



The National Flood Insurance Program

Floodplain Management

www.fema.gov/plan/prevent/floodplain/index.shtm

The National Flood Insurance Program (NFIP) was established with the passage of the National Flood Insurance Act of 1968. The NFIP is a Federal program enabling property owners in participating communities to purchase flood insurance as protection against flood losses, while requiring State and local governments to enforce floodplain management regulations that reduce future flood damages. Over 20,000 communities participate in the NFIP.

The NFIP plays a critical role in floodplain management

Floodplain management is fundamental to reducing flood losses. Floodplain management is broadly defined to include all actions that States and communities can take to reduce flood damage to both new and existing buildings and infrastructure. The NFIP plays a critical role in encouraging communities to adopt and enforce floodplain management regulations and to implement broader floodplain management programs. By law, FEMA can only provide flood insurance to those States or communities that adopt and vigorously enforce floodplain management regulations that meet or exceed minimum NFIP requirements.

Managing flood risk through the NFIP

Communities incorporate NFIP requirements into their zoning codes, subdivision ordinances, and/or building codes or adopt special purpose floodplain management ordinances. The NFIP requirements apply to areas mapped as Special Flood Hazard Areas (SFHA) on Flood Insurance Rate Maps (FIRMs) issued by FEMA. The SFHA is the area that would be flooded by the "base flood" (defined as the flood that has a 1 percent chance of occurring in any given year; also known as the "100-year flood").

The NFIP requirements include:

- Elevation of new and substantially improved residential structures above the base flood level.
- Elevation or dry floodproofing (made watertight) of new or substantially improved non-residential structures.
- Prohibition of development in floodways, the central portion of a riverine floodplain needed to carry deeper and faster moving water.
- Additional requirements to protect buildings in coastal areas from the impacts of waves, high velocity, and storm surge.

Floodplain Management and Hurricanes

FEMA works closely with communities impacted by disasters by providing technical assistance and resources about mitigation measures to protect property from future flood losses. In particular, FEMA provides assistance on NFIP floodplain management requirements, including substantial damage provisions that require heavily damaged buildings to be reconstructed stronger and safer. FEMA also works closely with communities on reconstruction strategies to determine the most appropriate mitigation measures to reduce future flood damages including elevation, acquisition, or relocation of flood-damaged properties. The ultimate goal is to reduce each community's vulnerability to flooding.



These requirements are the most cost-effective way to reduce the flood risk to new buildings and infrastructure. Structures built to NFIP standards experience 80 percent less damage than structures not built to these standards and have resulted in more than \$1 billion per year in reduced flood losses.

In addition to protecting new buildings, the NFIP substantial improvement and substantial damage requirement ensures that flood protection measures are integrated in structures built before FIRMs were developed. A building is considered substantially improved or substantially damaged when the cost of improving or repairing the building equals or exceeds 50 percent of the market value of the building. When this occurs, the community, which makes the determination, must ensure that the NFIP requirements are applied to these building so that they are protected from future flood damages.

Financial help is available to mitigate future flood damages

Financial help to mitigate damages to existing buildings is provided under the NFIP Increased Cost of Compliance (ICC) Coverage. When a community declares a building substantially damaged or repetitively damaged, insured property owners can receive a claim up to \$30,000 to incorporate mitigation measures when rebuilding. To help reduce flood damages to existing buildings, FEMA also provides grants and technical assistance to states and communities to conduct mitigation planning and implement mitigation projects.

The Community Rating System rewards proactive floodplain management

The NFIP's Community Rating System (CRS) provides discounts on flood insurance premiums in those communities that establish floodplain management programs that go beyond NFIP minimum requirements. Communities can receive credit for more restrictive regulations, acquiring flood-prone property, and other measures that reduce flood damages and protect floodplains. Over 1,000 communities now participate in the CRS and are taking action to reduce their vulnerability to flooding.

Intergovernmental collaboration

All levels of government have a responsibility to protect citizens and property from flooding. Under the NFIP, the respective State and FEMA roles include:

The State Role: Each State has designated an NFIP State Coordinating Agency as a point of contact for the NFIP. Many States have adopted floodplain management statutes and regulations and have established and funded their own floodplain management programs. In addition, FEMA offers funding to States to provide communities with technical assistance on the NFIP requirements.

FEMA's Role: FEMA administers the NFIP through its 10 Regional Offices and its Mitigation Division at FEMA Headquarters in Washington, DC. FEMA staff provide extensive technical assistance and training through workshops, visits, and other contacts with community officials. In addition, FEMA staff provide technical assistance to property owners, builders and contractors, architects and engineers, surveyors, and other NFIP constituents on NFIP requirements and mitigation measures. Publications on the NFIP, including detailed guidance on mitigation measures that can minimize or eliminate future flood damages, can be found on FEMA's website at www.fema.gov.