

# THE FIRST STATE WATERMARK



## *Delaware's Floodplain Management Newsletter*

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### HURRICANE FLOYD FLOODS DELAWARE NCC hit hardest

Heavy rains associated with Hurricane Floyd affected nearly all of Delaware on September 15-16 causing record flooding in Northern Delaware. Western and northern parts of Delaware generally received 8 to 10 inches of rain with isolated reports of a foot of rain.



Hurricane Floyd caused widespread basement and first-floor flooding in New Castle County

As Delaware prepared for possible hurricane force winds along the coast, and was under a hurricane warning, Floyd failed to deliver even tropical storm force winds and coastal communities were spared significant damage.

Damage was initially estimated at \$8 million, a figure which included both public and private property. Back up of sewage into basements was a problem for many New Castle County residents.

### FEMA INTRODUCES NEW ELEVATION CERTIFICATE Revised form being phased in

The Federal Emergency Management Agency has finished a major overhaul of the Elevation Certificate. The new version of this form will become effective on August 1, 1999 and will be mandatory after January 1, 2000. The new form may be downloaded from the FEMA website at [www.fema.gov/nfip/forms.htm](http://www.fema.gov/nfip/forms.htm).

The new form is different from previous versions in several ways. Most notably, a greater number of building elevations is required, including:

- Highest adjacent grade
- Lowest adjacent grade
- Bottom floor of enclosure
- Next highest floor

Also, the presence of Coastal Barrier Resource Act or Otherwise Protected Areas is required. The Delaware Department of Natural Resources and Environmental Control will be sponsoring a workshop on November 18, 1999 at the Dover Modern Maturity Center covering the new Elevation Certificate, as well as other National Flood Insurance Program issues.

For more information, and to register for this seminar please contact Karen Kaden, of DNREC, at (302) 739-4411.

### RATES MAY INCREASE FOR REPETITIVE LOSS BUILDINGS

On August 5, 1999, FEMA published a proposed rule in the Federal Register (Vol. 64, No. 150, pages 42632 & 42633) announcing that it intends to charge full-risk premium rates for certain repetitive loss properties whose owners decline an offer of FEMA mitigation assistance. Comments on FEMA's proposal must be submitted to the Rules Docket Clerk at FEMA (Email: rules@fema.gov) FEMA plans to target 10,000 highest loss structures out of the 48,000 repetitive loss structures currently insured.

These "target repetitive loss buildings," as FEMA calls them, consist of buildings with four or more insured flood losses or two losses that cumulatively exceed a building's value. Under the proposal, FEMA wants to apply full-risk premiums to those owners who decline an offer of mitigation funding to relocate, elevate, or flood proof their buildings. In order to better track this targeted group of policies, FEMA intends to transfer these from Write-Your-Own to the direct side.

The announcement in the Federal Register does not include details of how FEMA intends to implement this new program. Perhaps the details will be contained in an environmental assessment that FEMA stated it plans to prepare.

Many have previously expressed concern to FEMA that a small number of repetitive loss buildings are causing an inordinately large drain on the Flood Insurance Fund. The Association therefore welcomes this repetitive loss initiative and looks forward to working with FEMA toward its effective implementation.

## **"Two Floods and You Are Out of the Taxpayers' Pocket Act of 1999"** **HR 2728**

On August 5, 1999, Representatives Doug Bereuter (R-NE) and Earl Blumenauer (D-OR) introduced a bill aimed at eliminating the NFIP's \$738 million deficit by compelling property owners who make repeated claims to pay actuarial rates to continue in the program. The bill would also authorize \$100 million annually (half from the NFIP fund, and half from general revenue) to be used for flood

mitigation activities aimed at eliminating the repetitive loss problem.

The Bereuter/Blumenauer legislation will make mitigation grants available to help reduce flood damage to repetitive loss properties. It would also impose actuarial insurance rates on property owners who have (1) had more than one claim paid out by FEMA on a property under the NFIP and, (2) refused flood mitigation measures from FEMA. The bill also makes a repetitive loss policyholder that has refused flood mitigation measures ineligible for Federal disaster relief assistance.

"In increasing numbers, homes are being built on coastlines and in other flood plains," Bereuter said. "According to the U.S. Census Bureau, within the next ten years, 75 percent of the United States population will live within 100 miles of the U.S. coastline. Blumenauer said: "It's time to end the wasteful spending, repeated property loss, and threat to public safety that the NFIP program currently allows. "The legislation Mr. Bereuter and I are introducing recognizes that spending Federal dollars to prevent loss is not only more fiscally responsible than continually paying to clean up after the fact, but it's also safer." "This policy is cost effective and will not require more bureaucratic regulations. As usual, a livable community is possible if the Federal Government is a thoughtful partner with citizens and their local government," said Blumenauer.

"With every hurricane and every flood, policyholders are taking advantage of the NFIP and, in turn, the American taxpayer. Americans should not be compelled to subsidize homeowners who choose to live in high flood risk areas. This legislation will force property owners who choose to live in these risky locations to bear the responsibility for their decision. It will ensure that the NFIP is solvent. And, it will protect the American taxpayer," Bereuter said.

Also speaking at the press conference, in support of the legislation, were James Lee Witt, Director of FEMA; David Conrad, of the National Wildlife Federation; and Michael Powell, Co-chair of the ASFPM Mitigation Committee. Both Representatives, as well as Director Witt, thanked the Association for its support and assistance in crafting the legislation.

Press coverage was sparse, probably due to concurrent hearings on the Republican tax cut proposal, but C-SPAN and several newspapers were present. Many of the questions went to the issue of whether the significantly more costly actuarial premiums would make the bill difficult to support. Director Witt noted that people who keep getting flooded do not want to continue to suffer and that no one will see their insurance premiums increase without first being offered the chance to mitigate their flood hazard. Others questioned how the NFIP, currently in the red, could afford the additional \$50 million for mitigation measures. The response was that the NFIP is in the red because it is doing too little to end the repetitive loss problem and that the mitigation expenditures would be a step toward making the Program solvent.

## **LOCAL FLOOD MITIGATION PLANS**

### **Areas with approved Flood Mitigation Plans are eligible for Project grants**

The National Flood Insurance Reform Act of 1994 created the Flood Mitigation Assistance Program and made planning grants available to communities which participate in the National Flood Insurance Program. These planning grants may be used for activities such as identifying flood hazards and structures at risk, recommending code changes, and identifying flood protection projects.

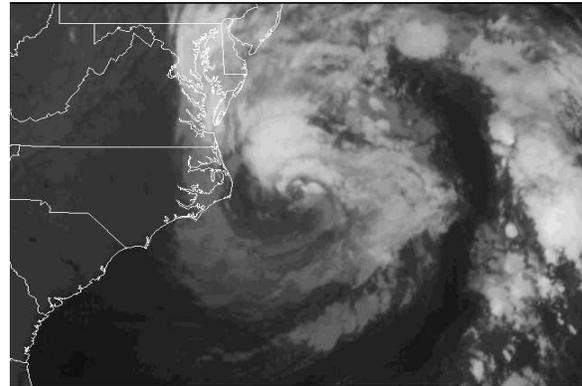
For more information on Flood Mitigation Planning, please contact Michael Powell, of the DNREC Division of Soil and Water Conservation at (302) 749-4411

### **Upcoming Training Programs**

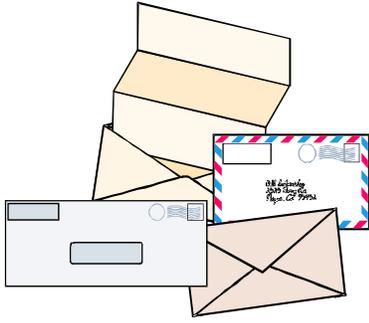
- Elevation Certificate training for surveyors: November 18, 1999, 8:30 a.m. – 12:30 p.m. Dover Modern Maturity Center. Call Karen Kaden at (302) 739-4411.
- Flood insurance training for insurance agents: November 18, 1999, 1:00 p.m. – 4:30 p.m. Dover Modern Maturity Center. Call Karen Kaden at (302) 739-4411.
- Reduce your risk from flood and wind events

An informational session aimed at homeowners. Nov. 10, 1999, 7 – 9 p.m. Room 104, Cannon Lab, College of Marine Studies, Lewes. Call Wendy Carey at (302) 645-4258.

### **Hurricane Dennis Photos**



**Flooding was minor and mostly of the nuisance variety.**



**How to reach the First State Watermark:**

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