

Facts About Flood Insurance

MYTH: “My standard home owners’ insurance will cover me if my house is damaged or destroyed in a flood.”

FACT: Home owners’ insurance does not cover flood damage. Federal flood insurance, purchased through your insurance agent or company, is the only guaranteed flood insurance coverage available for your home.

MYTH: “Federal disaster aid, available during and after a flood, will reimburse me for losses. Therefore, I don’t need to buy flood insurance for my home and belongings.”

FACT: Federal Emergency Management Agency disaster aid is only available during Presidentially declared disasters. Federal aid may often be in the form of a loan that you must pay back with interest. Flood insurance policies pay claims whether or not a disaster is declared.

MYTH: “I live outside the floodplain, so I don’t need to buy flood insurance.”

FACT: More than 25 percent of the National Flood Insurance Program’s (NFIP) flood insurance claims are for structures outside identified flood plains. Floods can occur anywhere. An area that is near a levee or a dam is at risk of levee or dam breakage. People who face even moderate flood risks should get insurance, which can be purchased for as little as \$80 per year.

MYTH: “I can’t buy flood insurance because my home has been flooded previously.”

FACT: If your community is participating in the NFIP, it doesn’t matter that your home has been flooded before. You may still buy flood insurance.

MYTH: “If people don’t want to purchase flood insurance, it’s their own business. It doesn’t really affect me.”

FACT: When people do not buy flood insurance, you pay more for federal and state disaster relief. Flood insurance is one of the best ways to keep disaster relief costs down for all taxpayers.

MYTH: “Flood insurance is only available for homeowners.”

FACT: Flood insurance is available to protect homes, condominiums and nonresidential buildings including farm and commercial structures in participating communities. Contents coverage also is available, so coverage is available to renters as well.

MYTH: “If they predict a flood in the near future, it’s too late for me to purchase insurance.”

FACT: You can purchase flood insurance anytime in a participating community. However, there is a 30-day waiting period after you have applied and paid the premium before the policy is in effect. The policy will not, however, cover a loss in progress.

MYTH: “I can only buy federal flood insurance through the federal government.”

FACT: You can buy federal flood insurance through most major private insurance

companies and licensed property insurance agents who sell home owners' or property insurance.

MYTH: "The NFIP does not offer any type of basement coverage."

FACT: Yes it does. The NFIP defines a basement as any area of a building with a floor that is subgrade below ground level on all sides. Basement coverage under an NFIP policy includes clean up expenses and items used to service homes and buildings. These can include elevators, furniture, water heaters, air conditioners, freezers, utility connections, circuit breaker boxes, pumps, and tanks used in solar energy systems. Flood insurance will not cover the contents of a finished basement and basement improvement such as finished walls, floors and ceilings.