

**WYOMING DEPARTMENT OF INSURANCE**  
**106 East 6th Avenue, Cheyenne, WY 82002**  
Contact: Denise Burke (307) 777-2450  
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\*\*\*\*\*FOR IMMEDIATE RELEASE\*\*\*\*\*

## **Prepare for Spring Flood Risk**

As Wyoming's snowpack begins to melt and rivers and streams begin to rise, it's important to remember that flooding is not covered by homeowners insurance. Wyoming Insurance Commissioner Tom Glause encourages renters, homeowners, and business owners to better understand their flood risk and insurance coverage following the heavy winter snowfall in some portions of our state. Glause said, "Flooding of Wyoming rivers typically occurs in late spring or early summer as the mountain snowpack melts. Although parts of the state have had a relatively mild winter, some areas are expected to be heavily impacted by the spring run-off."

Several weather factors including snowpack level, temperature, duration of warm temperatures, and additional precipitation can play a role in how the snowpack melts and filters to Wyoming streams, creeks, and rivers. "Take time to learn about how you can better protect yourselves and your property from the destruction brought on by a flood," Glause said. Traditional homeowner's insurance policies do not cover flooding. Because there is a 30-day waiting period before a flood insurance policy kicks in, this is a critical time of year for consumers to talk to their insurance agents about their policy's limits and what other coverage options they have.

Floods are the most common and most destructive of natural disasters in the U.S., with all 50 states having experienced floods or flash floods in the past five years, according to Floodsmart.gov. Although flood damage is not traditionally covered under a standard homeowner's insurance policy, flood insurance is available for renters, homeowners and businesses as a special policy that is federally backed by the National Flood Insurance Program (NFIP), the federal program, managed by the Federal Emergency Management Administration (FEMA) with responsibilities for providing flood insurance, improving floodplain management and developing maps of flood hazard zones. The NFIP allows property owners in participating communities to buy insurance to protect against flood losses. A homeowner is able to purchase excess flood insurance, but they

must be covered by NFIP flood insurance first. For more information, consumers should contact their insurance agent, the NFIP ([www.floodsmart.gov](http://www.floodsmart.gov)) at 1-800-638-6620, or the Wyoming Insurance Department ([www.doi.wyo.gov](http://www.doi.wyo.gov)) or at 1-307-777-7401.

According to FEMA, floods are the nation's most common and costly natural disaster and cause millions of dollars in damage every year. Commissioner Glause reiterated, "a number of Wyoming's communities experience spring run-off and related flooding. As temperatures warm, melting mountain snowpack flows downhill and, unfortunately, into people's basements and yards."

For some, flood insurance is a required condition of their home loan if their home is in a high-risk flood area. But flood insurance isn't normally required just because you own property. According to a 2016 consumer insurance survey by the Insurance Information Institute, 43% of homeowners incorrectly believe that damage from heavy rain flooding is covered under their standard insurance policy.

Congress created the National Flood Insurance Program (NFIP) in the 1960s, following a string of costly catastrophes, including 1965's Hurricane Betsy, which caused more than \$1 billion in damage. Property owners at the time had virtually no way of obtaining flood coverage, as private insurance companies had largely abandoned the market after absorbing crippling losses in the massive 1927 Mississippi River floods.

For over 50 years, the U.S. government has been the only real player in the flood-insurance market, underwriting the vast majority of home and business policies while largely relegating private insurers to a niche supplemental market. Lawmakers on Capitol Hill have been grappling with how to overhaul the federal National Flood Insurance Program, while a vocal faction is pushing to open up the market to private competition. More choices could give homeowners cheaper options. In the meantime, Wyoming property owners should assess their flood risk and seek information about flood insurance to protect themselves before the springtime floods are upon us.