



National Flood Insurance Program

# Community Rating System

A Local Official's Guide to

Saving Lives

Preventing Property Damage

Reducing the Cost of Flood Insurance

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**FEMA**

# How the Community Rating System Works

Every year, flooding causes hundreds of millions of dollars' worth of damage to homes and businesses around the country. Standard homeowners and commercial property policies do not cover flood losses. So, to meet the need for this vital coverage, the Federal Emergency Management Agency (FEMA) administers the National Flood Insurance Program (NFIP).

The NFIP offers reasonably priced flood insurance in communities that comply with minimum standards for floodplain management.

The NFIP's Community Rating System (CRS) recognizes community efforts beyond those minimum standards by reducing flood insurance premiums for the community's property owners. The CRS is similar to — but separate from — the private insurance industry's programs that grade communities on the effectiveness of their fire suppression and building code enforcement.

CRS discounts on flood insurance premiums range from 5% up to 45%. Those discounts provide an incentive for new flood protection

activities that can help save lives and property in the event of a flood.

To participate in the CRS, your community can choose to undertake some or all of the 19 public information and floodplain management activities described in the *CRS Coordinator's Manual*.

You're probably already doing many of these activities. To get credit, community officials will need to prepare an application documenting the efforts.

The CRS assigns credit points for each activity. Table 2 lists the activities and the possible number of credit points for each one. The table also shows the average number of credit points communities earn for each activity. These averages may give a better indication than the maximums of what your community can expect.

To be eligible for a CRS discount, your community must do Activity 310, Elevation Certificates. If you're a designated repetitive loss community, you must also do Activity 510,

Floodplain Management Planning. All other activities are optional.

Based on the total number of points your community earns, the CRS assigns you to one of ten classes. Your discount on flood insurance premiums is based on your class.

For example, if your community earns 4,500 points or more, it qualifies for Class 1, and property owners

in the floodplain get a 45% discount. If your community earns as little as 500 points, it's in Class 9, and property owners in the floodplain get a 5% discount. If a community does not apply or fails to receive at least 500 points, it's in Class 10, and property owners get no discount.

Table 1, below, shows the number of points required for each class and the corresponding discount.

Table 1:

### How much discount property owners in your community can get

Rate Class	Discount		Credit Points Required
	SFHA*	Non-SFHA**	
1	45%	10%	4,500 +
2	40%	10%	4,000 - 4,499
3	35%	10%	3,500 - 3,999
4	30%	10%	3,000 - 3,499
5	25%	10%	2,500 - 2,999
6	20%	10%	2,000 - 2,499
7	15%	5%	1,500 - 1,999
8	10%	5%	1,000 - 1,499
9	5%	5%	500 - 999
10	0%	0%	0 - 499

\* Special Flood Hazard Area

\*\* Preferred Risk Policies are available only in B,C, and X Zones for properties that are shown to have a minimal risk of flood damage. The Preferred Risk Policy does not receive premium rate credits under the CRS because it already has a lower premium than other policies. Although they are in SFHAs, Zones AR and A99 are limited to a 5% discount. Premium reductions are subject to change.

Table 2:

## What You Can Do to Get Credit

The CRS grants credit for 19 different activities that fall into four series:

Series 300	Public Information	Maximum Points*	Average Points*
	<p>This series credits programs that advise people about the flood hazard, flood insurance, and ways to reduce flood damage. The activities also provide data that insurance agents need for accurate flood insurance rating.</p>		
<b>310</b>	<p><b>Elevation Certificates</b></p> <ul style="list-style-type: none"> <li>Maintain FEMA elevation certificates for new construction in the floodplain. (At a minimum, a community must maintain certificates for buildings built after the date of its CRS application.)</li> </ul>	<b>116</b>	<b>46</b>
<b>320</b>	<p><b>Map Information Service</b></p> <ul style="list-style-type: none"> <li>Provide Flood Insurance Rate Map (FIRM) information to people who inquire, and publicize this service.</li> </ul>	<b>90</b>	<b>63</b>
<b>330</b>	<p><b>Outreach Projects</b></p> <ul style="list-style-type: none"> <li>Send information about the flood hazard, flood insurance, flood protection measures, and/or the natural and beneficial functions of floodplains to flood-prone residents or all residents of a community.</li> </ul>	<b>350</b>	<b>63</b>
<b>340</b>	<p><b>Hazard Disclosure</b></p> <ul style="list-style-type: none"> <li>Real estate agents advise potential purchasers of flood-prone property about the flood hazard.</li> <li>Regulations require notice of the hazard.</li> </ul>	<b>80</b>	<b>14</b>
<b>350</b>	<p><b>Flood Protection Information</b></p> <ul style="list-style-type: none"> <li>The public library and/or community's website maintains references on flood insurance and flood protection.</li> </ul>	<b>125</b>	<b>33</b>
<b>360</b>	<p><b>Flood Protection Assistance</b></p> <ul style="list-style-type: none"> <li>Give inquiring property owners technical advice on how to protect their buildings from flooding, and publicize this service.</li> </ul>	<b>110</b>	<b>49</b>
<b>370</b>	<p><b>Flood Insurance Promotion</b></p>	<b>110</b>	<b>0</b>
<b>Series 300</b>	<b>Total</b>	<b>981</b>	<b>268</b>

\*Maximum and average points are subject to change. See the current *CRS Coordinator's Manual* for the latest information.

Series 400	Mapping and Regulations	Maximum Points*	Average Points*
	This series credits programs that provide increased protection to new development.		
410	<b>Floodplain Mapping</b> <ul style="list-style-type: none"> <li>• Develop new flood elevations, floodway delineations, wave heights, or other regulatory flood hazard data for an area not mapped in detail by the flood insurance study.</li> <li>• Have a more restrictive mapping standard.</li> </ul>	802	65
420	<b>Open Space Preservation</b> <ul style="list-style-type: none"> <li>• Guarantee that currently vacant floodplain parcels will be kept free from development.</li> </ul>	2,020	474
430	<b>Higher Regulatory Standards</b> <ul style="list-style-type: none"> <li>• Require freeboard.</li> <li>• Require soil tests or engineered foundations.</li> <li>• Require compensatory storage.</li> <li>• Zone the floodplain for minimum lot sizes of 1 acre or larger.</li> <li>• Require coastal construction standards in AE Zones.</li> <li>• Have regulations tailored to protect critical facilities or areas subject to special flood hazards (for example, alluvial fans, ice jams, subsidence, or coastal erosion).</li> </ul>	2,042	214
440	<b>Flood Data Maintenance</b> <ul style="list-style-type: none"> <li>• Keep flood and property data on computer records.</li> <li>• Use better base maps.</li> <li>• Maintain elevation reference marks.</li> </ul>	222	54
450	<b>Stormwater Management</b> <ul style="list-style-type: none"> <li>• Regulate new development throughout the watershed to ensure that post-development runoff is no worse than pre-development runoff.</li> <li>• Regulate new construction to minimize soil erosion and protect or improve water quality.</li> </ul>	755	119
<b>Series 400</b>		<b>Total</b>	<b>5,841</b>
			<b>926</b>

Series 500	Flood Damage Reduction	Maximum Points*	Average Points*
	This series credits programs that reduce the flood risk to existing development.		
<b>510</b>	<b>Floodplain Management Planning</b> <ul style="list-style-type: none"> <li>Prepare, adopt, implement, and update a comprehensive flood hazard mitigation plan using a standard planning process. (This is a minimum requirement for all repetitive loss communities.)</li> </ul>	<b>622</b>	<b>123</b>
<b>520</b>	<b>Acquisition and Relocation</b> <ul style="list-style-type: none"> <li>Acquire and/or relocate flood-prone buildings so that they are out of the floodplain.</li> </ul>	<b>1,900</b>	<b>136</b>
<b>530</b>	<b>Flood Protection</b> (Protection of existing floodplain development by floodproofing, elevation, or minor structural projects.)	<b>1,600</b>	<b>136</b>
<b>540</b>	<b>Drainage System Maintenance</b> <ul style="list-style-type: none"> <li>Conduct periodic inspections of all channels and retention basins, and remove debris as needed.</li> </ul>	<b>570</b>	<b>214</b>
<b>Series 500</b>	<b>Total</b>	<b>4,692</b>	<b>609</b>

Series 600	Flood Preparedness	Maximum Points*	Average Points*
	This series credits flood warning, levee safety, and dam safety projects.		
<b>610</b>	<b>Flood Warning and Response</b> • Provide early flood warnings to the public, and have a detailed flood response plan keyed to flood crest predictions.	<b>395</b>	<b>144</b>
<b>620</b>	<b>Levee Safety</b> • Maintain existing levees not otherwise credited in the flood insurance rating system that provide some flood protection.	<b>235</b>	<b>0</b>
<b>630</b>	<b>Dam Safety</b> (Communities in a state with an approved dam safety program that have at least one building subject to inundation from the failure of a high-hazard-potential dam receive some credit.)	<b>160</b>	<b>0</b>
<b>Series 600</b>	<b>Total</b>	<b>790</b>	<b>144</b>
<b>All Series</b>	<b>Total</b>	<b>12,304</b>	<b>1,947</b>

# Extra Credit

Your community can get extra credit for regulating development outside the SFHA to the same standards as development inside the SFHA. Also, if your community faces growth pressures, the mapping and regulation activities in Series 400 receive extra credit. See the *CRS Coordinator's Manual* for full details.

Many communities can qualify for what the CRS calls “uniform minimum credit,” based on the activities a state or regional agency implements on behalf of its communities. For example, some states have disclosure laws eligible for credit under Activity 340, Hazard Disclosure. Any community in those states can receive the uniform minimum credit.

Your community may want to consider floodplain management activities not listed in the *CRS Coordinator's Manual*. You should evaluate these activities for their ability to increase public safety, reduce property damage, avoid economic disruption and loss, and protect the environment. In addition, you can request a review of these activities to determine whether they should be eligible for CRS credit. FEMA welcomes innovative ways to prevent or reduce flood damage.



# How to Apply

Participation in the CRS is voluntary. If your community is in full compliance with the rules and regulations of the NFIP, you may apply. There's no application fee, and all CRS publications are free.

Your community's chief executive officer (that is, your mayor, city manager, or other top official) must appoint a CRS coordinator to handle the application work and serve as the liaison between the community and FEMA. The coordinator should know the operations of all departments that deal with floodplain management and public information. And the coordinator should be able to speak for the community's chief executive officer.

The first step in the application process is to get a copy of the CRS Application, which contains all the instructions and procedures you need for preparing and submitting your community's initial application for a CRS classification. The CRS Application includes easy-to-follow worksheets that provide credits for applicable activities. The CRS Application also identifies the documentation you must submit to support the credits you are requesting.

You may also want to order a copy of the *CRS Coordinator's Manual*, which describes the program in full and provides specific information, including eligible activities, required documentation, and resources for assistance.

Your designated CRS coordinator should fill out and submit your application. Help is also available through the contact information below. The CRS will verify the information and arrange for flood insurance premium discounts.

To order CRS publications at no charge, fax the order form on the following page to 201-748-1936, or mail to the address below. You can also e-mail your request to [nfipcrs@iso.com](mailto:nfipcrs@iso.com). Both the CRS Application and the *CRS Coordinator's Manual* are also available at FEMA's CRS Resource Center website — [www.training.fema.gov/emweb/crs](http://www.training.fema.gov/emweb/crs).

For more info, write, phone, or fax:

## **NFIP/CRS**

P.O. Box 501016  
Indianapolis, IN 46250-1016  
Telephone: 317-848-2898  
Fax: 201-748-1936  
E-mail: [nfipcrs@iso.com](mailto:nfipcrs@iso.com)

# Order Form

**Fax to: 201-748-1936**

Please send me these CRS publications:

No. of Copies \_\_\_\_\_ Document \_\_\_\_\_

\_\_\_\_\_ *CRS Coordinator's Manual*

\_\_\_\_\_ *CRS Application*

\_\_\_\_\_

Name \_\_\_\_\_

Phone \_\_\_\_\_

Title \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

ZIP \_\_\_\_\_

Community Name \_\_\_\_\_

NFIP Number \_\_\_\_\_

(if applicable)

(if applicable)



