



State of Nevada  
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Department of Business and Industry  
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# NEVADA DIVISION OF INSURANCE

BRETT J. BARRATT, COMMISSIONER

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## **Flood Danger: Now is the Time to Prepare**

**CARSON CITY** – Winter storms in Northern Nevada have created a large snowpack in the Sierra mountains, which poses a risk of flooding due to melting as temperatures climb. Commissioner of Insurance Brett J. Barratt urges all Nevadans to check their homeowners' insurance coverage and determine if they need flood insurance to adequately protect their assets.

Warmer temperatures in the spring season can rapidly melt the snowpack, increasing the potential for river and small streams to flood. The Nevada Division of Insurance urges consumers to be aware that flood damage is not covered under standard homeowner and tenant policies.

*"One of the most common and most devastating myths is that homeowners' insurance will cover flood damage," Insurance Commissioner Barratt says. "Flooding is a natural disaster that Nevadans face, and it can occur at any time of year. We urge consumers to check now and make sure they have the protection they need."*

### **Flood Safety**

Consumers are urged to use extreme caution after a flood has occurred as downed power lines, contamination from oil, gasoline or raw sewage, and moving water can create hazardous conditions. Do not approach or enter any structure that has sustained flood damage until the authorities declare it to be safe.

The Division recently published an updated [Nevada Consumer's Guide to Flood Insurance](http://doi.nv.gov/scs/doc/FloodInsurance_C.pdf) ([http://doi.nv.gov/scs/doc/FloodInsurance\\_C.pdf](http://doi.nv.gov/scs/doc/FloodInsurance_C.pdf)) that contains valuable information about how Nevadans can check if their homes are in a high-risk flood zone. They can also check how, and in what amount, flood insurance can be purchased, and what to do in case of flood damage.

*"It is important to plan ahead," Commissioner Barratt adds. "A flood insurance policy will usually not become effective until 30 days after the policy is purchased."*

### **About Flood Insurance**

Flood insurance coverage is a federal program backed by the National Flood Insurance Program (NFIP) and administered by the Federal Emergency Management Agency (FEMA).

Since Hurricane Katrina in 2005, the NFIP's authority has been subject to numerous short-term extensions by Congress, with several noteworthy lapses. During the periods of lapse, consumers were unable to purchase flood insurance policies, delaying the closings of sales for homes in flood zones. The NFIP was temporarily extended by the Congress until September 30, 2011, while discussions regarding the possible reauthorization of this program on a non-temporary basis continue.

Commissioner Barratt remarked. "*Consumers who would like to obtain flood insurance should do so while it is certain that the program will be accepting new applications.*"

The [Nevada Consumer's Guide to Flood Insurance](#) contains information on possible options Nevadans may have available to them for purchasing flood coverage if NFIP is not available.

Nevada consumers should be aware that FEMA regularly reviews and updates the flood maps for communities in Nevada. If the new flood maps result in the placement of a home in one of the high-risk flood zones, the affected homeowners who have a federally backed mortgage will be required to purchase a mandatory policy of flood insurance.

The NFIP website (<http://www.floodsmart.gov>) and the FEMA website (<http://www.fema.gov/hazard/flood/index.shtm>) offer valuable and extensive information about flood risk and flood insurance including a listing of local area agents trained to sell flood insurance, a tool to determine whether or not your property is in a flood zone, and a tool to estimate your annual premium for flood insurance. In addition, the FEMA website offers tips on what to do before, during and after many types of disasters - including floods.

Commissioner Barratt urges consumers to contact their homeowners' insurance agent or insurance company to confirm whether flood insurance is available to them and what it would cost. Consumers should ask their insurance agent or insurance company to fully explain any homeowners' insurance policy exclusions related to flood and water damage. They also should ask about any determinations concerning related concurrent causes of loss, such as rain, wind and weight of ice or snow, which may be covered by their policy, irrespective of other damage that may be excluded from coverage.

## **More Information**

To learn more about flood insurance, call toll free by dialing 1-888-379-9531 or visit the NFIP's website: <http://www.fema.gov/business/nfip> .

The Division encourages consumers to contact the Division's Consumers Services staff at (775) 687-0700 or (702) 486-4009 with any questions they may have.

The "Flood Insurance - Nevada Consumer's Guide" is available at the Division's Carson City and Las Vegas offices, and can also be downloaded from the Division's website at [http://doi.nv.gov/scs/doc/FloodInsurance\\_C.pdf](http://doi.nv.gov/scs/doc/FloodInsurance_C.pdf).

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