



FAQs from the NC Department of Insurance Flood Conferences

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Q: Is flood insurance available everywhere in NC?

A: Flood insurance is available from the National Flood Insurance Program (NFIP) in all communities that participate in the program. The vast majority of NC communities are participating communities.

As of June 2020, there are 28 communities in NC that do not participate with the NFIP. You can see the list of all participating and non-participating communities here:

www.fema.gov/cis/NC.html

In addition, there are private companies that offer flood insurance policies or endorsements for flood coverage.

Check with your licensed insurance agent to find out what flood insurance options are available in your area.

Q: Can renters buy flood insurance?

A: Yes, renters are encouraged to protect their contents from loss by flooding with a flood insurance policy in addition to their renter's insurance.

Q: How long does it take to get flood insurance?

A. If the mortgage company requires flood insurance on the property, you can get coverage on the date of closing. In most other situations, there will be a 30-day wait after applying for flood insurance.

Q: How can I find out the flood zone for a property?

A: There are two websites you can go to find out the flood zone for a property.

The first is fris.nc.gov/fris/ which provides the flood zone and base flood elevation as well as other helpful information.

The second is the NFIP official Map Service Center at msc.fema.gov/portal/home

In addition, the Flood Inundation Mapping and Alert Network site at finman.nc.gov provides additional information about flooding that can occur along North Carolina's rivers and streams.

Q: What is involved in getting an elevation certificate and how much does it cost?

A. Elevation certificates are prepared by licensed surveyors. The pricing depends on the size and complexity of the property and the market rate in your area.

Q: What water damage covered by flood insurance and what is covered by a homeowners policy?

A: Flood insurance covers damage from flood, which is defined as:

“A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is your property) from: Overflow of inland or tidal waters; Unusual and rapid accumulation or runoff of surface waters from any source; Mudflow; or Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.”

Any water damage that results from this definition of flood is only covered if you have flood insurance, regardless of what caused the flood.

A burst pipe in your home or rain that comes through a damaged roof are examples of water damage covered by your homeowners policy.

Q: Are mudflow and landslide considered the same thing?

A. Mudflow is defined as “a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water.” Damage from mudflow is covered by flood insurance, which is a key reason to consider flood insurance for any property on a slope of a hill or mountain.

Landslide or slope failure is when the land crumbles and is not covered by flood insurance, even if the land is wet at the time of the landslide.

Q: Does flood insurance cover property in a basement?

A. If you have an area of your house where all four walls are below grade, it is considered a basement and has limited coverage under the NFIP flood policy.

If at least one side of the area is at or above grade, it is considered the first floor of the home and not a basement.

Stairwells, unfinished drywall, and equipment that services the home such as a sump pump or hot water heater are covered as part of the building. Generally, contents in the basement aren't covered with the exception of a few items such as a clothes washer and dryer.

Flood insurance does not cover basements improvements or any items not necessary to make the home safe, sanitary, or functional.

Your licensed insurance agent can provide you with more information about what is and isn't covered in a basement area of your home.

Q: In a hurricane, there could be both wind and flood damage. How do you determine how much of the damage is from wind and how much is from flood?

A: Often, it is very difficult to precisely determine how much damage is caused by wind and how much is caused by flooding.

Adjusters rely on eyewitness accounts, official weather reports, the damage the house sustained, and any other available relevant information to make the best determination possible.

Q: How is the private flood policy that's been approved for North Carolina different from the policy available from the NFIP?

A: The key advantages of the North Carolina approved flood policy are:

- There is no waiting period for the policy to become effective.
- There is one deductible on the policy. (The NFIP applies the deductible separately to building and contents.)
- There is coverage for additional living expenses and loss of use if the property is damaged by flood and is not livable while repairs are being done.
- Replacement cost coverage is available for more properties than through the NFIP.
- There is no requirement for the flood to cover two properties or two acres of land in order for flood damage to be covered.
- Each company establishes the maximum amount of coverage available so higher limits than the NFIP may be available.
- Rating is more precise, and in many cases the premium is lower than the NFIP premium.
- The NC Department of Insurance has regulatory authority over companies selling the NC flood policy making most claims involving both wind and water easier to resolve.

- There are additional coverage options not available on the NFIP policy.

Q: Where can I buy the new NC flood policy?

A: Contact your insurance agent to find out what flood insurance options are available in your area.

Q: What's the main reason people don't buy flood insurance?

A: Sadly, many people aren't aware of the flood risk for their property or that the typical homeowners policy doesn't cover damage from flooding.

Even if you live outside of the Special Flood Hazard Area, you have a risk of flooding. Properties in the lower risk flood zones may qualify for lower-cost flood insurance.

If it rains where you live, you may need flood insurance. Consult ReadyNC.org and FloodSmart.gov for more information.