

Flood Awareness Month – PODCAST 10: Where to Get Flood Insurance

RUN TIME: 3 MIN, 55 SECONDS

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BILL: Now we talk about people buying flood insurance, we've talked about that it's something that is not covered by your typical homeowner's policy. But the, uh, other thing is where do you get it and who is eligible? Anybody who has property that is located in a community that is participating in the National Flood Insurance Program can buy flood insurance, whether they're in the flood plain or not. In order for a community to participate in the National Flood Insurance Program, it has to adopt specific regulations for development within its flood zones. And once that's done, anybody in that community can buy it.

ANGEL: In regards to purchasing flood insurance policies, you actually have to purchase that through an agent. I know that the trend for purchasing insurance policies and things have moved towards being able to do it privately or individually online, things of that nature, but for flood insurance policies you're still going to need to work with an agent. You should be able to check with your agent – your property and casualty agent – the one that sells you your homeowner's insurance or even your auto insurance and see if they are licensed to sell flood insurance. And if they're not, they may be able to refer you to somebody who is. If there's a situation where you don't happen to have an agent, say you're a renter and you haven't purchased a renter's policy or you just don't work with an agent, there are opportunities for you to go online and go to the Floodsmart dot gov website and look up agents in your area.

BILL: Other thing is, is if you want to find out if your community is participating in the National Flood Insurance Program. What you want to find is what's called the FEMA Community Status Book. You can find that just by Googling it, or there's two convenient places you can find it. One is at the Iowa Insurance Division's website – that's at W-W-W, dot I-I-D, dot state, dot I-A, dot U-S. The other is at a website called "Don't Test The Waters Iowa" dot gov. That's W-W-W, "Don't Test The Waters Iowa," dot gov. You can find that, the link to that Community Status Book there also. Now that book is broken down into two sections: one is with communities that are participating in the NFIP – the National Flood Insurance Program – and the other section is those that are not participating. If your community is not listed in the Community Status Book, that means it was never identified as having any special flood hazard areas. That doesn't mean that your community can't participate – it just means that it has to go through the process of adopting certain resolutions or ordinances that would make them eligible for the benefits of the National Flood Insurance Program.

Now I imagine a lot of people say, "Well, why do I need flood insurance? If I have a flood, I can just be eligible for disaster assistance, right?" Well, maybe. And the reason I say that is that in order to get disaster assistance – a few things you need to know. First of all, in order to get disaster assistance, you have to be in a community where there's been a Presidentially-declared disaster. The last several flood events we've had here in Iowa have been rather large and they've covered such huge areas of the state that they met the criteria for that kind of a declaration, so people there were eligible. But that's not always going to be the case. There are people who suffered damage just because of one very large rainfall on a watershed right there above their community. That's not going to be enough to get a Presidential declaration unless you have multiple counties that had damage, and that that damage exceeded what the local capabilities were to deal with it. Flood insurance pays whether you've had a Presidential declaration or not.

Another thing about disaster assistance is there comes in two forms. One is what they call Individual Assistance, and the other one is in the form of SBA loans. Individual Assistance is meant for immediate

needs, and it's not very much, so it could be used and replace clothing, could be used to replace maybe some immediate needs like a hot water heater, it may be used to repair the well – something like that. If you get the other form of disaster assistance, again, that would be in the form of a loan and that means you would have to pay it back on top of what other loan you may have. And one of the requirements of that disaster assistance is going to be that you buy flood insurance for the amount of that assistance.