HOMEOWNERS FLOOD INSURANCE AFFORDABILITY ACT

CHANGES EFFECTIVE APRIL 1, 2016

What you need to know
On April 1, 2016, further changes will be implemented to the National Flood Insurance Program (NFIP) through the Homeowner Flood Insurance Affordability Act (HFIAA) of 2014. These changes will happen at policy renewal after April 1, 2016.

The following limitations will be in effect

- Premium rates for four categories of Pre-FIRM subsidized policies - non-primary residential properties, business properties, Severe Repetitive Loss (SRL) properties (which includes cumulatively damaged properties), and substantially damaged/substantially improved properties - must be increased 25 percent annually until they reach full-risk rates;

- The average annual premium rate increases for all other risk classes are limited to 15 percent while the individual premium rate increase for any individual policy is simultaneously limited to 18 percent;

- The average annual premium rate increase for Pre-FIRM subsidized policies must be at least 5 percent;

- There is no change in the deductible factor.

Details on reverse side
Premium Increases and Surcharges

**Pre-FIRM Subsidized Policies (AE and VE Zones)**
- **Primary Residences:** The combined premium increase for all primary residence policies in these zones will have a total increase of 5 percent.
- **Non-Primary Residences:** The combined premium increase for non-primary residence policies in these zones will have a total increase of 21 percent.

**V Zones (coastal high-velocity zones)**
- **Post-FIRM V Zones:** Premiums will have a total increase of 9 percent.

**A Zones (one percent annual change of flooding zones)**
- **Post-FIRM Zones:** Premiums will have a total increase of 8 percent.
- **Shallow flooding zones:** Premiums will have a total increase of 4 percent.
- **A Zones without elevations:** Premiums will have a total increase of 12 percent.

**X Zones (zones outside the Special Flood Hazard Area)**
- **Standard-Rated Policies:** Premiums will have a total increase of 3 percent.
- **Preferred Risk Policies (PRPs) (policies on buildings that are currently mapped outside the SFHA):** Premiums will have a total increase of 4 percent.
- **Policies for Properties Newly Mapped into the SFHA:** Premiums will have an average increase of 4 percent.

**Pre-FIRM Subsidized Non-Residential Business Properties**
- Premiums will have a total increase of 25 percent.

**Reserve Fund Assessment and Federal Policy Fee**
- **Preferred Risk Policies (PRPs):** Reserve Fund will increase from 10 percent to 15 percent.
- **The Federal Policy Fee:** Will increase from $22 to $25 for PRPs and from $45 to $50 for standard-rated policies.

If you have questions concerning these policy changes from the NFIP, please contact the City at 727-893-SAVE (7283).