

# National Flood Insurance Program

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# Background

- Former NFIP State Coordinator
- Association of State Floodplain Managers –
  - Past Chair
  - Current Certification Board of Regents Certified Floodplain Manager
- NC Association of Floodplain Managers – 1<sup>st</sup> Chair
- North Carolina Independent Agents and Brokers Association
  - Government Affairs
- National Independent Agents and Brokers Association – The BIG “I”
  - National Flood Committee
- Flood Insurance Producer National Committee (FPINC)
  - 2023-2024 Alternate to the Chair



# NFIP Reauthorization Status

- 25 short-term extensions since September 30, 2017
- Extended through February 2, 2024, pending Senate and Presidential Approval
- Need long-term reauthorization



# Litigation on Risk Rating 2.0

- 14 States have filed litigation



# Community Rating System

- All flood zones now receive the same discount percentage based on CRS class
- Under legacy rating system, Zone X was capped at 5%
- Communities seeing bigger savings



# CRS & NFIP New Rating System Anomalies

- **New NFIP Policies:** New policies receive the full-risk premium with the applicable CRS discount immediately.
- **Existing NFIP Policies:** Existing policies with premium decreases or increases at or below the statutory annual increase percentage receive the full-risk premium with the CRS class discount immediately. Premium increases above the statutory annual increase percentage will gradually go up to the full-risk premium less the CRS class discount.



# CRS & NFIP New Rating System Anomalies, *cont.*

- CRS Class Improvements:** The CRS discount is applied to the full-risk premium ***at the next policy renewal***. Policies on a glidepath will benefit from the additional discount when they reach the full-risk premium.
- CRS Class Retrogrades:** The difference in the CRS discount due to the class retrograde is ***applied at renewal*** and is not subject to the statutory annual increase cap.



# CRS & NFIP New Rating System

## Anomalies, *cont.*

- **Policy at NFIP Maximum Rate, CRS Discount Not Applied in Full:** New and existing policies where the premium after the CRS discount is higher than the premium based on the maximum rate cap will receive the difference in the premium amounts for the CRS discount.
- **CRS Discount Not Applied: Buildings in violation of NFIP regulations,** as noted in Title 44 of the Federal Code, sections 44 and 60.3, will not receive a CRS discount until the violation is resolved and documentation of such is provided. **National Violations Tracker**



# Need more CRS Credit? We can help!

**Up to 40 Points  
Available:**



## **372.f. Flood insurance meeting (FIM)**

The maximum credit for this element is 40 points.

### **Credit Criteria for FIM**

- (1) The community must be receiving CP and CPI credit. FIM is additional credit for plan implementation of a project described in the credited coverage plan.
- (2) The townhall meeting or open house must be for the specific purpose of the promotion, education, and assistance with flood insurance. Other public information may be provided at the event.
- (3) The townhall meeting or open house must be promoted to all community residents and property owners
- (4) The townhall meeting or open house must be held at least once a year.
- (5) Additional credit is provided if a representative of the State Insurance Commissioner's office participates each year in the townhall meeting or open house. Participation means the Insurance Commissioner attends the event or sends a representative, and he or she engages with attendees by speaking or being accessible to answer insurance questions.



Insurance



# Flood me with questions!

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