

# FLOOD INSURANCE CHANGES – DO THEY IMPACT YOU?

For properties that were previously in the low-to-moderate flood risk areas (Zones B, C, X) or area of undetermined flood risk (Zone D) and were newly mapped into the FEMA floodplain (i.e. Special Flood Hazard Area or any flood zone beginning with an “A”) between October 1, 2008 and March 31, 2015, property owners (residential, business, hotels/motel, ag buildings, non-profit, etc.) should know that the opportunity to be eligible for the Newly Mapped flood insurance rates will be closing for good on April 1, 2016.

**THE FLOOD INSURANCE POLICY MUST BE IN EFFECT ON APRIL 1, 2016,  
SO A POLICY MUST BE PURCHASED ON OR BEFORE TUESDAY, MARCH 1, 2016.**

## WHICH Montana COMMUNITIES ARE IMPACTED

County	Community	Map Date	County	Community	Map Date
Broadwater			Gallatin		
	Broadwater County	8/18/2014		City of Bozeman	9/2/2011
	City of Townsend	8/18/2014		Gallatin County	9/2/2011
Butte -Silver Bow				City of Three Forks	9/2/2011
	Butte-Silver Bow	1/6/2012	Lake		
Carbon				Lake County	2/6/2013
	Town of Bearcreek	12/4/2012		City of Polson	2/6/2013
	Carbon County	12/4/2012		City of Ronan	2/6/2013
	Town of Fromberg	12/4/2012		Town of St. Ignatius	2/6/2013
	Town of Joliet	12/4/2012	Lewis and Clark		
	City of Red Lodge	12/4/2012		City of East Helena	9/19/2012
Cascade				City of Helena	9/19/2012
	Town of Belt	3/19/2013		Lewis & Clark County	9/19/2012
	Cascade County	3/19/2013	Park		
	Town of Cascade	3/19/2013		Town of Clyde Park	10/18/2011
	City of Great Falls	3/19/2013		City of Livingston	10/18/2011
	Town of Neihart	3/19/2013		Park County	10/18/2011
Custer			Ravalli		
	Custer County	7/22/2010		Town of Darby	1/16/2015
	City of Miles City	7/22/2010		City of Hamilton	1/16/2015
Fergus				Ravalli County	1/16/2015
	Town of Denton	7/22/2010		City of Stevensville	1/16/2015
	Fergus County	7/22/2010	Sanders		
	City of Lewistown	7/22/2010		Town of Hot Springs	6/5/2012
	Town of Moore	7/22/2010		Town of Plains	6/5/2012
Flathead				Sanders County	6/5/2012
	City of Columbia	6/18/2013	Yellowstone		
	Flathead County	6/18/2013		City of Billings	11/6/2013
	City of Kalispell	6/18/2013		City of Laurel	11/6/2013
	City of Whitefish	6/18/2013		Yellowstone County	11/6/2013

## WHAT YOU SHOULD KNOW

- Properties newly mapped into the FEMA floodplain (i.e. Special Flood Hazard Area, or any flood zone beginning with an “A” – A, AE, AO, etc.) from a B, C, X, or D zone on a FEMA Flood Insurance Rate Map between October 1, 2008 - March 31, 2015 are eligible for the Newly Mapped procedure rates if the property owner obtains coverage that is effective before April 1, 2016. *Since there is a 30-day wait for a policy to be effective, a property owner would need to **purchase the policy on or before March 1, 2016.***
- After April 1, 2016, any property that was newly mapped in the Special Flood Hazard Area between October 1, 2008 and March 31, 2015 and did not have a National Flood Insurance Program (NFIP) policy in place by April 1, 2016 will be rated actuarially. *That means for most properties, an Elevation Certificate would be needed to write the policy and the rates could be much higher – especially if you have an older building with a basement.*
- There can be a change in ownership, use, or occupancy, but the federal flood insurance coverage (i.e. NFIP policy) must be continuous. *Flood insurance through a private insurance carrier (i.e. a company not affiliated with the NFIP and is not part of the NFIP Write-Your-Own program) is NOT considered continuous coverage.*
- **If you qualify as Newly Mapped**, your policy can be written using the Newly Mapped rating tables and occupancy types eligible for this rating include but are not limited to:
  - PRE-FIRM\* NON-PRIMARY RESIDENCES.
  - PRE-FIRM\* BUSINESS PROPERTIES.
- **FEDERAL FLOOD INSURANCE COVERAGE (A NFIP POLICY) MUST BE CONTINUOUS FOR A PROPERTY TO REMAIN ELIGIBLE FOR THE NEWLY MAPPED PROCEDURE IN THE FUTURE.**
- A building that loses eligibility for the Newly Mapped procedure either due to a gap in coverage (that includes leaving the NFIP for a private insurance carrier) or ineligibility due to losses (i.e. too many claims), would be actuarially rated (using post-FIRM tables) and in most cases need an Elevation Certificate to be rated.

EXAMPLE: Mary has a pre-FIRM\* single family home that is her primary residence and is eligible for the Newly Mapped procedure. She has a policy underwritten by the NFIP. Mary sells her home to Tracy, who plans to use the property as a rental.

- Scenario A. Tracy doesn’t (flood) insure the building. Then the building loses it eligibility for the Newly Mapped procedure rating – *forever.*
- Scenario B. Mary transfers the NFIP policy to Tracy, whom initially insures the building, but later decides to drop the insurance because she doesn’t perceive a threat due to flooding. The building loses it eligibility for the Newly Mapped procedure rating – *forever.*
- Scenario C. Tracy purchases a flood policy through a private insurance carrier. The building loses it eligibility for the Newly Mapped procedure rating – *forever.*
- Scenario D. Mary transfers the NFIP policy to Tracy and she maintains that policy throughout the entire time of her ownership, then the next property owner (Stefan) will be eligible for a NFIP policy using the Newly Mapped procedure rating!!!

*\*Pre-FIRM – older buildings built before the INITIAL FLOOD INSURANCE RATE MAP. Generally in the 1980’s for Montana, but varies by community.*

## WHO TO CONTACT TO LEARN MORE

LOCAL	FEDERAL (FEMA)
Your insurance agent	Marijo Brady, 303-235-4835, <a href="mailto:Marijo.Brady@fema.dhs.gov">Marijo.Brady@fema.dhs.gov</a>
Your community floodplain administrator	Diana Herrera, 303-235-4988, <a href="mailto:Diana.Herrera@fema.dhs.gov">Diana.Herrera@fema.dhs.gov</a> Erin May, 303-550-3658, <a href="mailto:emay@nfip-iservice.com">emay@nfip-iservice.com</a>