

## Reduce Your Risk

# Reduce Your Insurance Premium

As risks change, insurance premiums also change to reflect those risks. Your flood insurance premiums may be on the verge of an increase. The *Biggert-Waters National Flood Insurance Reform Act of 2012* provides long-term changes to the National Flood Insurance Program (NFIP).

<http://www.fema.gov/flood-insurance-reform-act-2012>

Under the new law, flood insurance rates may increase to reflect the true flood risk of your home or business, and many Federal insurance discounts will be reduced and eventually eliminated. The Biggert-Waters Act will phase out subsidized premium rates and move to a risk-based system that could raise premiums by 20 percent annually over the next 4 years.

Grandfathered properties will be subject to annual increases of not more than 18 percent until the rate is made actually sound for the property's grandfathered flood risk, not the actual flood risk.

Second homes, businesses and properties with flood loss history are subject to a premium increase of 25 percent each year until they reach actuarial rates.

Some changes will depend on external factors such as when flood risk maps are revised, buildings damaged or improved, or when flood claims are filed.

## **FLOOD INSURANCE CHANGES MIGHT AFFECT YOU**

### **What You Need to Know If Your Home or Business has Been Flooded or is at Risk of Flooding Build Back Safer and Stronger**

If your home or business was damaged or destroyed by a flood, you face major life decisions regarding your property.

Do you Repair?

Do you Rebuild?

Do you Relocate?

The decisions you make now can help provide a safer, stronger future for you and your family. If you decide to repair or rebuild here are some points to consider:

- The risk you faced yesterday might be the same risk you face today or in the future.
- By rebuilding higher, you can reduce or avoid future flood loss and reduce the impact on your finances.
- The financial consequences of not having flood insurance coverage could be devastating if another flood occurs.

To learn how to build safer and stronger communities and potentially decrease your flood insurance premiums, visit: <http://www.fema.gov/building-science>.



Maryland Emergency Management Agency

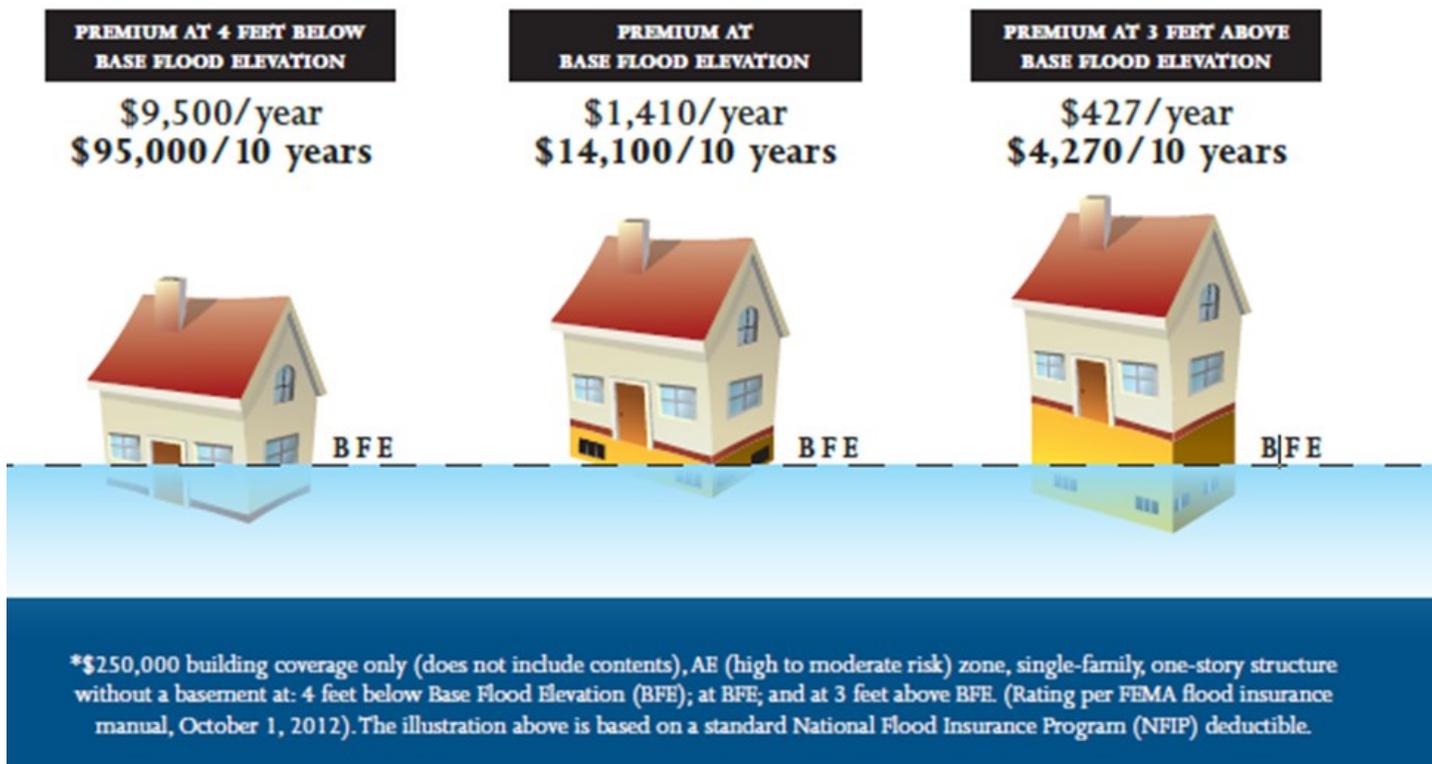
5401 Rue Saint Lo Drive  
Camp Fretterd Military Reservation  
Reisterstown, Maryland 21136  
<http://mema.maryland.gov>

Phone: 410-517-3600  
Fax: 410-517-3610  
Toll-free: 877-MEMA-USA

A primary way to reduce or avoid future flood losses is to elevate your building above the Base Flood Elevation (BFE). You could reduce your flood insurance premium by 85% or more and save thousands of dollars over the life of your home or business.

*Base Flood Elevation (BFE) – The elevation shown on the Flood Insurance Map (FIRM) for high risk flood zones (“A” and “V”) indicates the water surface elevation resulting from a flood that has a one percent chance of equalling or exceeding that level in any given year.*

## Under the Flood Insurance Reform Act of 2012, You Could Save More than \$90,000 over 10 Years if You Build 3 Feet above Base Flood Elevation\*



### MEMA – Hazard Mitigation Assistance

Administered by the Maryland Emergency Management Agency, the Hazard Mitigation Assistance Program provides grants to state and local governments to implement long-term hazard mitigation measures that will reduce or eliminate losses from future disasters. Funds may be used to elevate or acquire and demolition structures that are located in flood prone property.

For FEMA Hazard Mitigation Assistance guidance and to see if you are eligible to receive grants, go to:

<http://www.fema.gov/hazard-mitigation-assistance>

Important considerations:

- Elevation of your property can significantly lower your flood insurance premium.
- Mitigation projects reduce the cost of taxpayers dollars obligated for disaster relief.
- The Hazard Mitigation Grant Program (HMGP) provides for 75% of the total project cost.
- Houses constructed to National Flood Insurance Program (NFIP) standards have 80% less damage from floods than structures that were not built to those standards.
- MEMA has funded 227 property acquisitions and elevations over the past decade.

For more information, contact Mark James, State Hazard Mitigation Officer, at 410-517-3649 or [mark.james@maryland.gov](mailto:mark.james@maryland.gov).