

# What is a Repetitive Loss Structure?



- If you have received two or more claim payments of more than \$1,000 from the National Flood Insurance Program within any rolling 10-year period for your home or business, your property is considered a Repetitive Loss (RL) structure.

## **REPETITIVE LOSS STRUCTURES ARE COSTLY AND POSE A HIGH-RISK THREAT TO RESIDENTS WHO MAY BE THREATENED BY CONTINUAL FLOODING.**

- Structures that flood frequently strain the National Flood Insurance Fund. In fact, RL properties are the biggest draw on the fund. FEMA has paid almost \$3.5 billion in claims for RL properties. RL properties not only increase the National Flood Insurance Program's (NFIP's) annual losses and the need for borrowing funds from Congress, they drain funds needed to prepare for catastrophic events.

## **FEDERAL, STATE AND LOCAL OFFICIALS ARE WORKING WITH COMMUNITIES TO ELIMINATE OR REDUCE THE DAMAGE TO PROPERTY AND THE DISRUPTION TO LIFE CAUSED BY REPEATED FLOODING OF THESE PROPERTIES.**


- Depending on individual circumstances, appropriate mitigation measures commonly include elevating buildings above the level of the base flood, demolishing buildings and removing buildings from the Special Flood Hazard Area (SFHA) as part of a flood control project. Sometimes, mitigation takes the form of a local drainage-improvement project that meets NFIP standards and removes a property or properties from RL or Repetitive Loss Target Group (RLTG) status.

## **FEMA OFFERS FOUR GRANT PROGRAMS TO FUND PRE- AND POST-DISASTER MITIGATION ACTIVITIES.**

- **Hazard Mitigation Grant Program (HMGP)** funds are available following a Presidential disaster declaration. Eligible applicants include states, local governments, American Indian tribal governments, and some private nonprofit organizations. Communities may apply for HMGP assistance on behalf of affected individuals and businesses, and all funds must be used to reduce or eliminate losses from future disasters.
- **Pre-Disaster Mitigation (PDM)** program assists states, American Indian tribal governments and local governments with cost-effective hazard mitigation activities that complement a comprehensive mitigation program. The program provides applicants with an opportunity to raise risk awareness and reduce disaster losses, before disasters strike, through planning grants and project grants. PDM grants are awarded nationally on a competitive basis.
- **Flood Mitigation Assistance (FMA)** program provides funding to states and communities for measures that reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes and other structures insured under the National Flood Insurance Program (NFIP). The program provides grants for mitigation planning and projects with a goal of reducing NFIP claims.

**Repetitive Flood Claims (RFC)** grant program provides funding to reduce or eliminate the long-term risk of flood damage to structures insured under the National Flood Insurance Program (NFIP) that have had one or more claim payment(s) for flood damages. RFC funds may be used only to mitigate structures that are located within a state or community that cannot meet the requirements of the Flood Mitigation Assistance (FMA) program. Eligible applicants include state emergency management agencies or a similar office.





**MOST FLOOD INSURANCE POLICIES INCLUDE INCREASED COST OF COMPLIANCE COVERAGE. THE COVERAGE PROVIDES FOR THE PAYMENT OF CLAIMS UP TO \$30,000 TOWARD THE COSTS TO COMPLY WITH STATE OR COMMUNITY FLOODPLAIN MANAGEMENT LAWS OR ORDINANCES AFTER A FLOOD EVENT IN WHICH THE STRUCTURE HAS BEEN DECLARED SUBSTANTIALLY DAMAGED IN ACCORDANCE WITH THE LOCALLY ENFORCEABLE REGULATION.**

- Increased Cost of Compliance (ICC) coverage can complement other resources by providing a portion of the nonfederal cost share for HMGP grants. Flood insurance policyholders are allowed to assign the ICC claim payments over to the community so that ICC claims can be efficiently combined with mitigation grant funds for acquisition, relocation or similar beneficial projects.
- ICC claims are adjusted separately from flood damage claims. Flood insurance policyholders can only file an ICC claim if their community determines that their home or business has been substantially damaged by a flood. This determination is made when they apply for a building permit to begin repairing their home or business.
- Detailed information on these programs and other related programs is available on the Internet at [www.fema.gov/about/divisions/mitigation/mitigation.shtm#6](http://www.fema.gov/about/divisions/mitigation/mitigation.shtm#6).

