

# Flood Insurance Information Sheet for Kentucky

The National Flood Insurance Program (NFIP) is essential to completing half a million property sales each year<sup>1</sup>, but it must be reauthorized by September 30, 2019 to continue providing flood insurance. REALTORS<sup>®</sup> support H.R. 3167 and urge Congress to find a way forward on a long-term NFIP reauthorization.

## Properties at Risk

Every property in the state has some flood risk; wherever it rains, it can flood, yet not all at-risk are insured.

<b>1,984,235</b>	Total housing units, 2017
<b>107,737</b>	Housing units in the state within a 500-year floodplain, 2015 <sup>2</sup>
<b>20,111</b>	Number of NFIP policies in force as of April 30, 2019 <sup>3</sup>
<b>1%</b>	Percent of housing units with an NFIP policy

## Flood Insurance Benefits to Policyholders

For many, owning a property is the biggest source of wealth. The NFIP offers substantially more rebuilding assistance than FEMA's Individuals and Households Program (IHP) for uninsured properties.

<b>\$150,373</b>	Median home value, 2019 Q1 <sup>4</sup>
<b>\$18,544</b>	Average NFIP dollar amount paid on residential claims for properties in the state, 1996–2016 <sup>5</sup>
<b>10,702</b>	Number of NFIP paid claims <sup>5</sup>
<b>\$4,008</b>	Average IHP disaster payment to those without flood insurance in the state, 2006–2016 <sup>6</sup>
<b>16,095</b>	Number of IHP disaster payments <sup>6</sup>

98% of U.S. counties have experienced at least one major flood disaster declaration.<sup>7</sup> Without flood insurance, property owners must turn to the federal government for rebuilding assistance. The total cost to taxpayers of uninsured property damage is \$3.4 billion each year.<sup>8</sup>

<sup>[1]</sup> Source: NAR estimate

<sup>[2]</sup> Source: NYU Furman Center FloodzoneData.us based on FEMA National Flood Hazard Layer as of May 2016

<sup>[3]</sup> Source: NAR tabulation of FEMA Policies Redacted Data Set released July 16, 2019 (data through as of April 30, 2019).

<sup>[4]</sup> Source: NAR estimate using data from U.S. Census Bureau's American Community Survey and Federal Housing Finance Agency Home Price Index

<sup>[5]</sup> Source: FEMA NFIP Historical Residential Claims released March 8, 2017, <https://www.fema.gov/media-library/assets/documents/130222>

<sup>[6]</sup> Source: FEMA IHP Flood Damage released March 13, 2017, <https://www.fema.gov/media-library/assets/documents/130225>

<sup>[7]</sup> Source: FEMA

<sup>[8]</sup> Source: Congressional Budget Office' Expected Costs of Damage from Hurricane Winds and Storm Related Flooding, p.3., April 2019

The one-year cost of flood damage to the residential sector is \$20 billion, of which 17% is for federal disaster assistance (\$3.4 B).

<https://www.cbo.gov/system/files/2019-04/55019-ExpectedCostsFromWindStorm.pdf>