

[Hurricane Season Has Begun. Do You Need Flood Insurance?](#)

The New York Times

New York Times – The Atlantic hurricane season is here, and with it the threat of storm-related flooding. So homeowners may want to buy flood insurance, if they don't already have coverage.

Hurricane season runs from June through November. The National Oceanic and Atmospheric Administration has forecast a “near- or above-normal” hurricane season this year, with one to four “major” hurricanes expected.

Standard homeowner policies typically don't cover damage from floodwaters resulting from rising tides, flash floods or overflowing streams. To get flood coverage, you'll need to buy a separate flood policy. (Homeowner policies often cover hurricane damage from wind and rain, but you may have to pay more out of pocket, especially in coastal states.)

Most flood insurance is sold through the National Flood Insurance Program, which is administered by the Federal Emergency Management Agency and covers about five million policyholders. A few private companies also sell coverage.

The government-run flood program is in need of an overhaul to make coverage more accessible and to put the program on firmer financial footing in the wake of big storm losses in recent years.

Congress has postponed debate on reforms, however, voting instead to keep the current program going through the end of July. Lawmakers must act by then to revamp it or extend it yet again.

Both insurance officials and consumer advocates recommend that homeowners not let the political debate over renewal of the flood program delay their purchase of coverage. New policies come with a 30-day waiting period before taking effect, so it makes sense to buy as soon as possible, given the heightened risk of flooding during hurricane season.

“We absolutely recommend that anyone with a home to protect should get a quote and, if you can afford it, buy it,” said Amy Bach, executive director of United Policyholders, an insurance advocacy group.

Recent floods, like last year's catastrophe from Hurricane Harvey in Houston, have shown that too many homes needing coverage don't have it, said David Maurstad, deputy associate administrator for insurance and mitigation at FEMA and chief executive of the flood program. The possibility of a lapse in the flood program, he said, shouldn't make consumers delay buying insurance that "they probably needed for some time."

Julie Mix McPeak, commissioner of Tennessee's Department of Commerce and Insurance and president of the National Association of Insurance Commissioners, said the association was urging a long-term reauthorization of the federal flood program and also supports changes to increase availability of private flood insurance options for consumers.

Meanwhile, she said, homeowners should consider buying flood protection even if they are not in an area traditionally considered to be high risk. In recent years, she noted, areas that had not previously experienced problems have flooded.

The national flood program says 20 percent of claims are paid in areas considered low risk.

"Where it can rain," Mr. Maurstad said, "it can flood."

Cost of coverage varies, but the average annual federal flood premium for 2018 increased by 8 percent to \$935, according to FEMA. Mr. Maurstad noted that policies for homes in low-risk areas cost around \$500. Premiums in high-risk areas, however, can run to four or five figures, Ms. Bach noted.

Here are some questions and answers about flood insurance:

What does a federal flood policy cover?

National Flood Insurance Program policies cover up to \$250,000 in damage to the home's structure, and \$100,000 for its contents. Extra coverage may be bought from private insurers.) But federal policies generally don't cover living expenses, like the cost of temporary housing.

How can I keep my flood insurance premium affordable?

Homeowners in high-risk areas who take steps to protect their properties, such as by elevating mechanical systems or even the entire home, can see as much as a 60 percent reduction in premiums, according to FEMA. The agency offers grants to help cover the cost of elevating homes, but the process can take time. So interested consumers should apply sooner rather than later, Ms. Bach said. "Be patient."

Other suggestions for reducing flood insurance costs are available on FEMA's website.

What happens if Congress doesn't vote on the flood program by the new deadline?

If Congress doesn't act by midnight on July 31, the flood program will lapse and the program won't be able to write new policies or renew existing ones until it is reauthorized. That could disrupt real estate closings for people buying homes with federally backed mortgages, which require flood coverage for properties in high-risk areas, Mr. Maurstad said.

The program would still process and pay claims on existing policies, he said, "as long as funds are available."

A FEMA spokesman, Michael Hart, said the flood program currently has \$5.5 billion available to pay claims, not including nearly \$10 billion more in borrowing authority that would be unavailable during a lapse in authorization.

A lapse would also curtail the program's capacity to borrow money, according to the Congressional Research Service. So Congress might have to approve extra funds or increase the program's borrowing limit, to make sure that claims are paid.

A notice on FEMA's website says a lapse is "unlikely," and states that "FEMA and Congress have never failed to honor the flood insurance contracts in place."

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