NFIP Reform 2012 and 2014

Changing the Flood Risk Paradigm: State and Local Perspective
There's the floodplain. Now where do we go from here?
Issues

• Local
  – No consensus
    • “It is about time that folks pay their own way”
    • “It is the worst legislation ever passed by Congress”
  – Impacts
    • “It is killing our community/real estate market.”
    • “Meh . . . what impact?”
    • Needing to know a lot more about other aspects of the NFIP
    • Mitigation resources
Issues

• State
  – Tireless and tired!
  – State legislation to limit insurance impacts
    • Florida – encourage private market participation
    • Massachusetts – Limit what lenders can require
  – Good mapping becomes more important
    • Real ramifications if not identified today but mapped tomorrow
    • Mapping coverage across the country not even close to where it needs to be
Options & Action

- Property Owners
  - Identify what full-risk rate is; get an EC
  - Look into effect of higher deductibles
  - Look into rate-reducing mitigation actions; e.g.
    - Add vents
    - Use Breakaway walls
    - Fill in/up enclosures
    - Elevate

<table>
<thead>
<tr>
<th>Elevation Level</th>
<th>Premium at 4 feet below BFE</th>
<th>Premium at base flood elevation</th>
<th>Premium at 3 feet above BFE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,500/year $95,000/10 years</td>
<td>$1,410/year $14,100/10 years</td>
<td>$427/year $4,270/10 years</td>
</tr>
</tbody>
</table>

BFE = Base Flood Elevation
Options & Action

• Communities and States
  – Join CRS/Increase CRS Rating
  – Be aware of potential mitigation grants
  – Provide technical advice and build capacity to do so
    • Have Certified Floodplain Managers on staff
    • Elevation Certificates
    • Building/Rebuilding to reduce flood risk
    • Redouble focus on mitigation planning and develop sound actions to mitigate risk
Options & Action

• Communities and States
  – Create state and local mitigation programs
    • Mitigation Rebate Programs
    • Tax incentives
    • Grant programs that provide local match to federal programs
    • Duplicate underfunded federal programs
  – Implement higher standards
    • Freeboard (not just one foot anymore)
    • Standards for areas outside FEMA 100-year floodplain but where flood losses occur
Flood Assistance Program

Flood Articles and Information
Flooding and Flood Protection Information

Established in 1994, the Village's Floodplain Management Plan was created to provide technical and financial assistance to residents of South Holland. Due to this program being established, residents of South Holland now receive a 25% discount when purchasing Federal Flood Insurance.

In addition, the Village of South Holland has established a unique rebate program available to all property owners residing in South Holland, who wish to complete flood control support projects within their home.

Rebate Program Details:

Objective: To promote and encourage flood awareness to residents of the Village of South Holland, so that proper steps may be taken to prevent future problems within the home, while providing financial assistance to encourage flood control projects to be completed.

Details: This program is designed to offer residents a 25% rebate on flood control projects, with a maximum rebate of $2500.00 per home.

Qualifying Projects:
- Installation of overhead sewers
- Repair of foundation cracks
- Waterproofing of foundation walls
- Installation of drain tiles
- Diversion of downspouts
- Construction of flood walls
GENERAL INFORMATION
Individuals, estates and trusts may subtract from their federal taxable income certain costs incurred while performing wildfire mitigation measures on their property.

LIMITATIONS
- The taxpayer must own the property upon which the wildfire mitigation measures are performed.
- The property must be located in Colorado and within a wild land-urban interface area.
- For tax years 2009 through 2012 only, the wildfire mitigation measures must be authorized by a community wildfire protection plan adopted by a local government within the interface area.
- The total amount of the subtraction cannot exceed $2,500 or the owner’s federal taxable income, whichever is less.
- The deduction is available for tax years 2009 through 2024.
As floodplain management / emergency management professionals, state and local officials, we have a responsibility to be educated and everyone understand options
The present status of floodplain management does not encourage complacency ... On balance, progress has been far short of what is desirable or possible, or what was envisaged at times when the current policies and activities were initiated - GFW

Credit given to the Natural Hazards Observer and Rob Pudim for all illustrations in this presentation