 23
Lender Seminar	Walla Walla	August 24
WISCONSIN		
Agent Workshop	Wausau	April 3
Agent Workshop	Eau Claire	April 4
Agent Workshop	Tomah	April 5
NFIP Flood Forum	Appleton	August 28
NFIP Flood Forum	Racine	August 29

The following acronyms are used in
JUST AROUND THE BEND:

ACORD	Association for Cooperative Operations Research and Development
CRS	Community Rating System
NAIC	National Association of Insurance Commissioners
NAIW	National Association of Insurance Women
NFIP	National Flood Insurance Program
RIMS	Risk and Insurance Management Society

FIA Samples Life, *continued from page 17*

owner's policy. They agreed that the NFIP's Preferred Risk Policy (PRP) is a good product. They suggested that FIA consider providing a PRP for commercial properties. Both agents felt that loss-of-use coverage and rental assistance should be considered for inclusion in all NFIP policies and recommended that FIA provide replacement cost value for contents coverage. They concurred that the Residential Condominium Building Association Policy (RCBAP), the Increased Cost of Compliance (ICC) coverage, and the Elevation Certificate were hard to understand and should be rewritten in plain English. In fact, they suggested that all of the NFIP's Standard Flood Insurance Policies be rewritten so that the provisions would be easier to understand (see related article on page 3). Reflecting the growing use of the Internet, both agents suggested that FIA provide on-line rating and flood zone determination support.

FIA Responds

Since the NFIP was created in 1968, input from its stakeholders about what makes the Program work and what inhibits its effectiveness has shaped its policies and procedures. David Anderson and Paulette Troutner took the time to meet with us, identify issues, and provide invaluable feedback about the Program from the agent's point of view. While they are only two among tens of thousands of agents who sell flood insurance, their comments were representative of issues faced by many other agents who are NFIP stakeholders.

Some of the concerns raised—such as the simplification of Standard Flood Insurance Policies and the Elevation Certificate—already have been addressed by FIA. The Standard Flood Insurance Policies were rewritten in plain English and were published in the *Federal Register* on October 12, 2000. Specialized training about the Elevation Certificate has been provided to agents, community officials, and other stakeholders. In addition, an Elevation Certificate Tutorial is available on the NFIP web site at www.fema.gov/nfip/faatc.htm.

While we move forward with Program enhancements, we will continue to explore strategies that keep communication lines open between those who set Program policy and those who put it into practice. If you'd like to provide your feedback about the NFIP, please contact one of the organizations listed above or write to the *Watermark*'s editor:

Susan Bernstein
FEMA/FIA
Room 441
500 C Street SW
Washington, DC 20472

The following NFIP-related organizations welcome your comments about the Program.

Contact the Flood Insurance Producers National Committee (FIPNC) regarding issues facing insurance agents:
larrynrita@compuserve.com
FIPNC c/o PIA
400 North Washington Strreet
Alexandria, VA 22314

Contact the National Lenders' Insurance Council (NLIC) regarding issues involving lenders:
www.nlic.org
1113 Emily Lane
Carrollton, TX 75010
800-338-5511
972-492-5389 (fax)

Contact the Flood Insurance Servicing Companies Association of America (FISCAA) regarding issues facing WYO companies:
www.fiscaa.org
One Central Park Plaza
222 South 15th Street, Suite 400 North
Omaha, NE 68102
800-742-6837
402-233-7363 (fax Attn: Larry Palmer)

Contact the Institute for Business and Home Safety (IBHS) Flood Committee regarding issues facing WYO companies:
Dmcclure@ibhs.org
1408 North Westshore Blvd.
Tampa, FL 33607
617-557-5538
617-557-5675 (fax Attn: Diana McClure)

MAJOR FLOODS

Dates of events are approximate. This table was prepared using November 30, 2000 claims data.

Noteworthy are the flood events after which Federal Disaster Assistance (FDA) was made available but few NFIP claims were paid. Those data may indicate areas that present opportunities for boosting NFIP market penetration.

START AND END DATES AND EVENT	FDA**	STATE(S)	POLICIES IN FORCE (AT TIME OF EVENT)	LOSSES PAID	DOLLARS PAID IN LOSSES	PERCENT OF LOSSES CLOSED
January 2, 2000		Indiana	26,459	10	$81,439	100.0%
January 8, 2000		Kentucky	22,784	31	$195,547	95.9%
Winter Flood		Ohio	35,317	7	$105,724	100.0%
January 21, 2000		California	369,861	31	$160,897	100.0%
February 3, 2000						
Pineapple Express Storm						
January 21, 2000		Massachusetts	38,095	8	$39,865	100.0%
January 26, 2000		New Jersey	170,123	49	$498,416	100.0%
Winter Flood		Virginia	69,913	25	$247,676	96.9%
February 8, 2000		California	369,861	54	$505,989	96.1%
February 15, 2000						
Winter Flood						
February 16, 2000		Indiana	26,575	15	$92,957	94.1%
February 23, 2000	X	Kentucky	22,882	133	$1,532,368	98.8%
Winter Flood	X	Ohio	35,409	125	$999,678	100.0%
		Pennsylvania	62,105	152	$1,896,336	100.0%
	X	West Virginia	18,039	331	$3,100,661	99.0%
February 18, 2000		California	369,861	50	$328,223	96.8%
February 24, 2000						
Winter Flood						
February 23, 2000		Puerto Rico	50,748	8	$28,477	100.0%
February 23, 2000						
Winter Flood						
February 24, 2000		New York	92,995	45	$570,847	98.1%
March 1, 2000						
Winter Flood						
March 10, 2000	X	Alabama	36,726	78	$1,535,763	96.6%
March 11, 2000						
Winter Flood						
March 14, 2000		Alabama	36,726	6	$49,251	100.0%
March 22, 2000		Louisiana	353,086	31	$134,928	95.7%
Spring Flood		Texas	339,739	36	$589,892	93.6%
March 21, 2000		Delaware	16,557	15	$419,673	100.0%
March 22, 2000		New Jersey	171,640	11	$52,577	100.0%
Spring Flood		Pennsylvania	62,276	19	$132,566	100.0%
March 25, 2000	X	Maine	6,822	12	$34,116	100.0%
April 26, 2000						
Spring Flood						
March 28, 2000	X	Texas	339,739	13	$101,673	100.0%
March 29, 2000						
Spring Flood						
April 1, 2000		Alabama	38,408	56	$454,843	100.0%
April 7, 2000		Georgia	64,987	15	$63,525	100.0%
Spring Flood		Louisiana	357,279	14	$84,777	95.5%
		Mississippi	42,043	52	$432,446	100.0%
		Tennessee	15,249	14	$225,166	100.0%
		Texas	338,961	18	$151,537	95.4%
April 10, 2000		Texas	338,961	132	$1,570,390	96.3%
April 13, 2000		Louisiana	357,279	5	$16,080	100.0%
Spring Flood		Mississippi	42,043	5	$15,535	83.3%

START AND END DATES AND EVENT	FDA**	STATE(S)	POLICIES IN FORCE (AT TIME OF EVENT)	LOSSES PAID	DOLLARS PAID IN LOSSES	PERCENT OF LOSSES CLOSED
April 14, 2000		Florida	1,737,437	11	$78,369	100.0%
April 16, 2000						
Spring Flood						
April 16, 2000		Connecticut	29,368	6	$31,084	83.3%
April 27, 2000		Illinois	44,635	11	$57,137	96.7%
Spring Flood		Massachusetts	38,475	9	$38,475	92.9%
		Michigan	27,299	4	$7,648	100.0%
		New York	92,952	48	$543,744	93.7%
		Ohio	35,528	5	$209,506	100.0%
		Vermont	2,767	2	$44,522	100.0%
		Virginia	71,134	6	$25,773	100.0%
April 29, 2000		Louisiana	350,277	56	$501,652	92.3%
May 9, 2000	X	Missouri	21,692	102	$3,674,407	98.6%
Spring Flood		Oklahoma	14,451	317	$6,339,267	98.0%
		Texas	338,392	40	$279,485	94.6%
May 3, 2000	X	New York	93,132	35	$243,023	95.3%
May 15, 2000						
Spring Flood						
May 16, 2000		Michigan	27,236	11	$81,744	100.0%
May 19, 2000		Minnesota	12,514	4	$20,692	100.0%
Spring Flood						
May 19, 2000		Texas	338,392	246	$5,556,555	97.0%
May 22, 2000						
Spring Flood						
May 23, 2000		North Carolina	98,291	20	$174,071	100.0%
May 31, 2000	X	Tennessee	15,168	62	$801,091	100.0%
Spring Flood						
May 26, 2000		Illinois	44,795	24	$167,615	97.4%
June 8, 2000	X	Minnesota	7,788	22	$175,038	100.0%
Spring Flood	X	Wisconsin	13,060	28	$145,854	100.0%
May 27, 2000		Florida	1,711,096	8	$42,131	79.0%
June 5, 2000		Iowa	10,094	6	$143,605	100.0%
Spring Flood		Louisiana	349,987	10	$214,114	95.0%
		Minnesota	7,788	22	$175,038	100.0%
		Texas	340,249	109	$1,992,089	95.7%
		Wisconsin	13,060	28	$145,854	100.0%
June 5, 2000		Massachusetts	38,284	6	$12,631	100.0%
June 10, 2000		New York	92,929	15	$182,610	100.0%
Spring Flood						
June 10, 2000		Arkansas	13,481	13	$297,131	94.1%
June 27, 2000		Georgia	61,053	50	$772,503	98.2%
Summer Flood		Illinois	44,795	111	$1,101,465	97.2%
		Indiana	25,918	10	$36,999	86.4%
		Kentucky	20,324	6	$155,510	100.0%
		Michigan	25,841	17	$164,133	96.4%
		Minnesota	7,788	31	$151,375	100.0%
		Missouri	21,719	48	$1,301,667	100.0%
		New Mexico	10,847	4	$8,918	100.0%
		New York	92,929	6	$58,116	100.0
		North Carolina	94,727	15	$156,647	100.0%
	X	North Dakota	6,025	32	$1,004,753	92.6%
		Oklahoma	14,521	17	$350,787	100.0%
		Texas	340,249	85	$1,859,601	87.8%
June 25, 2000		Louisiana	350,581	30	$436,965	100.0%
July 3, 2000		North Carolina	97,551	4	$10,931	100.0%
Summer Flood		Pennsylvania	62,350	43	$989,424	98.2%
		Texas	344,002	5	$27,100	66.7%
		West Virginia	17,939	4	$52,960	87.5%
July 1, 2000		Illinois	44,703	3	$16,992	100.0%
July 8, 2000		Missouri	21,736	15	$200,643	100.0%

START AND END DATES AND EVENT	FDA**	STATE(S)	POLICIES IN FORCE (AT TIME OF EVENT)	LOSSES PAID	DOLLARS PAID IN LOSSES	PERCENT OF LOSSES CLOSED
Summer Flood		Nebraska	12,694	3	$13,729	100.0%
		Wisconsin	13,041	19	$141,128	100.0%
July 7, 2000		Iowa	10,024	6	$53,470	100.0%
July 12, 2000		Minnesota	7,798	117	$1,829,484	100.0%
Summer Flood		Missouri	21,736	17	$339,126	90.5%
July 10, 2000		Kentucky	20,348	4	$7,830	100.0%
July 13, 2000		West Virginia	17,939	5	$28,089	100.0%
Summer Flood						
July 13, 2000		Florida	1,721,160	58	$440,926	95.7%
July 18, 2000		Massachusetts	38,351	5	$29,505	100.0%
Summer Flood		New York	92,697	17	$154,700	100.0%
		South Carolina	130,872	11	$249,831	100.0%
	X	Vermont	2,741	7	$40,151	100.0%
July 16, 2000		Colorado	14,711	7	$65,268	93.3%
July 21, 2000		Illinois	44,703	7	$235,525	100.0%
Summer Flood		Oklahoma	14,636	4	$32,259	100.0%
July 21, 2000		Florida	1,728,474	16	$164,615	87.5%
August 7, 2000		Georgia	62,428	10	$106,779	100.0%
Summer Flood		Maryland	49,750	8	$102,334	90.9%
		Michigan	25,785	5	$72,856	100.0%
		New Jersey	173,867	47	$866,973	98.5%
		New York	93,328	23	$180,619	88.9%
		North Carolina	99,198	55	$1,868,309	88.6%
	X	Ohio	34,389	68	$583,370	94.6%
		Pennsylvania	62,431	175	$2,411,034	93.2%
		Virginia	74,381	38	$847,883	95.7%
June 18, 2000		Arizona	27,385	8	$59,246	100.0%
September 11, 2000		California	358,413	7	$88,969	88.2%
Southwest Monsoons		Colorado	14,668	11	$71,308	92.6%
August 8, 2000		Connecticut	29,161	79	$1,572,869	94.7%
August 17, 2000		Louisiana	351,934	8	$72,475	75.0%
Summer Flood	X	New Jersey	173,867	138	$2,176,947	88.7%
		New York	93,328	6	$660,625	91.7%
		Virginia	74,381	16	$68,551	91.3%
		West Virginia	17,945	10	$91,597	100.0%
August 8, 2000		Florida	1,728,474	7	$11,164	87.5%
August 15, 2000						
Tropical Depression Four						
August 21, 2000		Puerto Rico	52,331	30	$165,254	92.1%
August 25, 2000						
Hurricane Debbie						
August 30, 2000		Alabama	36,879	9	$294,306	100.0%
September 9, 2000		Florida	1,737,222	101	$1,072,262	85.9%
Summer Flood		Georgia	63,009	5	$19,129	85.7%
		Louisiana	353,152	17	$42,874	81.5%
		Mississippi	41,717	4	$33,130	71.4%
		New Jersey	174,744	16	$217,685	75.0%
		New York	93,302	9	$44,079	87.5%
		North Carolina	101,081	25	$1,128,424	87.5%
		South Carolina	133,723	16	$102,952	82.6%
		Virginia	76,308	15	$72,713	91.7%
		West Virginia	18,095	7	$42,913	100.0%
September 10, 2000		Indiana	25,918	5	$77,246	87.5%
September 13, 2000	X	Michigan	25,799	43	$218,604	93.4%
Summer Flood		Wisconsin	12,823	4	$12,416	83.3%
September 13, 2000		Louisiana	353,152	10	$28,823	84.2%
September 15, 2000		Texas	348,764	12	$56,912	76.2%
Summer Flood						
September 14, 2000		Florida	1,737,222	8	$54,754	93.3%
September 15, 2000		North Carolina	101,081	10	$162,515	91.3%
Tropical Storm Florence		South Carolina	*	*	*	*

START AND END DATES AND EVENT	FDA**	STATE(S)	POLICIES IN FORCE (AT TIME OF EVENT)	LOSSES PAID	DOLLARS PAID IN LOSSES	PERCENT OF LOSSES CLOSED
September 17, 2000		Florida	1,737,222	263	$2,256,569	86.5%
September 20, 2000		North Carolina	101,081	5	$43,780	71.4%
Tropical Storm Gordon		Puerto Rico	52,781	17	$83,314	85.7%
		South Carolina	133,723	47	$534,445	85.7%
September 20, 2000	X	Florida	1,737,222	39	$308,340	84.5%
September 26, 2000		Georgia	63,009	9	$23,781	68.2%
Tropical Storm Helene		North Carolina	101,081	15	$127,147	76.2%
		South Carolina	133,723	11	$54,390	75.0%
September 22, 2000		Michigan	25,799	3	$18,124	90.9%
September 23, 2000						
Autumn Flood						
September 27, 2000	X	Florida	1,743,784	5,890	$81,126,256	70.3%
October 15, 2000						
Autumn Flood						
October 5, 2000		Illinois	*	*	*	*
October 6, 2000		Indiana	25,947	2	$19,787	66.7%
Autumn Flood						
October 12, 2000		Arizona	27,297	2	$4,016	60.0%
October 20, 2000		New Mexico	11,726	0	$0	100.0%
Autumn Flood		Texas	349,205	20	$99,764	80.0%
October 21, 2000	X	Arizona	27,297	15	$147,472	73.1%
October 29, 2000		New Mexico	11,726	1	$17,394	50.0%
Autumn Flood	X	Oklahoma	14,608	22	$474,597	59.1%
		Texas	349,205	16	$211,710	38.9%
October 26, 2000		California	349,721	3	$44,710	33.3%
November 4, 2000	X	Hawaii	40,673	1	$76,851	6.4%
Autumn Flood		Oregon	26,292	*	*	*
October 31, 2000		Puerto Rico	52,872	*	*	*
November 3, 2000		Virgin Islands	2,336	*	*	*
Autumn Flood						
November 2, 2000		Florida	1,743,771	*	*	*
November 9, 2000		Louisiana	353,750	*	*	*
Autumn Flood		Mississippi	41,755	2	$4,991	25.0%
		Texas	349,350	18	$183,660	27.7%
November 12, 2000		Alabama	37,093	*	*	*
November 14, 2000		Mississippi	41,755	*	*	*
Autumn Flood		Tennessee	14,698	*	*	*
		Texas	405,803	*	*	*
November 16, 2000		Alabama	37,093	*	*	*
November 19, 2000		Florida	1,743,771	*	*	*
Autumn Flood		Louisiana	353,750	*	*	*
		Mississippi	41,755	*	*	*
		Texas	349,350	*	*	*
November 24, 2000		Florida	1,743,771	*	*	*
November 26, 2000		Louisiana	353,750	*	*	*
Autumn Flood		Texas	349,350	*	*	*

* Data not available at time of publication
** FDA=Federal Disaster Assistance made available

NFIP
Telephone Numbers

Number	Service
800-638-6620	Direct Business
800-720-1093	Agent Information and Leads Program
800-427-4661	General Information
800-611-6125	Lender Information
800-427-5593	TDD
800-358-9616	FEMA Flood Maps, Flood Insurance Manual
800-480-2520 301-497-6378 Fax	NFIP Forms and Public Awareness Materials
800-564-8236	Co-op Advertising Program
202-646-FEMA	FEMA Fax— Program Information

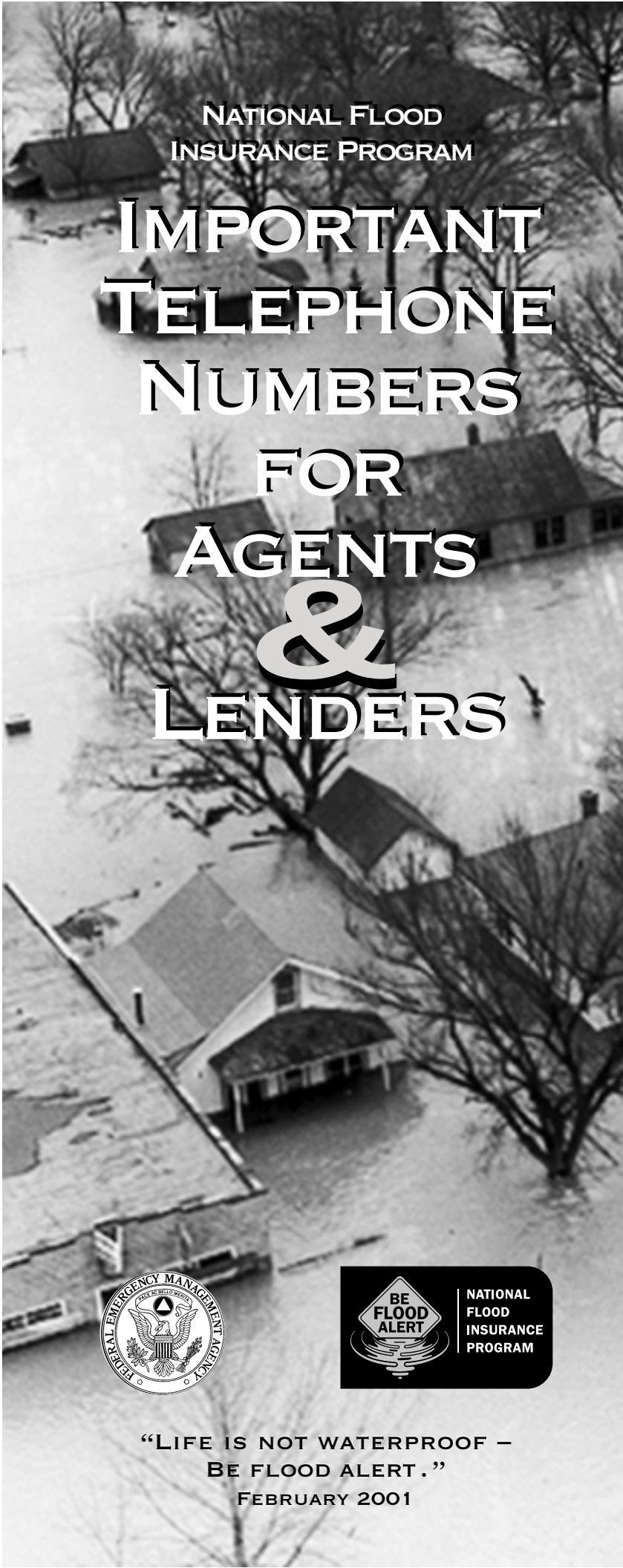
Regional Offices Telephone Numbers

Region	FEMA	NFIP Bureau and Statistical Agent
Region I CT, MA, ME, NH, RI, VT	617-223-9561	781-848-1908
Region II NJ, NY	212-225-7209	732-603-3875
Carribean Office-PR,VI	787-296-3500*	281-829-6880**
Region III DC, DE, MD, PA, VA, WV	215-931-5500	856-489-4003
Region IV AL, GA, KY, MS, NC, SC, TN	770-220-5400	770-396-9117
Florida		813-975-7451***
Region V IL, IN, MI, MN, OH, WI	312-408-5500	630-577-1407
Region VI AR, LA, NM, OK, TX	940-898-5127	281-829-6880
Region VII IA, KS, MO, NE	816-283-7002	913-780-4238
Region VIII CO, MT, ND, SD, UT, WY	303-235-4830	303-275-3475
Region IX AZ, CA, GUAM, HI, NV	415-923-7177	916-780-7889
Region X AK, ID, OR, WA	425-487-4678	425-488-5820

* FEMA contact number for Puerto Rico and the Virgin Islands
** NFIP Bureau contact number for Region VI (which includes Puerto Rico and the Virgin Islands)
*** NFIP Bureau contact number for Florida satellite office

National Flood Insurance Program

Important Telephone Numbers for Agents & Lenders



"Life is not waterproof – Be flood alert."

February 2001

NATIONAL FLOOD INSURANCE PROGRAM
P.O. Box 710
Lanham, Maryland 20703-0710

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593-9106 (2/01)