

## New Interactive Maps Provide Visibility into Flood Insurance Premium Changes Coming with FEMA's Risk Rating 2.0

*Get an accurate national and local snapshot of projected rate decreases and increases with interactive online tools*

MADISON, WI – September 21, 2021 – The Association of State Floodplain Managers (ASFPM), in collaboration with The Pew Charitable Trusts, today unveiled interactive maps that show where flood insurance rates are expected to decrease, increase, or remain the same — and by how much — under the Federal Emergency Management Agency's (FEMA) new pricing structure: Risk Rating 2.0: Equity in Action.

Starting October 1, Risk Rating 2.0 will fundamentally change the way FEMA rates a property's flood risk and prices insurance for the more than five million National Flood Insurance Program (NFIP) policyholders.

The new methodology incorporates more flood risk data variables to more accurately reflect a property's individual flood risk, including the frequency and types of flooding, such as river overflow, storm surge, coastal erosion, and heavy rainfall — and the distance to a water source along with property characteristics, such as elevation and the cost to rebuild. Including a property's replacement cost value in the new methodology was a major component in the delivery of equitable rates.

ASFPM developed the maps as a more user-friendly format for floodplain management professionals, practitioners, and local leaders to gain greater insight into the new rating system so they can better understand and communicate what's occurring in their communities.

"There is a fair amount of information available on Risk Rating 2.0 but getting that data out of spreadsheets is challenging. This new tool should help," said **Chad Berginnis, ASFPM's executive director**. "Floods are this nation's most frequent and costly natural disasters and the trends are worsening. It's important that people know their risk and buy flood insurance to help protect their homes and businesses. It's equally important that communities take steps to minimize flood risk."

ASFPM used datasets from FEMA's [NFIP policyholder information](#) to create the easy-to-use data visualization tool. The data are broken down across four categories — ranging from a decrease in premiums to an increase of \$20/month or more. A color-coded scale indicates the percentage of policyholders in each category.

The state-level interactive map at [no.floods.org/rr2changes](https://no.floods.org/rr2changes) breaks down projected premium changes for each state and territory. The interactive map also includes corresponding pie charts and data tables that provide policy and percentage change breakdowns.

For those who wish to take a deeper dive, there is also an interactive map by zip code for existing single-family home policies at [no.floods.org/rr2sfh](https://no.floods.org/rr2sfh) and for all existing NFIP policies at [no.floods.org/rr2all](https://no.floods.org/rr2all).

The data compares a snapshot of policyholder premiums from May 31, 2020 with Risk Rating 2.0 premiums, applying statutory increase limits. The comparison does not attempt to estimate premium increases that might have occurred without the new Risk Rating 2.0 pricing methodology.

“These interactive maps will help local leaders and government officials understand how the new and more equitable flood insurance rates will be distributed,” said **Laura Lightbody, director of The Pew Charitable Trusts’ flood-prepared communities initiative**, which provided support for development of the maps. “In many cases, people have been overpaying for flood insurance; these maps show us that almost 1.2 million policyholders will see decreases very soon.”

This is the program’s first pricing update in more than 40 years.

“Under Risk Rating 2.0, FEMA is fixing longstanding inequities in the NFIP’s flood insurance pricing and establishing a system that is better equipped for the reality of frequent flooding caused by climate change,” said **David Maurstad, senior executive of the National Flood Insurance Program**. “Risk Rating 2.0 is not just a minor improvement, but a transformational leap forward that enables FEMA to set rates that are fairer and ensures rate increases and decreases are both equitable.”

According to FEMA, only 4% of policyholders nationwide are expected to see substantive increases. In a [national rate analysis](#) of current policyholders, FEMA has said 23% will see premium decreases; 66% will see, on average, premium increases of \$0-\$10/month (which is around what the average is now); 7% will see, on average, premium increases of \$10-\$20/month; and 4% will see, on average, premium increases of \$20 or more per month. Individual policyholders should contact their insurance agent for a personalized quote.

### **Background on Risk Rating 2.0**

Risk Rating 2.0 will deliver rates that are actuarially sound, equitable, easier to understand, and better reflect an individual property’s unique flood risk. By communicating flood risk more clearly, the new methodology should help policyholders make more informed decisions on the purchase of adequate insurance and on mitigation actions to protect against flooding. FEMA is implementing the program in two phases:

- **Phase I** – New policies beginning Oct. 1, 2021 are subject to the new pricing methodology. Also beginning October 1, existing policyholders are able to take advantage of immediate decreases in their premiums when the policy renews.
- **Phase II** - Renewals of the remaining existing flood insurance policies will be written to the new plan starting April 1, 2022, allowing policyholders an additional six months to prepare for any adjustments.

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### **About ASFPM**

Founded in 1977, the Association of State Floodplain Managers (ASFPM) is a scientific and educational nonprofit organization dedicated to reducing flood loss in the nation. ASFPM and its 38 chapters represent approximately 20,000 state and local officials as well as other professionals engaged in all aspects of floodplain management and flood hazard mitigation, including management of local floodplain ordinances, flood risk mapping, engineering, planning, community development, hydrology, forecasting, emergency response, water resources development, and flood insurance. Visit us at [www.floods.org](http://www.floods.org).