



Southwestern Insurance Information Service

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CONSUMER TIP

SIIS Office: (512) 795-8214

SIIS Cell: (512) 965-4001 Jerry
(512) 468-6965 Sandra

FLOOD TIPS FOR CONSUMERS

The National Flood Insurance Program estimates that 90% of all natural disasters involve flooding, and that 25–30% of flood insurance claims are for losses in low risk areas due to an increasing severity of rain storms. In fact, a home has a four times greater risk of flooding than burning during the course of a 30-year mortgage.

Culminating in 2007, following the devastating hurricanes and other flood disasters over the past several years, Federal legislation has addressed flood insurance. Legislation under consideration calls for additional hurricane research, to improve hurricane preparedness, further hurricane research efforts, and facilitate cooperation between agencies during research, planning, and response efforts. Legislation has also directed the Federal Emergency Management Association (FEMA) to review, update, and maintain flood program maps, floodplain information, and flood risk zones.

Additional legislation proposed directs the Army Corps of Engineers to modernize efforts on how to minimize flood risks and modernize water resources. Proposed legislation also directs other agencies to create programs that include the improvement, maintenance and expansion of flood hazard identification through updates and continuous monitoring of flood maps, risk assessment and mitigation planning.

FLOOD FACTS

- Losses caused by flooding are not covered by homeowners, renters or condo insurance. Coverage is available through a separate flood insurance policy.

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- Flood coverage is available for any building located in a community that has qualified for the National Flood Insurance Program (NFIP). Buildings do not have to be located in a floodplain to be eligible for coverage. Most Texas communities qualify for the NFIP.
- Licensed property/casualty insurance agents or brokers can sell the Standard Flood Insurance Policy. The NFIP's toll-free agent referral program is 800-427-4661 for those having difficulty finding coverage.
- Flood damage to vehicles is covered by auto insurance when comprehensive coverage is purchased.

ABOUT THE FLOOD INSURANCE POLICY

- There is a 30-day waiting period before a new or modified flood insurance policy goes into effect, unless it is a condition for obtaining a mortgage.
- The standard flood insurance policy covers direct losses caused by a flood, less an insurance deductible (usually \$500 or \$1,000).
- Flood insurance protects against damages caused by surface flooding only. It does not usually cover damages from sewer backup or sump pump failure. There may be certain conditions when coverage would apply.
- Two types of coverage are available: **structural coverage** for the walls, floors, insulation, furnace and items permanently attached to the insured structure and **contents coverage**. These are purchased separately and carry separate deductibles.
- Homes can be insured up to \$250,000; furnishings and contents coverage is available up to \$100,000. Commercial property limits are \$500,000 on the building and \$500,000 on contents.
- To file a flood insurance claim, contact the insurance agent or company who sold you the policy.

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- The policy offers limited coverage of basements (finished portions would not be covered). Unimproved structural parts such as walls, foundation and utility connections are covered. Coverage usually applies to sump pumps, water tanks, furnaces, air conditioners and clean-up as part of the structural coverage.

BEFORE A FLOOD

Investigate your needs and determine whether to purchase a separate flood insurance policy. Discuss coverage issues with your insurance agent or company representative. Because homeowners insurance coverage varies by company, you might want to investigate whether sewer and drain backup coverage is automatically provided. This is a common claim as a result of heavy rains or flooding. If not covered by your policy, this is often available as an endorsement. A deductible, similar to that of a standard homeowners policy, usually applies.

Complete an itemized inventory of your household furnishings and personal belongings. Photograph or videotape your rooms, making sure to keep copies of these records off-premises, preferably in a bank safe deposit box. These will prove invaluable in the event of a loss.

Establish the safest flood evacuation route from your home and place of business. Normally, evacuating to the closest, highest ground is best in a flood emergency.

If you live in an area that frequently floods, keep a supply of materials on hand to protect your property from damage. These include sandbags, plywood, plastic sheeting and lumber. Don't store valuables in basements. Use shelving units for storage, especially in water-prone basements.

DURING A FLOOD

- Family safety should be the primary concern. Since floodwaters can rise very quickly, be prepared to evacuate before water reaches your home.
- If caught in your house by sudden rising water, move to the second floor or, when necessary, to the roof. Take warm clothing, a flashlight and a portable radio if possible. Wait for help. Do not attempt to swim to safety.

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- Flood waters can be deceptive. Avoid flooded areas if at all possible and don't attempt to walk or drive vehicles through it. If you can't see the ground or roadway in front of you, avoid crossing it since the road could have been washed away by the water's current.
- Except for heat related fatalities, more deaths occur from flooding than any other hazard. Please visit the National Weather Service "Turn Around Don't Drown" website for lifesaving information and outreach materials that can be used to inform others of ways to avoid the dangers of a flash flood. This information is available at www.srh.noaa.gov/tadd.
- If, and only if, time permits, take the following home precautionary steps prior to evacuating a flood area:
 - √ Turn off all utilities at the main switches or valves and close the main gas valve. Do not touch any electrical equipment unless it is in a completely dry area.
 - √ Move valuables to upper floors.
 - √ Fill containers with water in case of contamination.
 - √ Board up windows or protect them with storm shutters.
 - √ Bring outdoor possessions inside or tie them down securely.
- If you are able to evacuate by car:
 - √ Stock car with necessities such as medical supplies, canned goods, water, blankets and dry clothing.
 - √ Keep the gas tank at least half full, since gas station pumps won't work without electricity.
 - √ Don't drive where the water is covering the road. This could indicate a potential road washout.

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- √ Abandon your car if it stalls out in a flooded area. Waters can rise rapidly and sweep the vehicle away.

AFTER A FLOOD

The hours immediately following a flood can be very confusing.

When disaster strikes, response to the emergency begins with the mayor, county judge and other local groups. If local resources cannot meet immediate emergency needs, the mayor or county judge contacts the Governor's Division of Emergency Management (DEM) for assistance in coordinating response and recovery efforts and to request additional resources.

The Texas DEM would request assistance from the Federal Emergency Management Agency if warranted by the size of the disaster.

First responders, including local fire and police units, as well as rescue personnel, respond immediately and can be joined rapidly by volunteers from service agencies.

CLEANING UP AFTERWARDS

- If you have any flood damage, immediately notify your insurance agent or company and follow their instructions.
- Prior to entering a building, check for structural damage.
- Turn off any outside gas lines and let the house air out prior to entering.
- Upon entering a building, use a battery-powered flashlight for your source of light. Do not use an open flame in case of a gas build-up.
- Watch for electrical shorts or live wires, and make certain the electric is turned off at the main switch.

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- Cover broken windows and holes in the roof or walls to prevent additional damage.
- Begin immediate cleanup measures to prevent health hazards. List and photograph perishables before discarding.
- Refrigerators, sofas and other items should be hosed off and kept for the insurance adjuster's inspection. Take pictures of all damage.
- Shovel mud while it is moist to give walls and floors a chance to dry.
- Flooded basements should be drained as soon as possible. If water is pumped too quickly, structural damage could occur. After flood waters subside, drain the basement in stages, about 1/3 of the water volume each day.

FLOOD TERMINOLOGY

- **Flood:** A condition that occurs when water overflows the natural or artificial confines of a stream or body of water, or accumulates by drainage over low-lying areas.
- **General River Flooding:** Follows long-term heavy rain, snow melt or their combination. Usually occurs slowly, allowing more time to move people and property to safety.
- **Urban and Small Stream Floods:** Occurs when heavy rain falls resulting in flooded streets, underpasses or drainage ditches in urban areas, and creeks in rural areas. Not usually life-threatening on its own, but can be if motorists drive through a flooded roadway or children play near a storm drain or drainage ditch.

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- **Flash Floods:** Life-threatening floods from heavy rains occurring in a short period of time, usually in hilly or mountainous areas.
- **Flood/Flash Flood Watch:** Usually issued for several hours indicating that conditions are favorable for possible flooding or flash flooding.
- **Flood/Flash Flood Warning:** Issued when flooding or flash flooding is imminent or occurring. This indicates a need to take protective measures.

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