



For more information about the  
NFIP and flood insurance, call  
**1-800-427-4661**  
or contact your  
insurance company or agent.

For an agent referral, call  
1-888-435-6637  
TDD 1-800-427-5593  
<http://www.fema.gov/business/nfip>  
<http://www.floodsmart.gov>

*National Flood Insurance Program*

# How the NFIP Works



**FEMA**

# Emergency Program of the NFIP

**1. Community applies for participation** in the National Flood Insurance Program (NFIP) either (a) as a result of interest in eligibility for flood insurance, or (b) as a result of receiving notification from FEMA that it contains one or more Special Flood Hazard Areas (SFHAs). Application includes adopted resolutions or ordinances to minimally regulate new construction in SFHAs.

**2. FEMA authorizes the sale of flood insurance in the community** up to the Emergency Program limits. FEMA assesses the community's degree of flood risk and development potential.

**3. If appropriate, FEMA Arranges for a study of the community** to determine base flood elevations and flood risk

zones. Consultation with the community occurs at the start of and during the study. Communities with minimal flood risk are converted to the Regular Program without a study.

**4. FEMA provides the studied community with a Flood Insurance Rate Map** delineating base flood elevations and flood risk zones. The community is given six months to adopt base flood elevations in its local zoning and building code ordinances, and to meet other requirements.

**5. Community adopts more stringent ordinances,** and FEMA converts the community to the NFIP Regular Program.

*Note: Conversions generally occur within six months.*

## Emergency Program Flood Insurance Coverages

### Building Coverage

|                                |             |
|--------------------------------|-------------|
| Single Family                  | \$ 35,000*  |
| Two-to-Four Family             | \$ 35,000*  |
| Other Residential              | \$100,000** |
| Non-Residential/Small Business | \$100,000** |

### Contents Coverage

|                                |           |
|--------------------------------|-----------|
| Residential                    | \$ 10,000 |
| Non-Residential/Small Business | \$100,000 |

\*In Alaska, Guam, Hawaii, and the US Virgin Islands, the amount is \$50,000

\*\*In Alaska, Guam, Hawaii, and the US Virgin Islands, the amount is \$150,000

# Regular Program of the NFIP

**1. FEMA authorizes the sale of additional flood insurance** in the community up to the Regular Program limits.

**2. Community implements** adopted floodplain management measures.

**3. FEMA arranges for periodic community assistance visits** to provide

technical assistance in complying with NFIP floodplain management requirements.

**4. Local officials may request flood map updates** as needed. FEMA evaluates requests, encourages cost-sharing, and issues revised maps as priorities dictate.

## Regular Program Flood Insurance Coverages

|                                | Basic Insurance Limits | Additional Insurance Limits | Total Insurance Available |
|--------------------------------|------------------------|-----------------------------|---------------------------|
| <b>Building Coverage</b>       |                        |                             |                           |
| Single Family                  | \$ 60,000 /            | \$190,000                   | \$250,000                 |
| Two-to-Four Family             | \$ 60,000 /            | \$190,000                   | \$250,000                 |
| Other Residential              | \$175,000 /            | \$ 75,000                   | \$250,000                 |
| Non-Residential/Small Business | \$175,000 /            | \$325,000                   | \$500,000                 |
| <b>Contents Coverage</b>       |                        |                             |                           |
| Residential                    | \$ 25,000 /            | \$ 75,000                   | \$100,000                 |
| Non-Residential/Small Business | \$150,000 /            | \$350,000                   | \$500,000                 |

**Notes:** The purchase of flood insurance is mandatory as a condition of receipt of federal or federally-related financial assistance for acquisition and/or construction of buildings in SFHAs of any participating community. Those communities notified as flood-prone which do not apply for participation in the NFIP within one year of notification are ineligible for federal or federally-related financial assistance for acquisition, construction, or reconstruction of insurable buildings in the SFHA. Conventional loans for these purposes are available in the SFHA of nonparticipating communities at the lender's discretion.

NFIP: National Flood Insurance Program

SFHA: Special Flood Hazard Area

FEMA: Federal Emergency Management Agency