



HOMEOWNER RECOVERY PROGRAM Fact Sheet: Flood Insurance Requirements

Purpose: This fact sheet outlines the flood insurance requirements for applicants who receive a grant award from the ReBuild NC Homeowner Recovery Program and whose damaged properties are located in an area that FEMA has designated as a Special Flood Hazard Area (SFHA).

Instructions: The Primary Applicant should read each question and answer thoroughly before printing their name, and signing and dating this document, acknowledging that they have received this information and understand the flood insurance requirements.

Warning: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States government.

Who is required to maintain structural flood insurance on their property?

Anyone who has previously received flood disaster assistance that contains a conditional requirement of obtaining and maintaining structural flood insurance is required to obtain and maintain structural flood insurance coverage.

How do I know if my home is located in a SFHA?

If you are in a SFHA, ReBuild NC would have required you to provide a policy as part of the Program. Additionally, you can check online at <https://msc.fema.gov/portal> or [contact your local floodplain administrator](#).

Are there ever changes to which properties fall within a SFHA?

Yes, FEMA continues to review and update flood data. You can check with your local floodplain manager to confirm which maps are in effect for your community, or check online at <https://msc.fema.gov/portal>.

How much flood insurance am I required to have?

HUD guidelines require you to insure your home for the maximum insurable amount available through FEMA's National Flood Insurance Program (NFIP), or the total project cost, whichever is lesser. See 42 U.S. Code § 4012a. Your insurance agent can help you determine your home's replacement cost.

How long do I have to maintain the structural flood insurance coverage?

You must purchase and maintain structural flood insurance on your home for as long as you own it. Failure to maintain flood insurance could result in the denial of future federal disaster assistance.

What documents can I provide to the Program to show I have flood insurance coverage?

The following documents can be used to demonstrate that you have obtained flood insurance coverage:

- Declaration sheet or ACORD form describing the obtained coverage
- Application for flood insurance from your insurance company, accompanied by a proof of payment issued by the company
- National Flood Insurance Program flood insurance policy
- Flood insurance policy from a private insurance company authorized to participate in the National Flood Insurance Program

What are my responsibilities when I sell or transfer ownership of the property?

Once the damaged property has received federal disaster relief assistance, if you sell or transfer ownership of the property, you must notify the new owner of the federal requirements to obtain and maintain structural flood insurance. This written notification must be included in the transfer of ownership documents.





Can I just tell the new owner(s) about these rules and that I received assistance from the ReBuild NC Homeowner Recovery Program?

No. Federal law states that notice of flood insurance requirements must be included in the document(s) provided to the new owner(s) at the time of a sale, donation, or other transfer of the property.

What happens if I do not provide notice to the new owner in the transfer documents?

Properties that have previously received federal disaster relief assistance are only eligible for future assistance if they have obtained and maintained appropriate structural flood insurance.

When a new owner is not notified of the requirement to obtain and maintain flood insurance, if the property is damaged by a future flood disaster, they might apply for and receive federal disaster relief assistance.

Federal law states that if the new owner(s) was never notified of the flood insurance requirements and ultimately receives additional assistance, you will be required to pay the government back for the total amount of disbursed disaster relief assistance.

Further information about flood insurance requirements is available in the Flood Insurance section of the applicant's Grant Agreement.

Applicant Acknowledgement		
I acknowledge that I was provided a copy of the ReBuild NC fact sheet on flood insurance requirements and understand my responsibilities.		
_____	_____	_____
<i>Primary Applicant Signature</i>	<i>Primary Applicant Print Name</i>	<i>Date</i>

