



National Flood Insurance Program (NFIP)
April 01, 2017 Program Changes: A Summary
 See: FEMA Bulletin W-16071 April 01, 2017 Program Changes

The changes outlined in this summary apply to new business and renewals that will become effective on or after April 01, 2017.

Premium Increases

All premium increases effective April 01, 2017 comply with all the requirements of both Biggert-Waters Flood Insurance Reform Act of 2012 and the Homeowners Flood Insurance Affordability Act of 2014:

- Premiums will increase from an estimated average of \$827 per policy to \$878 for an average increase of 6.3% (HFIAA surcharge or the Federal Policy Fee are not included)
- When the HFIAA and Federal Policy Fee are included, the total amount billed the policyholder will increase from \$953 to \$1,005 for an average increase of 5.4%
- There is **NO** change to the Deductible Factor, Federal Policy Fee, Reserve Fund Assessment, HFIAA Surcharge, Probation Surcharge or ICC Premiums.

Special Flood Hazard Areas		
Pre-FIRM	Policies rated without an elevation certificate	Combined Premium Increase / Total Increase
Primary Residences	A, AO, AH, A1-A30, AE, A99, AR, V, VE, V1-V30	5% / 5%
Non-Primary Residences	A, AO, AH, A1-A30, AE, A99, AR, V, VE, V1-V30	24% / 21%
Severe Repetitive Loss properties, Substantially Improved properties, and Nonresidential Business	A, AO, AH, A1-A30, AE, A99, AR, V, VE, V1-V30	25% / 23%
Other Nonresidential	A, AO, AH, A1-A30, AE, A99, AR, V, VE, V1-V30	8% / 7%
Other Subsidized Polices		
A99	Receiving PRP Rates (<i>must meet eligibility criteria</i>)	- 64% / -58%
Post-FIRM	Policies rated with an elevation certificate	Combined Premium Increase / Total Increase
All occupancy types	V, V1-30, & VE	7% / 7%
All occupancy types	A1-A30, AE	1% / 1%
All occupancy types	AO, AH, AOB, AHB	Premiums remain unchanged
All occupancy types	Unnumbered A	5% / 4%
Non Special Flood Hazard Areas		
		Combined Premium Increase / Total Increase
Pre-FIRM/Post-FIRM all occupancy types	Preferred Risk Policies (PRP)	Premiums remain unchanged
Pre-FIRM/Post-FIRM all occupancy types	Standard rated B, C, and X	2% / 1%



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Newly Mapped Multiplier Table

Starting January 01, 2018 the multiplier rate for Newly Mapped Policies will be as follows:

**TABLE 6C. NEWLY MAPPED MULTIPLIER FOR POLICIES EFFECTIVE
 JANUARY 01, 2018 THROUGH DECEMBER 31, 2018**

MAP EFFECTIVE DATE	ELIGIBLE TRANSACTION	MULTIPLIER
Oct 2008 - Dec 2014	1. Renewal of a policy written, in its prior term, as a Newly Mapped Policy	1.325
Jan 2015 - Dec 2015	1. Renewal of a policy written, in its prior term, as a Newly Mapped Policy	1.325
Jan 2016 – Dec 2016	1. Renewal of a policy written, in its prior term, as a Newly Mapped Policy	1.150
Jan 2017 – Dec 2017	1. New business if policy effective date is within 12 months of map effective date 2. Renewal of a policy written, in its prior term, as a PRP 3. Renewal of a policy written, in its prior term, as a Newly Mapped policy	1.000
Jan 2018 – Dec 2018	1. New business if policy effective date is within 12 months of map effective date 2. Renewal of a policy written, in its prior term, as a PRP	1.000

Clarification for Pre-FIRM Substantially Improved Buildings

NFIP is clarifying the rating and adjustment of the claims for Pre-FIRM Substantially Improved buildings:

- Policies on substantially improved buildings must be rated based on the FIRM in effect at the time of reconstruction.
- After the building has been substantial improved all subsequent losses on the building will be adjusted in accordance with Post-FIRM rules regardless of rating method.
 - * Also any future loss adjustments will be based on coverage limitations of a Post-FIRM building located in an SFHA.
 - * A statement must be included on the policy declarations page and loss control card that Post-FIRM coverage limitations apply.