National Flood Insurance Program (NFIP) Reauthorization and the Private Flood Insurance Rule

On December 20, 2019, the NFIP was reauthorized until September 30, 2020. The NFIP is authorized by the National Flood Insurance Act of 1968 and it relies on periodic Congressional renewal. Since FY2017, 15 short-term NFIP reauthorizations have been enacted. Without reauthorization, borrowers cannot obtain flood insurance to close, renew, or increase loans secured by property in Special Flood Hazard Areas. For more information on reauthorization of the NFIP, visit https://www.fema.gov/national-flood-insurance-program/national-flood-insurance-program-reauthorization-guidance.

In February 2019, federal interagency regulators implemented the private flood insurance rule, which went into effect on July 1, 2019. The final rule mandated that regulated institutions must accept private flood insurance if certain conditions were met. The Biggert-Waters Act of 2012 (BW-12) included a definition of private flood insurance that must be accepted by lenders securing collateral. FEMA states that whether flood insurance is purchased from the NFIP or through private carrier, it is the best way for homeowners, renters, businesses, and communities to financially protect themselves from losses caused by floods. For more information regarding the Private Flood Insurance Rule, see OCC News Release 2019-15 online at https://www.occ.gov/news-issuances/news-releases/2019/nr-ia-2019-15.html.

NFIP’s Risk Rating 2.0

The NFIP is redesigning its risk rating system to deliver rates that are fairer, easier to understand, and better reflect a property’s unique flood risk. This new initiative is being termed "Risk Rating 2.0". The NFIP currently uses the same rating model that was introduced at its creation in the 1970s. Since that time, technology and the understanding of flood risk has evolved.

Risk Rating 2.0 will combine NFIP mapping data, along with catastrophe models, to provide a better understanding of flood risk. Insurance agents will utilize a new rating engine that will make pricing and selling policies easier. Policyholders will be able to better understand their property's flood risk and how it impacts their cost of flood insurance. Risk Rating 2.0 will incorporate characteristics for each property, such as:

- Distance to the coast or another flooding source.
- Different types of flood risk; and
- The cost to rebuild a home.

Risk Rating 2.0 will go into effect nationwide on October 1, 2021.

Risk Rating 2.0 will comply with existing statutory caps on premiums increases. For more information regarding Risk Rating 2.0 visit: www.fema.gov/nfiptransformation

Increased NFIP Rates

National Flood Insurance Program premium rates will increase again in April 2020. The increase is required to conform with the flood insurance rate caps established by the Biggert-Waters Flood Insurance Reform Act (BW-12). FEMA says the April changes will increase premiums by an average of 9.9%. This increase includes the HFIAA surcharge and Federal Policy Fee, which are required charges. For more information, see WYO Bulletin W-19014 at https://nfipservices.floodsmart.gov/wyobull2019.html.
Reference Information on the Collier County Website

1. The Flood Map. The County’s floodplain, which includes flood zone VE, AE, A, X500, and X was mapped by FEMA and is illustrated on a Digital Flood Insurance Rate Map (DFIRM). The County’s DFIRM became effective on May 16, 2012. A simplified version of the DFIRM is available at www.colliercountyfl.gov/floodmaps. You can use the map to determine the approximate flood zone for a given address.

2. Flood Insurance and Safety Information. Visit www.colliercountyfl.gov/floodinfo to find up-to-date information about insurance and flood preparedness.

3. Elevation Certificate. An elevation certificate is an official record that identifies the elevations of a structure and demonstrates compliance with National Flood Insurance Requirements and the County’s Floodplain Management Ordinance. You may need to obtain an elevation certificate or update your flood insurance policy when completing renovations to a structure. To find out if the county has elevation certificate information for your structure on file, visit www.colliercountyfl.gov/floodmaps.

4. Letter of Map Change. If you think your property or structure has been incorrectly mapped into a Special Flood Hazard Area, you can visit www.colliercountyfl.gov/lomc for information about changing its flood zone.

Building Review and Permitting Services

All development in Collier County’s Special Flood Hazard Area is reviewed by the county’s Building Review Division for compliance with local, state, and federal floodplain management construction standards ensure a project does not increase the potential for flooding of other properties.

If your home or business is located within Flood Zone VE, AE, AH or A and does not meet the current flood elevation requirement the cost to make improvements must be evaluated using the 50 percent rule. The 50 percent rule, as established by FEMA, requires structure to be brought into compliance with the current elevation requirements if the cost of the improvement or repair of the damage equals or exceeds 50 percent of the market value of the building before the start of construction of the improvement.

If you are planning to build, improve or repair a structure, regrade, fill, dredge or construct a seawall on your property, county staff can help you understand the floodplain management construction standards and the 50 percent rule. Check with the Floodplain Management Section before submitting a development permit.

County staff can provide:

- Flood Zone and base flood information
- Property protection information
- Site visits to discuss possible flood protection measures
- Review and critique of retrofitting plans prior to submittal
- Flood Insurance information
- Assistance with 50 percent paperwork
Know Your Flood Hazard

Large portions of Collier County are in a high-risk flood zone. Obtaining an elevation certificate can help determine your flood risk. Contact the Flood Info Hotline at (239) 252-2942 to discover if the County has an elevation certificate on file for your structure. Floodplain Management Staff can also provide a flood determination for your property.

Insure Your Property for Your Flood Hazard

Property owners in low-risk flood zones can obtain flood insurance. Ask your insurance agent about a low-cost Preferred Risk Policy and remember, your homeowner’s insurance does not cover flood damage. Those who rent may purchase a “contents only” policy.

Build Responsibly

Apply for a Building Permit from the Collier County Growth Management Department. Even accessory buildings such as sheds require permits. If elevating is not an option, accessory structures can be protected with flood vents.

Protect Yourself from Flood Hazards

Be prepared before, during, and after a flood by taking the following measures:

- Create a family disaster plan
- Prepare a hurricane evacuation kit
- Avoid walking through flood waters
- Do not drive through a flooded area
- Stay away from downed power lines

Protect Your Property

Elevate machinery such as air conditioners and generators above the Base Flood Elevation (BFE). Collier County requires that new machinery be elevated to (BFE) + 1’. Commercial properties can be dry flood-proofed to protect the structure from flood damage. Remove debris from storm drains, culverts, and flow paths during the spring months to prepare for the rainy season.

Protect Natural Floodplain Functions

Sand dunes and wetlands play an important role protecting development against flood damage. Don’t misuse or develop these areas. Keep our waterways clean by reducing your use of fertilizers and report dumping into waterways to the Code Enforcement Division, (239) 252-2440.

Resources

Collier County Floodplain Management
(239) 252-2942
www.colliercountyfl.gov/floodinfo

Collier County Road Maintenance Division
(239) 252-8924

Collier County Manager’s Office
(239) 252-8383

Collier County Engineering Inspections
(239) 252-2471

Collier County Code Enforcement Division
(239) 252-24405

Collier County Emergency Management
(239) 252-3600

Florida Power and Light Co.
(239) 262-1322  www.fpl.com

Florida Division of Emergency Management
www.floridadisaster.org

National Flood Insurance Program
www.fema.gov/national-flood-insurance-program

Stay Informed

During a severe weather event, listen to the Flood Warning System watches and warnings from the National Weather Service, the National Hurricane Center, and Collier County Bureau of Emergency Services on WGCU 90.1 FM, and other local radio and television stations. Police and fire officials will also notify residents of evacuations when possible. The National Weather Service broadcasts continually over NOAA Weather Radio at 162.525 MHz. Read flood protection information publications at the following local libraries: Orange Blossom, Naples Regional, South Regional, and Marco Island. Ask the librarian for flood information.

Sign Up for Alert Collier is Collier County’s emergency mass notification system. Collier County uses Alert Collier to make sure you are aware about issues that affect your safety. Alert Collier allows you to register multiple contact paths, to include text, voice, email, and TTY/TDD for the hearing impaired. You can register up to five locations (within Collier County) that are important to you (i.e. home, work, etc.). Once registered, you will receive important local emergency information from Collier County. You can also elect to receive various weather alerts, including flood alerts, issued by the National Weather Service. Visit www.AlertCollier.com to register today!