



# FLOOD INSURANCE

## *Myths & Facts*

Flood Insurance myths and the facts that disprove them to ensure you have properly protected one of your greatest assets.



As little as  
**1 inch of water**  
can cause **\$25,000**  
worth of damage to  
a home\*

\*ACCORDING TO THE FEDERAL EMERGENCY  
MANAGEMENT AGENCY (FEMA)



**PLAN**  
**PREPARE**  
**PROTECT**  
Are You Disaster Ready?

# FLOOD INSURANCE

## *Myths & Facts*



Flooding is a big concern in Florida due to the state's distance to water both inland and to the coast. In 2019, more than \$225 million was paid for flood claims in Florida.

While flood insurance can help eliminate or reduce the burden of repairing or replacing your property, there are many consumers who are skeptical about flood insurance.

The combination of common myths and the unknown about flood insurance can increase consumers' uncertainty. Purchasing flood insurance not only provides protection for your property but peace of mind if a disaster occurs and causes flooding.

**REVIEW THESE FLOOD INSURANCE MYTHS AND THE FACTS THAT DISPROVE THEM TO ENSURE YOU HAVE PROPERLY PROTECTED ONE OF YOUR GREATEST ASSETS.**

# Myth:

Flood insurance is unnecessary unless I'm in a designated flood zone.

# FACT

**Anywhere it rains, it can flood, including in low-risk flood areas.**

In fact, according to FEMA, over 20 percent of flood insurance claims come from **outside** of high-risk flood areas.

Depending on your home's location, flood coverage may be required. If your home is in a high-risk flood area, a federally regulated or insured mortgage lender will require the coverage.

Even if your home is in a moderate to low-risk flood area, your mortgage lender may still require you to have flood coverage.

## FLOOD FACTS

According to the Federal Emergency Management Agency (FEMA)

### Did You Know

**18 inches or more** of water could mandate repairs to the:

- electrical system
- heating/cooling system
- doors
- appliances
- cabinets

Most homeowners and renter's insurance policies do **NOT** cover damage from flooding.

If you do not have flood insurance, you may be responsible for the repair or replacement of your damaged property.

# Myth:

It is impossible to find a company that will offer flood insurance in Florida.

# FACT

**Flood insurance is offered by the federal government and private insurance companies in Florida.**

## THE NATIONAL FLOOD INSURANCE PROGRAM (NFIP)

is a federal flood insurance program offered through the Federal Emergency Management Agency (FEMA).

The NFIP was created to reduce the impact of flooding by providing flood insurance to property owners, renters, and businesses in an effort to assist with the costs of repairing or replacing damaged property caused by floods.



In order to purchase an NFIP policy, you will need to contact an insurance agent or an insurance company that participates in the NFIP. If you need assistance finding an NFIP agent, you can contact the NFIP Referral Call Center at **1-800-427-4661** or at **[www.FloodSmart.gov/Flood-Insurance/Providers](http://www.FloodSmart.gov/Flood-Insurance/Providers)**.

In addition to the National Flood Insurance Program, there are many private insurance companies that are authorized and regulated by the state of Florida to offer flood insurance coverage.

A list of licensed insurance companies provided by the Florida Office of Insurance Regulation can be found at:

**<https://floir.gov/property-casualty/flood-insurance>**

# Myth:

Flood insurance is complex and there is no resource for information to help me understand the coverage.

## FACT

Each county has available resources, including a **Certified Floodplain Manager**, to assist consumers with understanding floods and the potential impact of this disaster.

## CERTIFIED FLOODPLAIN MANAGER

A Floodplain Manager helps to reduce the state's flood damage by reviewing local flood zone designations and determining where flooding is most likely to occur. They also:

- Administer federal, state laws as well as local laws related to the management of areas likely to flood
- Answer other questions you may have regarding flooding in your area
- Provide you with referrals if additional information is needed

Your local **Floodplain Manager** can also assist with flood issues and concerns such as:

- Verifying your flood zone designation
- Questions regarding how to better protect or repair your home

Locate your local Certified Floodplain Manager online:

### Association of State Floodplain Managers

[www.floods.org/  
membership-  
communities/connect/  
cfms-nationwide](http://www.floods.org/membership-communities/connect/cfms-nationwide)



**FEMA**

## FLOOD INSURANCE ADVOCATE

The **Flood Insurance Advocate**, part of the Federal Emergency Management Agency, helps consumers with flood insurance-related issues and can provide:

- Assistance with unresolved issues such as claims and flood zones
- Educational guidance
- Resources regarding the NFIP

If you have concerns about the accuracy of your flood insurance rate, need help with the NFIP claims process, or questions regarding flood insurance, you can contact:

### **The Office of the Flood Insurance Advocate**

[www.fema.gov/flood-insurance/advocate](http://www.fema.gov/flood-insurance/advocate)

or submit questions to:

### **Ask the Advocate FEMA Website**

[www.fema.gov/webform/flood-insurance-advocate-ask-question](http://www.fema.gov/webform/flood-insurance-advocate-ask-question)

- › A representative will respond with additional information as to how your questions or concerns will be handled.



# Myth:

If I have any damage from water, it's considered flooding.

# FACT

There is a difference between water damage and flood damage. Although flooding is caused by water, flood damage and water damage are evaluated separately by insurance companies. A flood is a tremendous overflow of water that submerges dry land. Flooding is also considered to be a temporary condition where an overwhelming amount of water completely or partially covers two or more acres of land in a rural area or two or more properties in a general residential area that is normally dry.



For insurance purposes, flood damage can only be caused by the following water sources and will also affect your neighbors:

- Overflow of inland or tidal waters from sources such as rivers, beaches, lakes and ponds.
- Unusual and rapid accumulation or runoff of surface waters from any source; such as rain, sewers and drains that flow downhill over land.
- Mudflow or a rapidly moving mass of soil due to rain.
- Collapse 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 levels that result in a flood. For example, land near water that gets washed away or worn down due to extreme and unusual amounts of water.

## EXAMPLES OF FLOOD DAMAGE

- › You live near a river or lake that overflows all around your neighborhood and the water flows into your home.
- › There are heavy rains in the area causing the water to rise and enter your home and your neighbor's home.



Water damage, unlike flood damage, is typically covered by your homeowners policy, may be caused by various factors and most times does not affect your neighbors. Water damage can occur from the following:

- Plumbing issues; faucets, pipes, air conditioning unit or appliances leaking, which cause damage to walls, ceilings, or floors.
- Sudden and accidental discharge of water or steam on the residence premises.
- Hailstorm breaks your windows and allows water into your home.

## EXAMPLES OF WATER DAMAGE

- › A pipe suddenly bursts in your house and water goes all over your floors and walls.
- › Your water heater unexpectedly explodes causing steam and water to discharge over your entire basement.
- › Your washing machine supply hose abruptly leaks causing water damage to your laundry room.
- › A hurricane causes a tree to fall onto your home damaging your roof causing water to flow into your home.

## A NOTE ON WATER DAMAGE:

Your homeowners insurance policy may specifically exclude coverage for some water damage, such as damage caused by a faulty toilet or continuous leaking of plumbing and pipes that have not been repaired. Also, water that backs up from an outside sewer or drain will typically not be covered. Review your policy to determine if it includes specific water-related exclusions.

## CONSUMER TIPS



**Most homeowners insurance policies do not cover flood damage;** a separate policy may be required. Contact your insurance agent or insurance company to determine if it offers flood insurance.



**Flood coverage should be purchased for both your building property (home/structure) and your personal property (contents).** Check your policy to determine what items are covered under each category. A deductible will apply separately to the building property coverage and to the personal property coverage.



**If you purchase flood insurance through the National Flood Insurance Program,** you can only purchase up to \$250,000 for your home and \$100,000 for your personal contents; therefore, if you need coverage beyond these limits, you will have to obtain flood coverage through a private insurance company that sells flood insurance.



**Flooding can force you out of your home for an unforeseen period of time.** Flood insurance does not cover the expense of having to relocate. You may wish to save necessary funds in the event of an emergency.



**Most flood policies include coverage for the costs you may incur** to meet state or local building requirements when you repair or rebuild your home.



**There is a 30-day waiting period from the date of purchase until your flood policy goes into effect;** therefore, delaying the purchase of flood coverage could leave you without coverage if a flood occurs.

There are a few exceptions as follows:

- ▶ If FEMA places your neighborhood into a high-risk flood zone and you purchase flood insurance within 13 months of this change, you will only have to wait 1 day for your coverage to go into effect.
- ▶ If you purchase flood insurance in relation to making, increasing, extending, or renewing your mortgage loan, there is no waiting period.
- ▶ If you select additional insurance as an option on your insurance policy renewal bill, there is no waiting period. However, if you want to add additional insurance prior to or after your policy has renewed, there is typically a 30-day waiting period.
- ▶ If a property is affected by flooding on burned federal land and the policy is purchased within 60 days of the fire containment date, there may not be a waiting period which would be determined at the time of the claim.



# PLAN PREPARE PROTECT

Are You Disaster Ready?

## Need Additional Assistance Regarding Flood Coverage?

To locate a flood insurance company, visit the Office of Insurance Regulation's website:

**[www.FLOIR.gov](http://www.FLOIR.gov)**

For assistance with any questions or concerns regarding flood insurance, you may contact the Florida Department of Financial Services' Division of Consumer Services:

### **Insurance Consumer Helpline**

1-877-MY-FL-CFO (693.5236)

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### **FLORIDA'S INSURANCE CONSUMER ADVOCATE**

[www.MyFloridaCFO.com/Division/ICA](http://www.MyFloridaCFO.com/Division/ICA)

[YourFLVoice@MyFloridaCFO.com](mailto:YourFLVoice@MyFloridaCFO.com)

850.413.5923

FLORIDA'S INSURANCE CONSUMER  
**ADVOCATE**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

— *Tasha Carter* —

  @YourFLVoice