

FLOOD INSURANCE IN FLORIDA

When the rainy season hits Florida, water levels in local ponds and lakes can rise visibly in a matter of days (sometimes hours). Many people living near lakes, rivers and wetlands wonder whether they need flood insurance to protect their homes and possessions. How are you supposed to know whether your home is at risk?

Flood insurance is regulated by the Federal Emergency Management Agency (FEMA) of the U.S. Department of Housing and Urban Development (HUD), which administers the national flood insurance program and establishes flood insurance requirements and premiums for participating communities. Each city and county has the option of participating in the national flood insurance program. Homeowners in participating communities are given discounted flood insurance premiums by insurance companies in consideration of HUD's involvement in the program, but participating communities must agree not to issue building permits for new houses located below minimum elevations established for flood hazard zones. Homeowners in communities which don't participate may still be able to buy flood insurance, but it's much more expensive and many insurance companies won't insure in those areas. You can verify whether your community participates by contacting your local building, stormwater management or engineering department, depending on the jurisdiction.

HUD has promulgated different flood zone categories to describe the risk of flooding in any given area. Zones are established based on a number of considerations, including land elevation, historical rainfall, soil hydrology and local water table levels. Risk of flooding is determined based on how often the zone can be expected to be inundated by flood waters. If it's likely to occur at least once every 100 years, it will be classified a flood hazard zone and minimum elevations will be established for construction of new homes in that zone. FEMA issues maps which enable you to determine whether your property is in a flood hazard zone. You can also find out by submitting a request to the appropriate office of your local government. That office will likely need the requester's name, phone number, and fax number; accompanied by the property's address, tax parcel number assigned by the county property appraiser, and legal description. Some jurisdictions may require a nominal fee for this service.

Although HUD can't require you to buy flood insurance, lenders can require it as a condition to giving you a home mortgage loan. Prior to approving your loan, the lender will require evidence that your property is not located in a flood hazard zone; otherwise, flood insurance may be required. Sometimes only part of your property is located in a flood hazard zone. If that's the case, you can submit a request to the county for a determination that the home itself is located outside the flood hazard zone. If the county can't tell for sure based on FEMA's maps, it may require an elevation certificate from a surveyor, which includes a survey delineating the location and elevation of the home in relation to the elevation established for 100 year floods in that zone. If the home is located above that elevation, you shouldn't need to get flood insurance.

If flood insurance is required by your mortgage lender because you're in a flood hazard area, your insurance premium will be based on the value and type of your home, as well as the actual elevation of the home in relation to the elevation of the flood hazard zone. The higher your home is elevated the lower your premium should be. Even if your home isn't in a flood hazard area, you may still wish to buy flood insurance if part of your property is in a flood hazard area. In either case, your insurance company will need an elevation certificate to confirm the location and elevation of your home in relation to the flood hazard zone, as well as information regarding the value and type of construction of the home. When buying flood insurance, keep in mind that you may also want to insure the contents of your home in addition to the home itself.