

# NATIONAL FLOOD INSURANCE PROGRAM

## FAST FACTS

The NFIP provides people with flood insurance to help reduce the financial risk from flooding. Below are some key facts and figures about the program.

### NFIP POLICY COVERAGE LIMITS

Homeowners, renters and businesses are covered by the NFIP, with coverage limits as follows:



#### HOMEOWNERS

**Building:** \$250,000  
**Contents:** \$100,000



#### RENTERS

**Building:** N/A  
**Contents:** \$100,000



#### BUSINESSES

**Building:** \$500,000  
**Contents:** \$500,000



### NFIP TALKING POINTS



#### FLOOD RISK

- From 2003 through 2023, **99% of counties** in the United States experienced a flood event.
- Flood insurance premiums are determined **based on each individual property's characteristics**, including the flood frequency, elevation, distance from a water source and cost to rebuild.



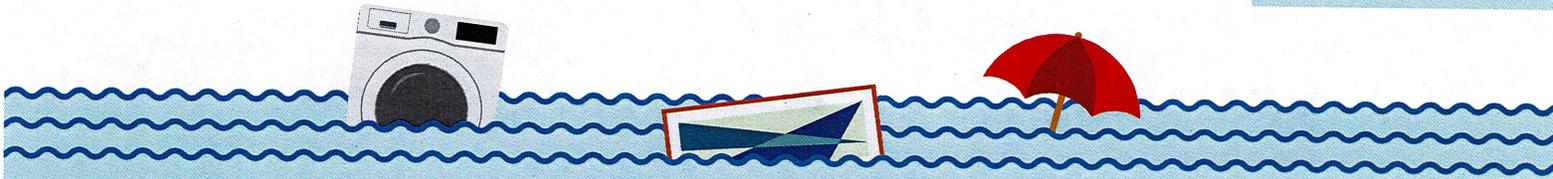
#### IMPORTANCE OF FLOOD INSURANCE

- Most homeowners, commercial and renters insurance policies do not cover flood damage.
- With an NFIP flood insurance policy, you can recover faster and more fully after a disaster. From 2019 to 2023, a grant through FEMA's Individuals and Households Program averaged \$3,208 per household. During the same time period, the average NFIP **claim payment was \$52,000.**
- Even if you don't live near water, your home can still be at risk of flooding due to changing weather patterns and conditions such as construction projects, surface erosion or natural events.



#### THE COST OF FLOODING

- In 2023, the NFIP paid over **21,000 claims** which provided nearly **\$1.0 billion in claim payments.**
- Claims are paid regardless of whether a major disaster declaration was approved by the president.



**NFIP BY THE NUMBERS**

- There are more than 4.6 million active **NFIP policies** in about **22,600 communities** across all 50 states and six territories.
- The NFIP has an overall capacity of approximately **\$13.6 billion to pay claims**, alongside FEMA, which has **\$1.9 billion of total reinsurance coverage** for qualifying NFIP flood losses from a single event.
- The Community Rating System (CRS) accounts for over **70% of all NFIP policies**, benefiting over **3.3 million policyholders**. More than **1,700 communities** participate nationwide, implementing mitigation, floodplain management and outreach activities that exceed minimum NFIP requirements.



**NEW STORM RECORDS**

- The 2020 hurricane season surpassed 2005 as the **most active tropical storm season**, resulting in 30 named storms.
- The 2023 Atlantic hurricane season was the fourth-most active hurricane season on record.
- From 2013 to 2023, **one-third of NFIP flood insurance claims (33%)** came from areas located outside of current high-risk flood areas.
- In 2019, the Midwest and Southern U.S. were impacted by flood events that left damage totaling at least **\$20 billion**.



**CHANGING WEATHER PATTERNS**

- Storms are becoming more frequent, severe, and destructive—**this is our new normal**.
- Preparing for more intense and frequent storms requires increased awareness and mitigation.



**POLICY WAITING PERIOD**

- There is a **30-day waiting period** for a typical NFIP policy to go into effect.
- Damage caused by flooding already in progress prior to the purchase of a policy may not be covered.