

Breakout Groups Identified Key Points of Contact & Areas of Focus:

- Region 8 – Develop an annual communications plan
- Region 9 – Individual Assistance
- Region 10 – Conduct annual regional DOI meeting and individual state insurance discussions

February 11

Time (Eastern)	Topic	Moderator
1:00pm – 1:05pm	Welcome and Agenda Overview	Jeff Czajkowski
1:05pm – 1:25pm	Leadership Remarks Jeffrey Jackson, Assistant Administrator, Federal Insurance, FEMA	Jeff Czajkowski
1:25pm – 2:10pm	Resilience Priorities for 2021 NAIC Committee Activities – Jennifer Gardner & Aaron Brandenburg <ul style="list-style-type: none"> • Climate Taskforce • Private Flood BRIC Overview – Camille Crain	Jeff Czajkowski
2:10pm – 2:20pm	BREAK	
2:20pm – 3:05pm	Perils Conversation Part 1: Flood What are we doing currently, what are the key issues and what gaps can we identify? Discussion topics include: <ul style="list-style-type: none"> • Insurance <ul style="list-style-type: none"> ○ NFIP Definition of Flood including Tsunami – Diana Herrera ○ Bundle 1 Rulemaking Review – Bartees Cox • Messaging: Spring Runoff & Hawaii Hurricane – Butch Kinerney & Olivia Humilde • Mitigation <ul style="list-style-type: none"> ○ Flood Mitigation Assistance – Jeff Herd ○ Increased Cost of Compliance – Diana Herrera ○ Private Flood – Diana Herrera • Section 1206 DRRRA – Matt Buddie • Flood in Progress – Bartees Cox 	Region 8: Diana Herrera Jeff Herd

3:05pm – 3:50pm	<p>Perils Conversation Part 2: Wildfire What are we doing currently, what are the key issues and what gaps can we identify? Discussion topics include:</p> <ul style="list-style-type: none"> • Introduction – Gregor Blackburn • Mitigation – Laura McSweeney <ul style="list-style-type: none"> ○ Broad Operational Overview – What We Do in Disasters? • Mitigation and Insurance Challenges – Edie Lohmann • FEMA Funding Opportunities <ul style="list-style-type: none"> ○ FMAG / BRIC /DRRA ○ HMGP • Flood After Fire Claims – Bartees Cox <ul style="list-style-type: none"> ○ 30-Day Wildfire Exception ○ Mudflow/Debris Flow • Flood After Fire Outreach Campaign – FID Marketing & Outreach • Q & A Discussion 	<p>Region 9: Edie Lohmann Gregor Blackburn</p>
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3:50pm – 4:00pm 4:00pm – 4:45pm	<p>BREAK</p> <p>Perils Conversation Part 3: Earthquakes What are we doing currently, what are the key issues and what gaps can we identify?</p> <p>Presenters:</p> <ul style="list-style-type: none"> • Alaska Earthquake Damages, IA, and Insurance – Amanda Siok, FEMA Region 10 Earthquake Program Manager • CA Insurance Mandates and Parametric Insurance – Anne Rosinski, FEMA Region 9 Earthquake Program Manager • Utah Public Assistance & Insurance Issues – Sean McGowan FEMA Region 8 Earthquake Program Manager • MO Public Outreach Work to Increase Insurance Coverage – Lori Croy, Communications Director, MO Dept. of Insurance <p>Discussion Topics:</p> <ul style="list-style-type: none"> • The general public doesn’t know much about earthquake insurance or if they need it where they live. Many do not understand that earthquake is not covered by homeowner’s insurance. How can NAIC and FEMA increase awareness of earthquake risk and available insurance coverage? • For many, earthquake insurance is unaffordable. How can we make earthquake insurance more accessible and equitable? • What is the State’s role in earthquake insurance? • Retrofits and insurance are a heavy burden on homeowners. What can be done to ease it? 	<p>Region 10: Scott Van Hoff John Graves</p>
4:45pm – 5:00pm	<p>Closing Remarks and Next Steps Establishing a cadence for the continuation of these conversations and partnerships between states and the Regions, including the FEMA-NAIC MOA.</p>	<p>Jeff Czajkowski</p>

Leadership Remarks

Jeffrey Jackson, Assistant Administrator Federal
Insurance

(1:05 pm – 1:25 pm)



Resilience Priorities for 2021

(1:25 pm – 2:10 pm)

NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS

CLIMATE AND RESILIENCY (EX) TASK FORCE AND PRIVATE FLOOD DATA

FEMA REGION VIII, IX AND X STATE DOI DISASTER RESILIENCE ROUNDTABLE

FEBRUARY 11, 2021

JENNIFER GARDNER

AARON BRANDENBURG





Climate and Resiliency (EX) Task Force

National Association of Insurance Commissioners



2021 MEMBERSHIP

CLIMATE AND RESILIENCY (EX) TASK FORCE

of the Executive (EX) Committee

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Elizabeth Kelleher Dwyer	Rhode Island
Michael S. Pieciak	Vermont
Scott A. White	Virginia
Mike Kreidler	Washington
James A. Dodrill	West Virginia
Mark Afable	Wisconsin
Jeff Rude	Wyoming

NAIC Support Staff: Jennifer Gardner

Membership

NAIC Task Force

The mission of the Climate and Resiliency (EX) Task Force is to serve as the coordinating NAIC body for discussion and engagement on climate-related risk and resiliency issues, including dialogue among state insurance regulators, industry, and other stakeholders.

Task Force

Mission Statement

- Determine NAIC/state-specific and differentiated role, policy and potential actions related to climate risk.
 - Provide a centralized repository for use by other agencies, academics, and others in evaluating/studying climate risk's impact on insurance.
 - Maintain leadership role on efforts to enhance private market alternatives to address climate risk (e.g., flood, earthquake, wind, etc.) and coordinate with other stakeholders (e.g. National Council of Insurance Legislators [NCOIL], National Governors Association [NGA], etc.).
 - Maintain congressional pressure for long-term National Flood Insurance Program (NFIP) program, explore ways to increase private market for flood, and consider federal/state actions to incentivize mitigation.



Ongoing Activities

https://content.naic.org/cmte_ex_climate_resiliency_tf.htm



Workstreams

Facilitate discussion among 5 key themes:

- Pre-Disaster Mitigation
- Climate Risk Disclosure
- Solvency
- Innovation
- Technology

Pre-Disaster Mitigation

Participating States: Nebraska (Vice Chair), Colorado, Florida, Hawaii, Louisiana, Minnesota, Washington

Building Code & Mitigation Funding Workshops

- Participate in multi-agency/stakeholder educational efforts on coverage gaps and pre-disaster mitigation related to climate risks.
- Incentivize insurer recognition of enhanced building codes in underwriting and rating.
- Continue consumer education and awareness on coverage gap and mitigation related to climate risks and natural catastrophe exposure, including possible strategic partnerships (e.g., FEMA, IBHS).

First building code & mitigation workshop planned for mid March in cooperation with FEMA, IBHS, ICC, FLASH and others.

Resiliency Map & Resources

- Provide a centralized repository for use by other agencies, academics, and others in evaluating/studying climate risks impact on insurance.

Climate Risk Disclosure

Participating States: Oregon (Vice Chair), Minnesota, New York, Washington

Why, Who, What, Where, When, How of Reporting

- Consider appropriate climate risk disclosures within the insurance sector, including:
 - Evaluation of the Climate Risk Disclosure Survey
 - Evaluation of alignment with other sectors and international standards.
- Consider modifications to the Climate Risk Disclosure to align with Task Force on Climate-related Financial Disclosures (TCFD) and promote uniformity in reporting requirements.

Solvency

Participating States: Maryland (Vice Chair), Florida, Massachusetts, New York, Virginia, Washington

Consider potential solvency impact and update resources appropriately.

- Consider potential enhancements to regulator solvency tools, include a risk framework for addressing wildfires and flood within the property/casualty (P/C) risk-based capital (RBC) formula, modifications to the Own Risk and Solvency Assessment (ORSA), the *Financial Analysis Handbook* and the *Financial Condition Examiners Handbook*.
- Determine methodology for quantifying insurers' exposure to climate-related investments.

Innovation

Participating States: Hawaii (Vice Chair), Colorado, Florida, Washington

- Discuss the use of innovative insurance products that respond to climate-related risks.

Technology

Participating States: Louisiana (Vice Chair), Colorado, Hawaii, Washington

- Apply technology, such as early warning systems and predictive modeling tools, to understand and evaluate climate risk exposures.



Background on Private Flood Data

- **Annual Statement State Page**
 - Line 2.5
 - 2016-2019
 - Commercial and Residential Data Combined
- **State Regulator Data Call**
 - 2018 and 2019 Data
 - Commercial and Residential Broken out as well as Standalone, First Dollar, Excess, Endorsement
 - New Data Elements including Number of Policies, Number of Claims Opened, Number of Claims Closed with Payment
 - Data collection will continue as part of the Annual Statement

Comparison of Datasets

- Annual Statement – 140 insurers reported data in 2019; 120 in 2018
- Data Call – 165 insurers reported data in 2019; 158 in 2018
- Annual Statement - \$523 million direct written premium in 2019; \$420 million in 2018
- Data Call - \$1.2 billion direct written premium in 2019 (\$992 million commercial); \$437 million in 2018.

Private Flood Data Call Results

- https://content.naic.org/industry_private_flood_data_call.htm

Market Growth and Share

Select a Market Growth Measure to Change Ticker Chart of States

2018-19 Change in Policies In Force

Coverage Type

(All)

Market Growth by State

AK	AL	AR	AZ	CA	CO	CT	DC	DE	FL	GA	HI	IA
▼ -9.41%	▲ 2.70%	▲ 6.78%	▲ 8.64%	▼ -4.93%	▲ 2465.77%	▼ -1.65%	▲ 1.99%	▲ 2.00%	▲ 22.84%	▲ 13.55%	▲ 51.07%	▲

Data Year

2019

Select a Measure of Market Share to Change Sort of Companies

Direct Written Premium

Market Share by Group/Company

		% of Total Direct Written Premium	% of Total Direct Premium Earned	% of Total Policies In Force End Current Year	% of Total Policies In Force End Prior Year
124	Amerisure Companies	56.02%	39.92%	0.06%	0.08%
626	Chubb Group	7.14%	6.20%	5.35%	8.78%
19	Assurant	5.96%	10.02%	10.52%	17.10%
12	American International Group	5.85%	9.61%	6.86%	12.63%
181	Swiss Re	4.10%	6.35%	2.34%	3.49%
1279	Arch Insurance Group	3.16%	3.10%	1.04%	0.00%
968	AXA Insurance Group	2.77%	2.67%	1.52%	0.32%
111	LIBERTY MUTUAL GROUP	2.10%	2.99%	31.77%	2.13%
761	Allianz Insurance Group	1.78%	3.41%	1.17%	1.72%
517	Talanx	1.78%	3.17%	0.66%	1.08%
3098	Tokio Group Holdings	1.22%	2.04%	0.61%	1.10%
15885	TypTap Insurance Company	1.18%	1.81%	1.85%	2.52%
306	CUNA Mutual Group	0.72%	1.12%	0.72%	1.17%
155	Progressive Group	0.64%	0.95%	3.60%	4.23%
84	Great American Insurance Group	0.50%	0.59%	0.35%	0.24%
244	The Cincinnati Insurance Companies	0.50%	0.69%	1.01%	1.24%
4051	Ocean Harbor Insurance Group	0.47%	0.53%	0.63%	0.13%
501	RSUI Group, Inc.	0.45%	0.71%	0.02%	0.03%
20338	Palomar Specialty Insurance Compa..	0.44%	0.49%	1.28%	0.90%
140	Nationwide Insurance Group	0.38%	0.43%	0.80%	1.07%

PRIVATE FLOOD INSURANCE 2020 STATE DATA CALL

Data Year

2018

Coverage Type

Residential

Company Count (Positive Direct Written Premium)

2018

158

2019

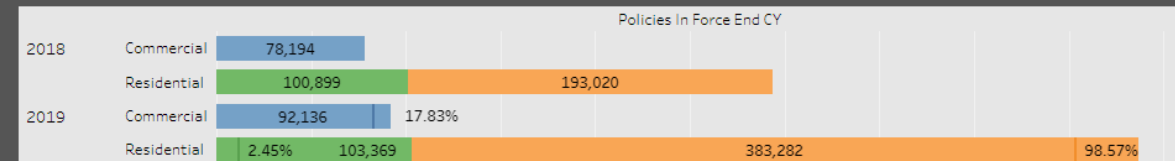
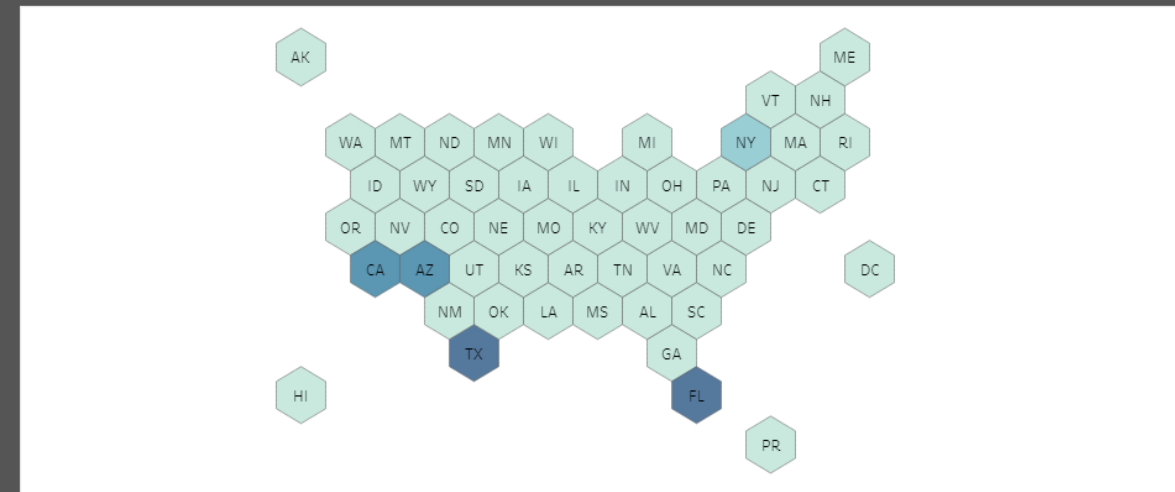
165

Select a Data Field to Change the Map and Chart Below

Policies In Force End CY

114

56,072



Policy Type

Residential Standalone

Residential Endorsement

Commercial - All Coverage Types

Residential Private Flood

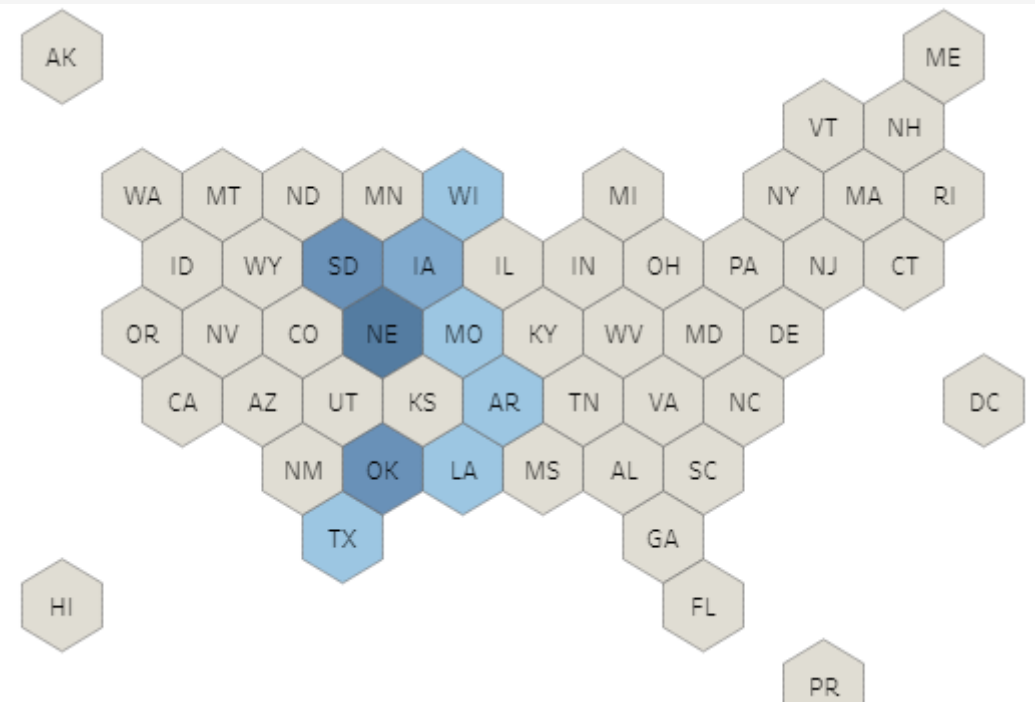
- **Number of Companies**
 - 55 in 2018
 - 58 in 2019
- **Direct Written Premium**
 - \$183M in 2018
 - \$201M in 2019
 - 80% Standalone vs. Endorsement
- **Direct Losses Incurred**
 - \$38M in 2018
 - \$28M in 2019

- **Claims Closed w/Payment**
 - 1,078 in 2018
 - 753 in 2019
- **Policies in Force**
 - 294K in 2018
 - 486K in 2019
 - 79% Endorsements vs Standalone
- **Average Premium**
 - \$1,516 Standalone; \$164 endorsement in 2018
 - \$1,568 Standalone; \$103 endorsement in 2019

State Comparisons

- States with most premium written (2019): FL, CA, NY, TX, NJ, SC
- Highest Losses (2019): TX, CA, NY, FL, LA
- Highest Loss Ratios (2019): See map
- 15 insurer groups wrote over \$1M in residential premium in 2019
 - Largest writers wrote \$71M and \$42M

Map of 2019 Loss Ratios



Region VIII, IX and X States

11 (of 14) States experienced increase in DWP in residential private flood from 2018 to 2019

7 were double digit percentage increases (led by HI and CO)

CA = \$24 million DWP

HI & CO = \$2.7 million DWP

Highest 2019 loss ratios for residential flood – SD, AK, UT

		Cov Type							
		Commercial				Residential			
		Direct Written Premium	Direct Losses Incurred	Policies In Force End Cy	Claims Closed W Payment	Direct Written Premium	Direct Losses Incurred	Policies In Force End Cy	Claims Closed W Payment
AK	2018	1,621,610	1,285,427	343	6	110,444	0	114	0
	2019	628,634	287,086	298	3	123,654	37,539	116	1
AZ	2018	4,151,327	158,896	1,540	3	2,100,932	157,479	42,413	15
	2019	4,413,641	631,019	1,479	17	2,263,383	285,296	46,268	24
CA	2018	18,443,389	1,112,399	3,558	42	21,716,173	4,096,189	34,734	30
	2019	29,017,141	15,803,086	4,142	117	23,819,334	4,545,295	32,262	40
CO	2018	3,036,099	-743,806	1,625	8	2,202,638	111,228	5,566	4
	2019	5,519,520	489,029	1,828	18	2,726,833	10,111	182,703	3
HI	2018	1,292,156	460,227	367	2	1,618,900	602,398	800	4
	2019	1,768,439	-334,061	417	3	2,750,409	-98	1,346	2
ID	2018	888,465	129,029	1,409	5	601,439	559,143	945	2
	2019	1,286,180	73,042	1,595	4	611,159	-14,665	942	1
MT	2018	481,171	0	348	4	230,263	31,460	1,625	4
	2019	563,146	78,112	385	3	224,414	-477	383	0
ND	2018	514,334	319,274	327	3	74,689	0	147	0
	2019	733,159	136,322	434	5	70,194	0	242	0
NV	2018	1,711,392	-2,152	821	0	426,844	25,678	3,074	0
	2019	2,234,613	44,458	1,053	2	448,606	-2,500	2,012	0
OR	2018	2,208,008	10,926	900	6	928,986	4,387	1,634	0
	2019	3,957,628	222,033	1,078	15	1,051,300	12,046	1,737	1
SD	2018	585,301	-234,544	323	3	89,561	24	206	0
	2019	699,184	1,110,309	360	1	83,067	232,575	337	13
UT	2018	1,494,502	498,984	833	1	435,570	30,128	813	2
	2019	1,741,084	302,506	926	1	455,221	109,501	1,906	6
WA	2018	3,003,719	11,126	1,344	4	1,644,665	100,458	3,214	3
	2019	5,056,230	96,847	1,586	2	1,835,023	-5,892	3,113	1
WY	2018	723,287	56,703	290	2	395,937	26,197	542	2
	2019	823,779	7,326	351	5	442,878	-1,607	500	0

Questions?

Jennifer Gardner, jgardner@naic.org

Aaron Brandenburg, abrandenburg@naic.org

Building Resilient Infrastructure and Communities (BRIC)

Camille Crain | February 11, 2021



FEMA



Building Resilient Infrastructure and Communities (BRIC)

- Authorized by Disaster Recovery Reform Act (DRRA) Section 1234, which amends Section 203 of the Stafford Act
- Funded by a 6% set-aside from federal post-disaster grant funding
- Eligible applicants – states and territories with major disaster declarations in past seven years
- Replaces FEMA’s existing pre-disaster mitigation (PDM) program



FEMA

BRIC's Guiding Principles

Guiding Principles

-  Support Community Capability & Capacity Building
-  Encourage and Enable Innovation
-  Promote Partnerships
-  Enable Large Infrastructure Projects
-  Maintain Flexibility
-  Provide Consistency



FEMA

Supports FEMA's Strategic Plan

- 1** Build a Culture of Preparedness
- 2** Ready the Nation for Catastrophic Disasters
- 3** Reduce the Complexity of FEMA

How is BRIC Different than PDM?

Sets Clear Priorities

- Lifelines & infrastructure projects
- Building codes
- Shared responsibility & partnerships
- Innovative projects

Builds Capability

- Capability & capacity-building activities
- In-person, non-financial, technical assistance
- The Mitigation Action Portfolio – selection of case studies

Increases Flexibility

- Reduces limitations
- Increases caps
- Allows pre-award costs

Streamlines Processes


- New application process through FEMA GO
- Project extensions
- Phased projects



FEMA

BRIC Development Timeline

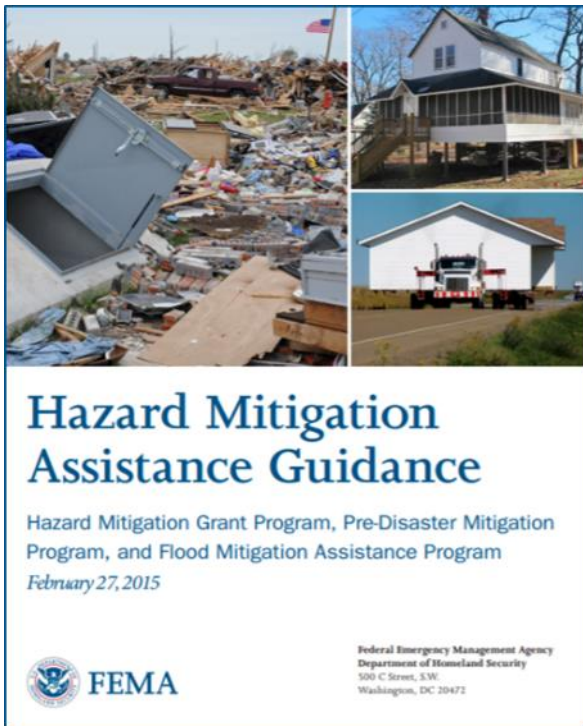


 Where we are now



BRIC Eligible Activities

Existing activities are still eligible



Expanded eligibility includes:

- Project scoping
- Building code activities
- Pre-award costs
- Additional activities for wildfire and wind implementation (DRRA Section 1205)
- Earthquake early warning (DRRA Section 1233)

Projects Must:

- Be cost-effective
- Reduce/eliminate risk and damage from future natural hazards
- Meet latest two consensus codes (i.e., 2015 or 2018 international building code)
- Align with Hazard Mitigation Plan
- Meet all environmental and historic preservation (EHP) requirements



BRIC Capability- and Capacity-Building Activities



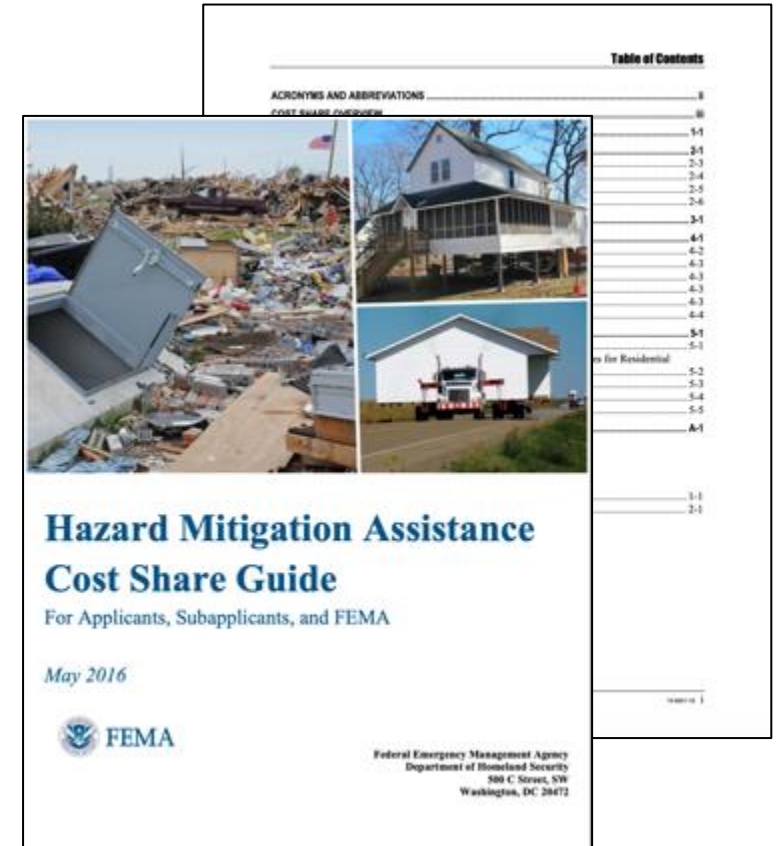
Cost Share Requirements

Cost Share:

- Generally, FEMA will pay up to 75 percent of the total cost of a federal grant

BRIC:

- FEMA will pay up to 90 percent for small impoverished communities
- FEMA will pay up to 100 percent for management costs
- *Non-federal cost share can be made up of cash, labor, in-kind or third-party donations*



[FEMA Hazard Mitigation Assistance \(HMA\) Cost Share Guide \(May 2016\)](#)



How BRIC Advances the National Mitigation Investment Strategy



Show How Mitigation Investments Reduce Risk:

Building a shared understanding of mitigation investment includes supporting our SLTT partners through the types of capability and capacity building efforts supported by BRIC.



Coordinate Mitigation Investments to Reduce Risk:

The BRIC program’s goal to enable high-impact investments specifically supports this goal.



Make Mitigation Investment Standard Practice:

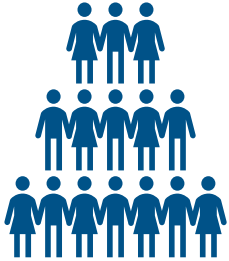
BRIC will enable new partnerships and catalyze high impact investments to reduce risk from natural hazards across communities.



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How Will We Succeed?

- As a Whole Community resource, success in implementing the Investment Strategy through efforts like BRIC requires maximum participation from all sectors of society and consistent collaboration between the Federal Government and all its vital nonfederal partners



Whole Community Participation



Federal Government and Nonfederal Partners



Decreased Natural Hazards Risk



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Partnerships

Guiding Principles:

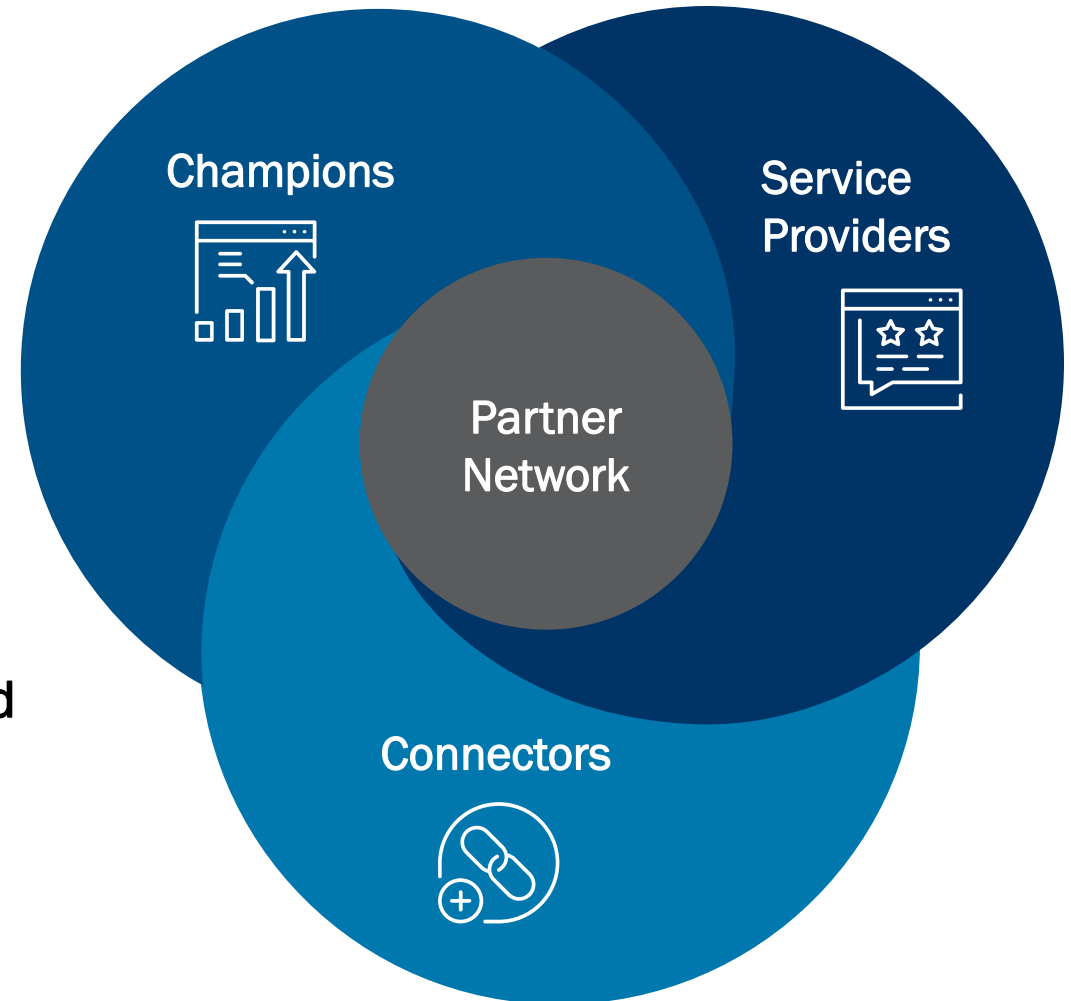


Support Community Capability & Capacity Building



Promote Partnerships

Partnering with other **federal agencies and state, local, tribal, and territorial governments, the private sector and non-governmental organizations** amplifies mitigation investment and its effects



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BRIC Program Support Materials

- [BRIC Website](#)
- [FY20 BRIC Notice of Funding Opportunity](#)
- [BRIC Technical Criteria](#)
- [BRIC Qualitative Criteria](#)
- [Mitigation Action Portfolio](#)
- [BRIC Building Code Activities](#)
- [BRIC Partnership Activities](#)
- [BRIC Project Scoping Activities](#)
- [BRIC Mitigation Planning Activities](#)
- [BRIC Direct Technical Assistance](#)
- [HMA Cost Share Guide](#)

Other Resources:

- Community Lifelines Implementation Toolkit: <https://www.fema.gov/media-library/assets/documents/177222>
- Benefit Cost Analysis (BCA): www.fema.gov/benefit-cost-analysis
- Hazard Mitigation Planning: <https://www.fema.gov/hazard-mitigation-planning>
- ISO Mitigation – Building Codes <https://www.isomitigation.com/bcegs/>
- FEMA GO – www.fema.gov/grants/guidance-tools/fema-go
- Sign up for BRIC and HMA Updates: https://public.govdelivery.com/accounts/USDHSFEMA/subscriber/new?topic_id=USDHSFEMA_477



FEMA

Thank you!

fema.gov/bric



FEMA

Break

2:10 – 2:20 pm (eastern)



NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS

Perils Conversation:

- Flood (2:20 – 3:05 pm) – Region 8
- Wildfire (3:05 – 3:50 pm) – Region 9
- Earthquake (4:00 – 4:45 pm) – Region 10

FEMA - NAIC Roundtable

Day Two

Flood Breakout-Region 8

Jeff Herd, FEMA Region 8 FM&I Branch Chief



FEMA

Definition of Flood

Diana Herrera

Flood, as used in this flood insurance policy, means:

- A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (one of which is your property) from:
 - a. Overflow of inland or tidal waters,
 - b. Unusual and rapid accumulation or runoff of surface waters from any source,
 - c. Mudflow.
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined in A.1.a. above.



HEMA



NATIONAL FLOOD
INSURANCE PROGRAM

Examples

- River, lake or coastal waters overflow
- Water main break
- Levee break
- Drainage system blocked
- Tsunami
- Vehicle hits a fire hydrant



FEEMA



NATIONAL FLOOD
INSURANCE PROGRAM

Federal Emergency Management Agency

Rule Making (Bundle 1)

Bartees Cox

- <https://www.federalregister.gov/documents/2020/07/20/2020-09260/national-flood-insurance-program-conforming-changes-to-reflect-the-biggert-waters-flood-insurance>



FEMA



NATIONAL FLOOD
INSURANCE PROGRAM

Federal Emergency Management Agency

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Snowmelt and Hurricane Campaigns

National Flood Insurance Program | Federal Insurance Directorate | Marketing and Outreach



FEMA

FY20 Snowmelt Campaign

Objective: Leverage surround-sound tactics to drive flood risk awareness in Region 8 markets in North and South Dakota likely to experience snowmelt and spring flooding.

TARGET MARKETS

Campaign delivered at market level in high- density media markets most likely to experience flooding, as determined using historical data, predictions and condition forecasts, and input from the region.

Markets included:

- Bismarck, ND
- Fargo, ND
- Grand Forks, ND
- Rapid City, SD
- Sioux City, SD
- Sioux Falls, SD

MESSAGING

North Dakota and South Dakota faced unique flood risks in 2020 that were specific to each state:

In North Dakota markets, messaging focused on **snowmelt** and was delivered through radio and gas station TV ads.



In South Dakota, messaging focused on general spring flooding and was delivered through radio ads.



OUTREACH AND ENAGEMENT

The 2020 Snowmelt campaign with Region 8 was unique in a variety of ways – from coordination with other regional campaigns, to tailored approaches within geographic areas.

A key component of this campaign was the close alignment with Region 8 flood awareness initiatives and extensive region-wide earned media and social media outreach efforts.



FEMA

FY20 Snowmelt Campaign | The Surround Sound Effect

Campaign: March 10 – April 7, 2020



Paid Media: Gas Station TV

A new snowmelt gas station television (GSTV) ad aired on gas stations across ND.



Paid Media: Radio

A new snowmelt radio spot aired in ND markets and a spring flooding radio spot aired in markets in SD.



Earned Media: Assets and Resources

Provided Region 8 with earned media assets and resources to support them during their flood awareness outreach and engagement efforts.



Infomediary Agent Outreach

Conducted coordinated outreach and engagement with key agent infomediaries.



Gas station TV ads aired at more than 95 stations across ND.



Social Media

Region 8 Twitter Chat #SpringFloodChat.



FEMA

FY20 Snowmelt Campaign By the Numbers

Campaign: March 10 – April 7, 2020

Paid Media Campaign consisting of Gas Station TV and Radio Ads garnered **3.7M+ marketing impressions.**

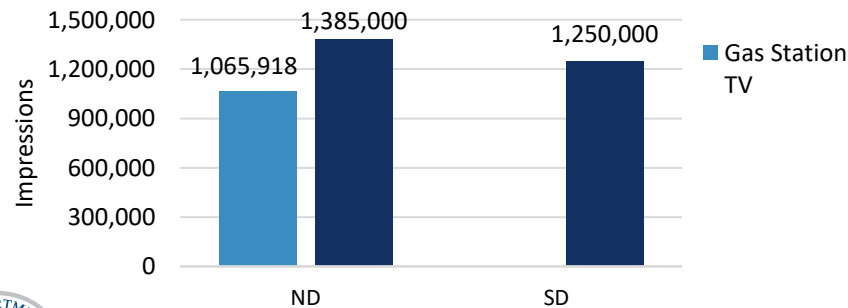
Gas Station TV

In North Dakota, an engaging new snowmelt gas station TV ad aired at more than 95 gas stations across the state earning almost **1.07M marketing impressions.**

Radio

A new snowmelt radio ad underscoring the flood potential of a snowy winter season aired in North Dakota, and a spring flooding radio ad aired in South Dakota – garnering more than **2.64M impressions.**

State-by-State Paid Media Impressions



Direct-to-Agent Email Outreach

Email campaign to **326 agents** in North and South Dakota. This outreach resulted in an **open rate of 19%** (slightly above the typical range of 16%-18%) and a **click-thru rate of 2%** (within the typical range of 1%-3%).

Earned Media Efforts

In coordination with the NOAA spring flood forecast release, Lee dePalo, the Regional Administrator for FEMA Region 8, published an op-ed touching on the risks that come with snowmelt and spring flooding.

Eight outlets covered the op-ed between the dates of February 2nd and March 10th, 2020 including the following:

- [Grand Forks Herald](#)
- [Rapid City Journal](#)
- [Brookings Register](#)
- [The Forum](#)
- States News Service (wire)
- Capital Journal (print)
- [FEMA](#)

This **op-ed reached an audience of 347,868**, and together with the FEMA release, **had an audience of 1,044,414.**

Federal Emergency



Whether Punxsutawney Phil's early spring prediction is correct or not, warmer temperatures will eventually come and melt the blanket of snow winter gave us this year. Many areas of Region VIII have an above-average snowpack and it seems that nearly every week this winter has included a major snowstorm in our area.

The water from melting snow will flow into streams, rivers and lakes...and potentially for some, your homes. Not much can be done to avoid a flood when water levels rise. You can, however, take steps now to minimize how much a flood affects you.

An inch of water in your home is enough to cause significant damage. Drywall will need to be replaced, water heaters or furnaces can be damaged, and if water reaches your outlets you could need extensive electrical work. On top of that, you may need to deal with damage to priceless items like family heirlooms or hard to replace documents.

One way to minimize the impact of a flood is to look around your home and visualize what flood waters would do to your belongings. Transfer items stored in cardboard boxes to waterproof tubs, move valuables higher in your home and make digital backups of important documents.

Another way to enable you to recover from a flood more quickly is flood insurance. Just like you don't have to be in a floodplain to get flooded, you don't have to be in a floodplain to get flood insurance. Visit [floodsmart.gov](#) to learn more, then talk to your insurance agent to learn about your options and see what is right for you. But don't wait, because a flood insurance policy through the National Flood Insurance Program takes 30 days to take effect. And with spring right around the corner, if you are looking to buy a policy the time to do it is now.



FEMA

FY20 Hawaii Hurricane Campaign

Objective: To build on the successes of the FY19 campaign with Region 9 to target residents of Hawaii vulnerable to flooding. The primary goal of the campaign was to urge Hawaii residents to purchase or retain their existing flood insurance policy.

TARGET MARKETS

- Kauai
- Oahu
- Maui
- The Big Island

MESSAGING

Tactics included messaging around acquisition, retention, and general flood insurance awareness that featured **Hawaii-specific imagery**



KEY INSIGHTS

The FY20 campaign launched a COVID-response and a Hawaii-specific paid marketing approach – shifting to a digital and radio approach due to shelter-in-place guidelines and focusing on both acquisition and **retention** messaging – and a robust earned media approach.



FEMA

FY20 Hawaii Hurricane Campaign By the Numbers

Campaign: June 15 to August 23, 2020



Industry Outreach: Conducted outreach to **245 agents**, local chapters of agent associations, and the **top five** Hawaii Write-Your-Owns.

Infomediary Outreach: Developed marketing and outreach materials to help FEMA Region 9 conduct outreach to more than **90 stakeholders** and infomediary groups at the community level.



Social Media: Developed social media graphics and copy for Facebook, Twitter, and Instagram.



Paid Media: Radio

Featured a “local” Hawaiian talent



Paid Media, consisting of digital banner ads, radio ads featuring local Hawaiian talent and paid search generated

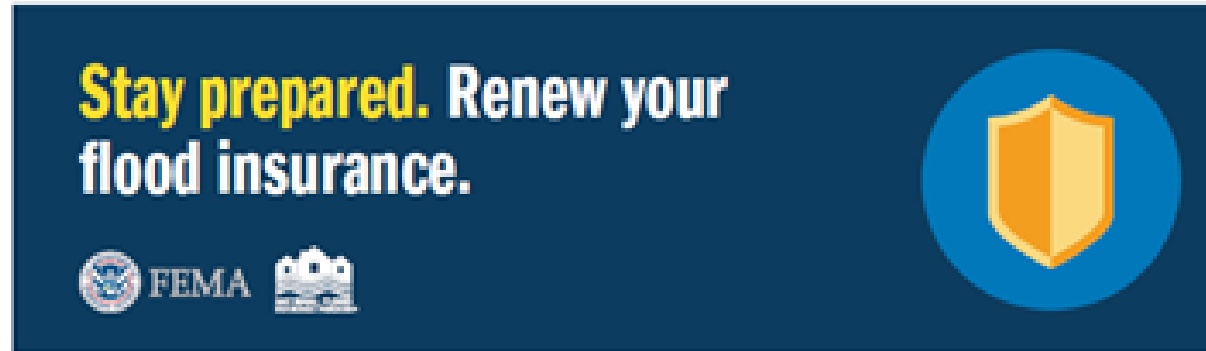
- **8,102 clicks** to FloodSmart.gov
- **8.1M** marketing impressions and
- a total clickthrough rate of **0.10%** outperforming the industry standard CTR for digital display of 0.08%.



FEMA

FY20 Hawaii Hurricane Campaign By the Numbers

Campaign: June 15 to August 23, 2020



Paid Media Highlights

Digital Banner Ads accounted for most of the paid activity. There were **7,636 clicks** to FloodSmart.gov and **7.9M marketing impressions**.

“**Chasing the Rain**” weather-triggered ads experienced a clickthrough rate of **0.23%**, and **403 clicks to FloodSmart.gov** with **176k marketing impressions**.

Paid Search made up the remainder of digital advertising, with **63 clicks** to FloodSmart.gov with **1,299 marketing impressions**.



Animated Video in Native Hawaiian



Earned Media Highlight

Public Service Announcement (PSA) videos (one in English with voiceover talent from Hawaii and the other in Native Hawaiian with voiceover from a representative from the Office of Language Access) was produced to educate residents the risk of flooding in Hawaii during hurricane season. The NBC and CBS local television stations in Honolulu aired the videos from July 15 through the end of hurricane season .

The PSAs aired 169 times.



FEMA

FY21-22 Marketing and Outreach Campaign Planning

Region 8	Region 9	Region 10
Flood After Fire Campaign	Flood After Fire Campaign	Atmospheric River - Social Media and Email Outreach Campaign
Post Spring and Snowmelt Flooding	Winter Storms, Atmospheric River Flooding	25 th and 30 th Flood Anniversaries of Atmospheric River Flooding
June 2021	December 2021 – January 2022	February - March 2021
	Hawaii Hurricane Campaign	Flood After Fire
	Hurricane Flooding	Winter Storms, Atmospheric River
	May 2021	December 2021 – January 2022



National Flood Insurance Program

FEMA | LinkedIn

To support FEMA's goal to double the flood insurance coverage and close the insurance gap, if you have a LinkedIn account, please:

- Follow the [NFIP LinkedIn](#) page
- Tell your connections and partners to follow us
- Share our content and engage with our new page
- Use the hashtags #FloodInsurance #Flood #InsuranceAgents #Insurance



FEMA



FEMA

Mitigation

- Flood Mitigation Assistance
- Increased Cost of Compliance
- Private Flood
- Disaster Recovery Reform Act of 2018 (Video)

Jeff Herd
Diana Herrera
Diana Herrera
Matt Buddie



FEEMA



NATIONAL FLOOD
INSURANCE PROGRAM

Flood In Progress

Bartees Cox

- Section V(B) of the SFIP specifically excludes coverage from damage caused by a flood that was already in progress prior to the effective date of an NFIP flood insurance policy.
- A flood-in-progress may begin when flooding that meets the definition of flood in the SFIP affects the first property in a community.
- The determination as to whether or not the flood-in-progress exclusion applies is made on a case-by-case basis. One policyholder may be affected by the flood-in-progress exclusion while their neighbor may not. Each claim is unique and adjusted on its own merits.
- Even if the specific loss is not eligible under the SFIP due to a flood event that had started prior to the policy's effective date, flood insurance still offers protection from flooding from a different event or different source
- FEMA encourages all homeowners, renters, and business owners to obtain flood insurance and to ensure they are continuously insured (i.e., they renew their policies every year).
- See Section 14 of the [May 2020 NFIP Claims Manual](#) for more information.



FEMA



NATIONAL FLOOD
INSURANCE PROGRAM

WILDFIRES... THE DOUBLE DISASTER

Gregor Blackburn, Region 9,
Floodplain Management & Insurance
Branch Chief



FEMA



Photo Credit: Digital Market News.com



FIRESTORM

Video Credit: The National Weather Channel (1:50)

FEMA MITIGATION DISASTER OPERATIONS OVERVIEW

Laura A. McSweeney, Region 10, Disaster Operations Lead



FEMA

MITIGATION



Floodplain Management & Insurance

- NFIP Compliance
- Substantial Damage
- Insurance Outreach /DRCs
- Building Codes /Ordinances
- Congressional Inquiries
- Training

Hazard Mitigation Grant Program

- Project Identification
- Application Development
- Training

Hazard Performance & Analysis (HPA) (RAB)

- 406 Mitigation
- Hazard Mitigation State & Community Planning
- GIS
- Perishable Data Collection & Analysis
- Loss Avoidance Studies
- Earthquake and Dam Safety Programs
- Training

Community Education & Outreach

- Best Practice Stories
- IA – SBA- DSA - DRC Support
- External Affairs / Private Sector/ Speakers Bureau
- Email Campaign

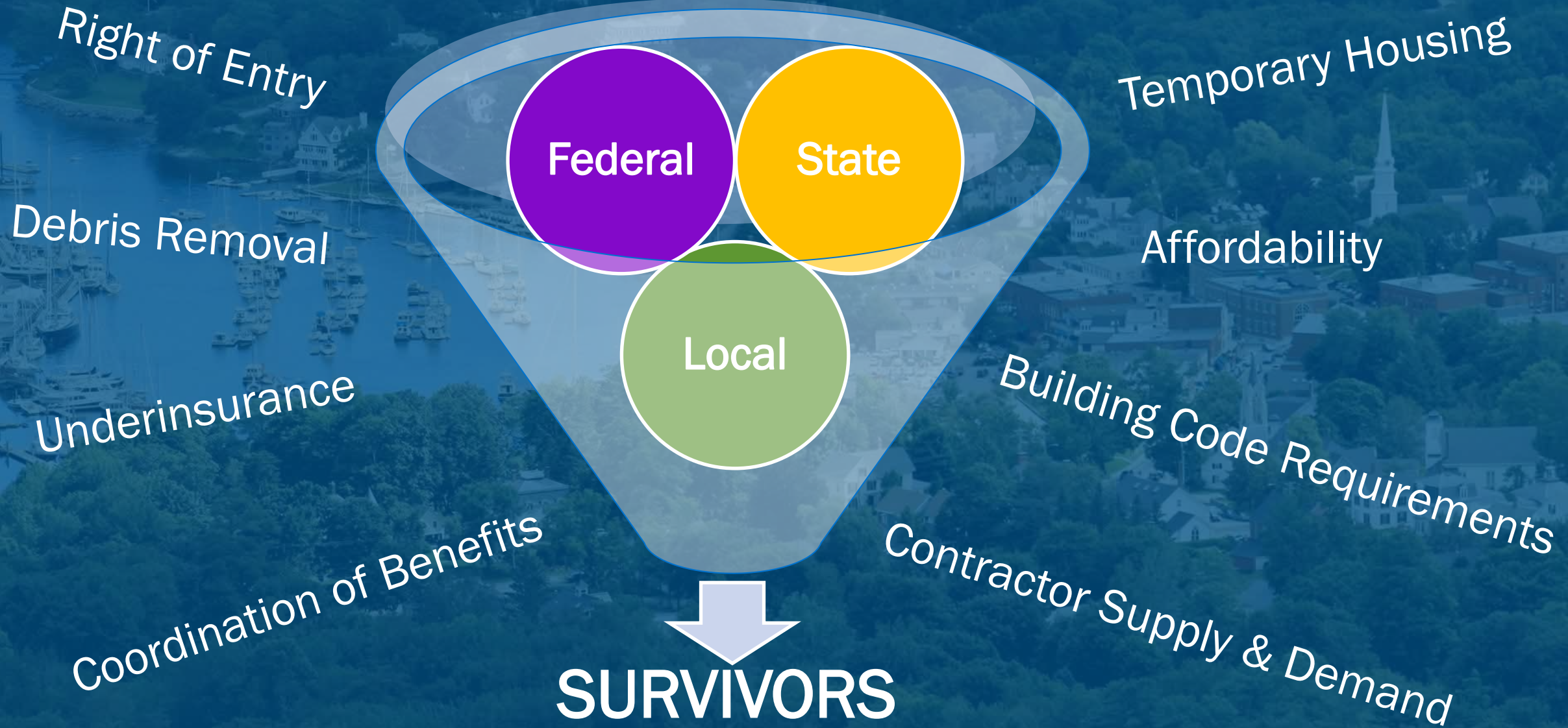
MITIGATION & INSURANCE CHALLENGES

Edie Lohmann, Region 9, NFIP Insurance Specialist



FEMA

Challenges and Questions



MITIGATION FUNDING OPPORTUNITIES

Carrie Fowler, Region 9, Hazard Mitigation Grants Management Specialist



FEMA

Hazard Mitigation Assistance Disaster Related Grants Programs



FEMA

HMGP vs. HMGP Post Fire

Hazard Mitigation Grant Program (HMGP)

What?

- A mitigation grant intended to implement mitigation measures that reduce loss to life and property from future disasters/natural hazard events

When?

- HMGP funds become available as the result of a presidentially declared disaster

Who?

- HMGP provides funding to state agencies/territories, tribes, cities, counties, special districts, and PNPs

HMGP Post Fire

What?

- A mitigation grant intended to implement **wildfire and post wildfire** mitigation measures that reduce loss to life and property from future disaster

When?

- HMGP Post Fire funds become available after the applicant's first FMAG declaration of the fiscal year

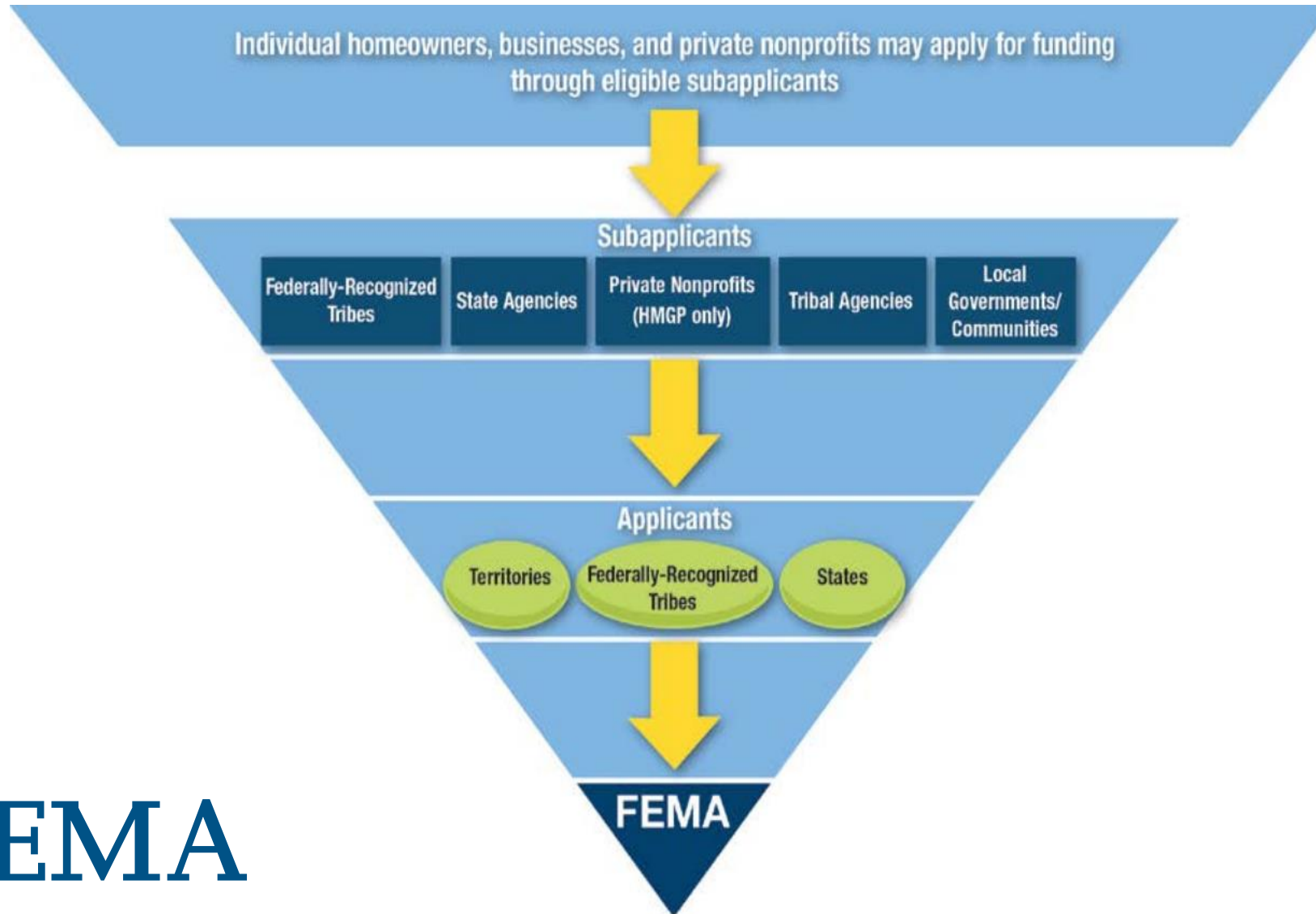
Who?

- Funding is available to state agencies/territories, tribes, cities, counties, special districts, and PNPs



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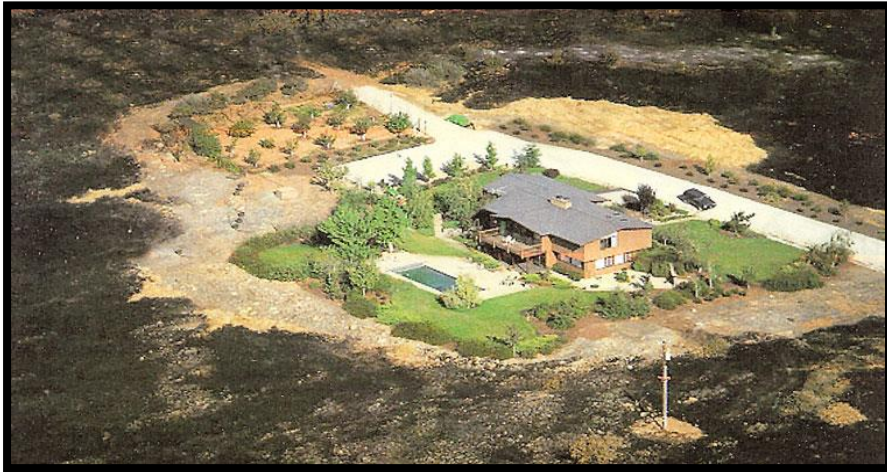
The Process



FEMA

Post Fire: Eligible Activities

- Ignition-resistant construction
- Defensible space measures
- Hazardous fuels reduction
- Flood diversion and storage
- Replanting/reforestation
- Drainage improvements
- Soil stabilization
- Erosion control



FEMA

Application Requirements

- Non-federal cost-share of 25%
- Approved Local Hazard Mitigation Plan
- Meet Benefit-Cost Requirements
- Project timeline of less than 36 months
- Must not take place on federal land

REMEMBER: Coordinate with State Emergency Management agencies for submission and additional requirements



FEMA

NFIP FLOOD AFTER FIRE

Bartees Cox, FEMA HQ Claims



FEMA

NFIP 30-day Wildfire Exception



Photo Credit: [Sciencemag.org](https://www.sciencemag.org)

MUDFLOW & DEBRIS FLOW



NFIP FLOOD AFTER FIRE CAMPAIGN

Olivia Humilde, FEMA HQ Marketing & Outreach Lead



FEMA

Did you know?

For up to five years after a major wildfire, flood risk greatly increases.

Property damage risk

FACT: Individuals do not have to live in a high-risk flood area to suffer flood damage.

FACT: The increased risk of flood after fire can be roughly estimated:



Financial risk

FACT: A flood does not have to be a catastrophic event to bring high out-of-pocket costs.

FACT: Up to 40% of flood insurance claims occur in moderate-to-low risk areas.



FEMA

Flood After Fire Infographic

Flood After Fire

Did you know wildfires dramatically alter the terrain and increase the risk of floods? Excessive amounts of rainfall can happen throughout the year. And properties directly affected by fires and those located below or downstream of burn areas are most at risk for flooding.

- 1 During normal conditions, vegetation helps absorb rainwater.
- 2 But after an intense wildfire, burned vegetation and charred soil form a water repellent layer, blocking water absorption.
- 3 During the next rainfall, water bounces off of the soil.
- 4 As a result, properties located below or downstream of the burn areas are at an increased risk for flooding.

Degree of Land Slope
Higher degrees of land slope speed up water flow and increase flood risk.

Flash Floods
Intense rainfall can flood low-lying areas in less than six hours. Flash floods roll boulders, tear out trees and destroy buildings and bridges.

Mudflows
Rivers of liquid and flowing mud are caused by a combination of brush loss and subsequent heavy rains. Rapid snowmelt can also trigger mudflows.

Reduce your risk. The time to buy flood insurance is now. Contact your local insurance agent for more information or visit the National Flood Insurance Program at [FloodSmart.gov/wildfire](https://www.floodsmart.gov/wildfire).

FEMA NATIONAL FLOOD INSURANCE PROGRAM



FEMA

Know What's Covered

NOT COVERED

Mudslide



COVERED

Mudflow



FEMA

Know What's Covered



YOU'RE COVERED

Building	Contents
The insured building and its foundation	Central A/C, furnaces, water heaters
Electrical and plumbing systems	Washers and dryers
Finishing – carpet, paneling, bookcases, and cabinets	Furniture – couches, tables, entertainment units
Refrigerators, stoves, and appliances	Electronic equipment – computers, televisions, radios

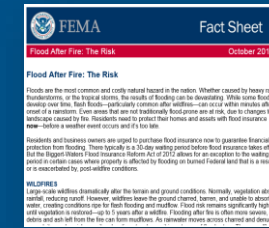


For Consumers Flood After Fire Webpage [FloodSmart.gov/wildfires](https://www.floodsmart.gov/wildfires)

For Stakeholders Agents, Local Community Officials Flood After Fire Toolkit

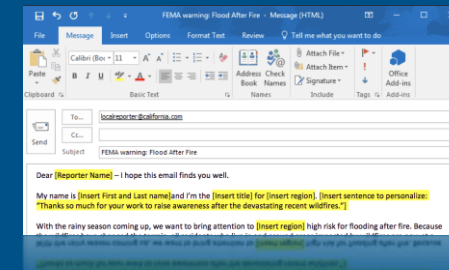
- Social Media
- Fact Sheets
- Posters
- Infographics

The toolkit is available online in the FEMA library:
<https://agents.floodsmart.gov/marketing/participate-in-campaigns/flood-after-fire>



Toolkit

- ✓ Warn citizens
- ✓ Raise risk awareness
- ✓ Promote property protection
- ✓ Clear up common misconceptions about home insurance coverage



National Flood Insurance Program Resources

- NFIP Resource Library
<https://Agents.FloodSmart.gov/Resource-Library>
One-stop-shop for NFIP marketing materials and digital assets
- Flood After Fire Campaign Materials
<https://agents.floodsmart.gov/marketing/participate-in-campaigns/flood-after-fire>
Local officials are encouraged to use the resources to work with clients to raise awareness about the risk of flooding after wildfires.
- Survivor Stories
Survivor videos available in the NFIP Resource Library:
<https://Agents.FloodSmart.gov/marketing/resource-library>



National Flood Insurance Program Resources cont'd

- Flood After Fire Fact Sheet

https://www.fema.gov/sites/default/files/documents/fema_flood-after-fire_factsheet_nov20.pdf

- Wildfire Exception to 30-day Waiting Period for New Policies

<https://nfipservices.floodsmart.gov/sites/default/files/w-18001.pdf>

- After Wildfire: A Guide for California Communities

<https://nfipservices.floodsmart.gov/sites/default/files/w-18001.pdf>

A resource document developed by the California Silver Jackets Team Icons should always be one color.

- The NFIP Order Form is located at agents.floodsmart.gov

https://www.fema.gov/media-library-data/1588603733512-62697f5d10fe1fc04f8169336f1086d1/NFIP_OrderForm_final_4-28-508.pdf



FEMA

FY20 Flood After Fire

Objective: Drive awareness about the risk of flooding after wildfire and the importance of flood insurance through multi-channel marketing efforts (i.e. radio + digital display + earned media).

TARGET MARKETS

Geographic targeting communities in burn scar areas with high flood risk and salience.

Markets included the following states:

- Arizona
- California
- Colorado
- Idaho
- Montana
- Nevada
- Utah
- Washington
- Wyoming

MESSAGING

Flood After Fire messaging aims to help homeowners understand that because their community experienced a recent wildfire, they are at a heightened risk of flooding and mudflows for several years.



OUTREACH AND ENGAGEMENT

In past campaigns, the Marketing and Outreach Team focused its efforts on supporting and building the capabilities of local infomediaries around flood-after-fire awareness. In FY20, the team coordinated with FEMA Regions 8, 9 and 10, state and local officials, and local media, to deliver customized communication products with a clear call-to-action to over **200 communities** affected by wildfires since 2013. The team built upon this foundation established in past outreach activities by adding **paid media tactics**.



FEMA

FY20 Flood After Fire Campaign By the Numbers

Campaign: November 11 – December 22, 2019



Regional Collaboration

- Collaborated with Regions 8, 9 and 10 to identify target markets and priority infomediaries

Stakeholder Engagement

- Reached over **600+ Stakeholders**, including cross promotion with partners from FEMA's Individual Community Preparedness Division

Industry & Infomediary Outreach

- Engaged with a total of **428 Industry and Infomediary contacts** including, **12 WYOs** with tailored content and **250 infomediary contacts** in impacted Regions

REGIONAL SOCIAL MEDIA ACTIVITY

Regions helped bolster messaging by sharing content across social media channels—including a first-of-its-kind community survivor story video.

Region VIII Flip the Duck Video
Tweet: 1.7K Views



Region IX Survivor Story Video
Tweet: 2.1K Views



Social Media

- Regions shared content across social media channels – including the first Flood After Fire Community survivor story video



FY20 Flood After Fire Campaign By the Numbers

Campaign: November 11 – December 22, 2019

PAID MEDIA HIGHLIGHTS REGION 9 CALIFORNIA

Paid Digital Media

- Engaged California residents through digital display, digital video, and paid search on channels such as Bing and Google Search, Hulu, and Weather.com that generated **113,769 clicks** to FloodSmart.gov with over **27.3M marketing impressions** and a clickthrough rate of **.42%**, much higher than the industry average of **.08%**.

Paid Radio

- Placed a 30-second radio spot **on 5 stations**—including Spanish—across California, for a total of **4.7M potential impressions**.



EARNED MEDIA HIGHLIGHTS

The Marketing and Outreach Team worked with FEMA HQ to conduct a Radio Media Tour with Mr. David Maurstad, head of FEMA's Federal Insurance and Mitigation Administration. With Mr. Maurstad's participation in **4 interviews**, the Radio Media tour achieved:

- Generated **39 TV stories** (34 on-air segments, 5 TV news website mentions including interviews and B-roll footage of two locals featured in our survivor stories series)
- **92 radio airings** with an estimated audience reach of more than **1.6M**
- Coverage examples include KEYT (ABC) Santa Barbara & KHSL (CBS) Redding.

FY21 Flood After Fire Campaign Planning

- Region 8
- Tentatively Schedule for June 2021
- Post Spring and Snowmelt Flooding
- Paid Campaign tactics focused in Colorado but campaign will outreach to all of Region 8 States impacted by wildfire

FY22 Flood After Fire Campaign Planning

- Regions 9 and 10
- Tentatively Schedule for December 2021 / January 2022
- Post Atmospheric River Flooding
- Paid Campaign tactics focused in Oregon but campaign will outreach to all Region 9 and 10 States impacted by wildfires



FEMA

National Flood Insurance Program FEMA | LinkedIn

To support FEMA's goal to double the flood insurance coverage and close the insurance gap, if you have a LinkedIn account, please:

- Follow the [NFIP LinkedIn](#) page
- Tell your connections and partners to follow us
- Share our content and engage with our new page
- Use the hashtags #FloodInsurance #Flood #InsuranceAgents #Insurance

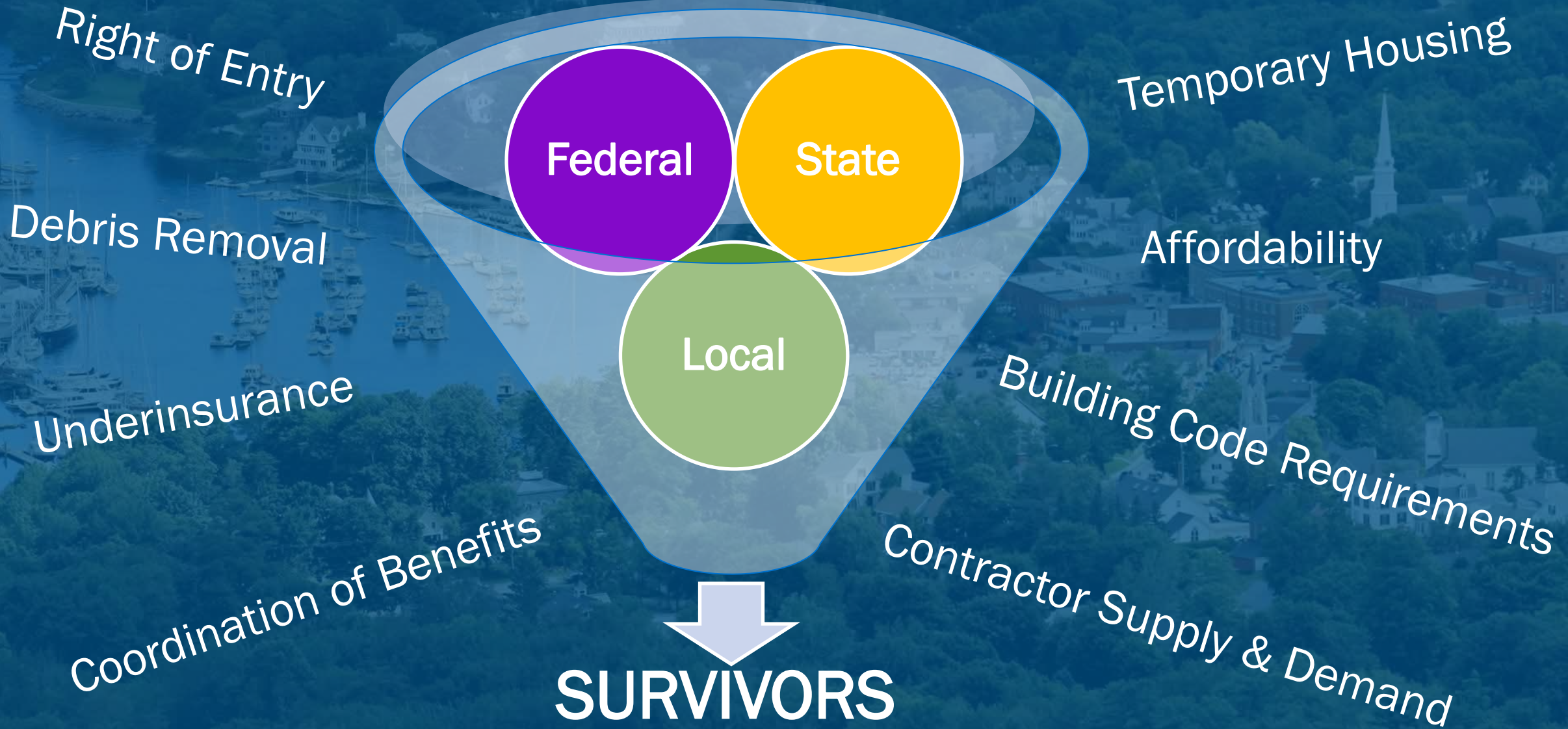


FEMA

Panelist Questions ?



Discussion & Comments



Next Session: Earthquakes



Break

3:50 – 4:00 pm (eastern)



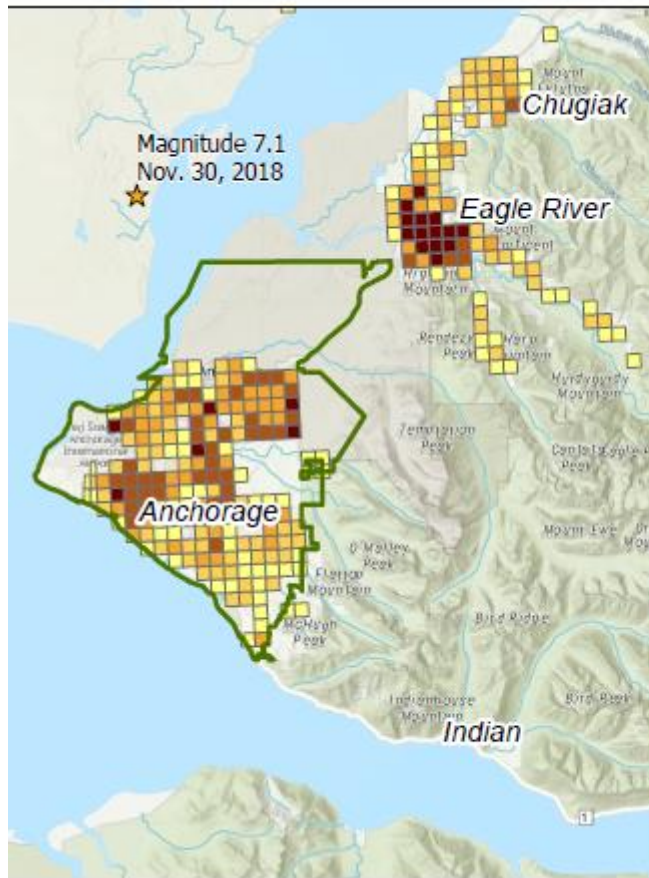
NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS



2018 AK Earthquake

AMANDA.SIOK@FEMA.DHS.GOV

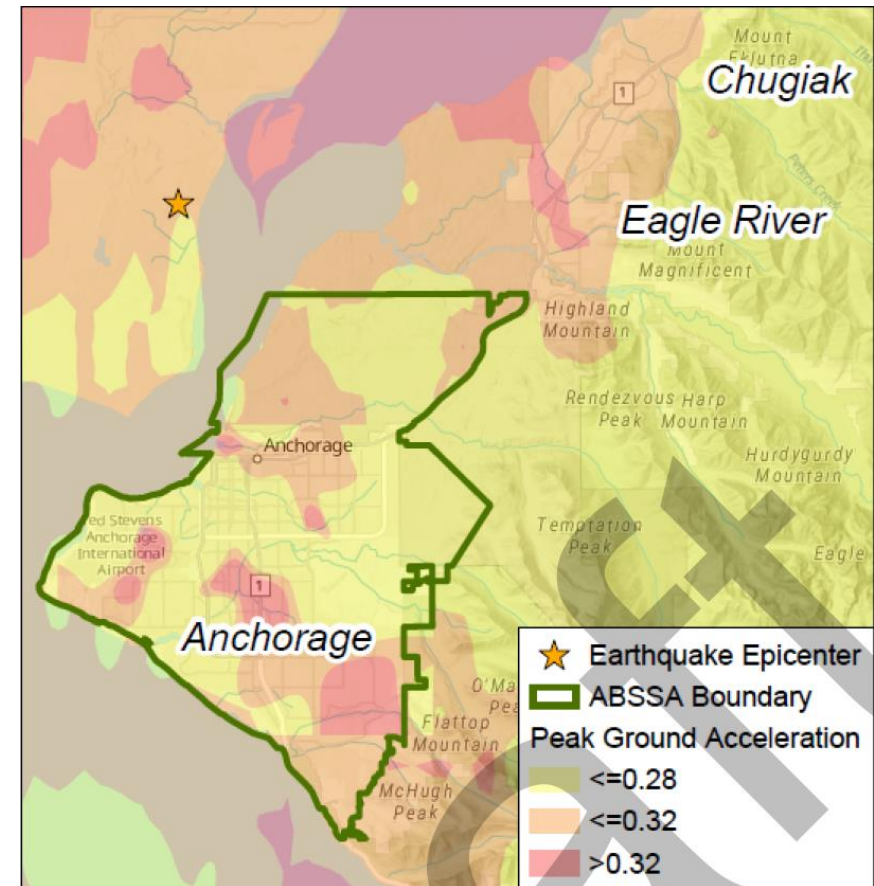
11/30/2018 M7.1



November 30, 2018: A magnitude 7.1 earthquake caused significant shaking in the communities of Anchorage, Eagle River, and Chugiak. The State of Alaska received thousands of requests for Individual Assistance, including residents of the Municipality of Anchorage.

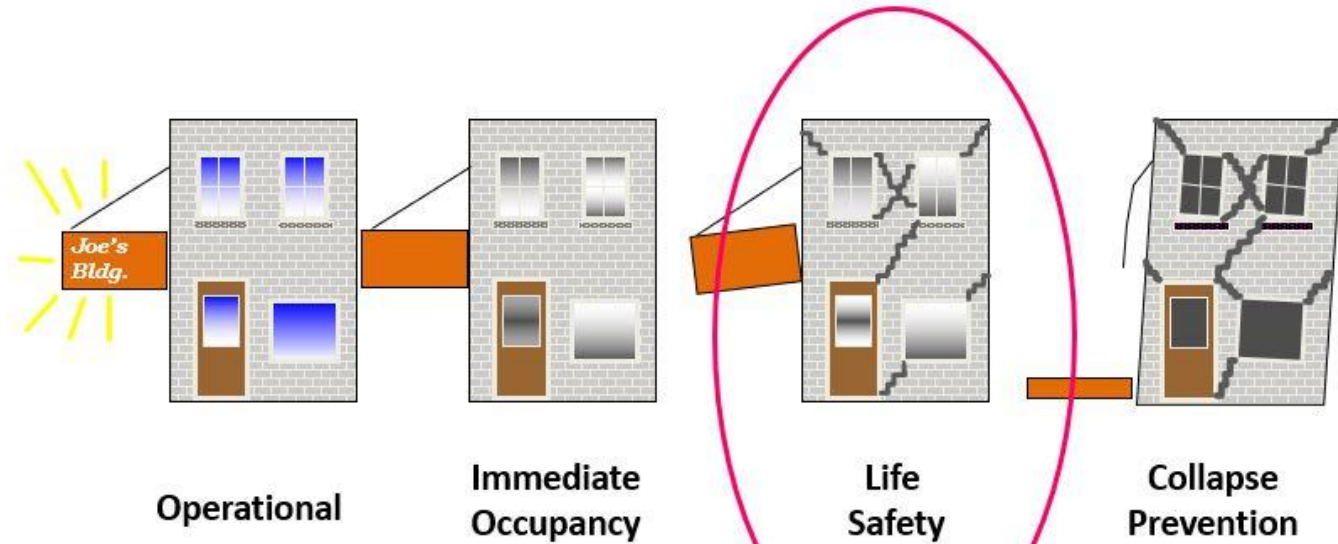
- ★ Earthquake Epicenter
- ▭ ABSSA Boundary
- State of Alaska Individual Assistance Applicants per 1km Grid Cell
- 4 - 10 (<4 not shown)
- 11 - 25
- 26 - 50
- 51 - 100
- Over 100

Despite the less urban composition of Eagle River and Chugiak, their applicant densities are quite high, especially in Eagle River.



- ★ Earthquake Epicenter
- ▭ ABSSA Boundary
- Peak Ground Acceleration
- <=0.28
- <=0.32
- >0.32

Seismic Performance Levels



Graphic by Ron Hamburger, EQE International



Building Code Design Level



FEMA



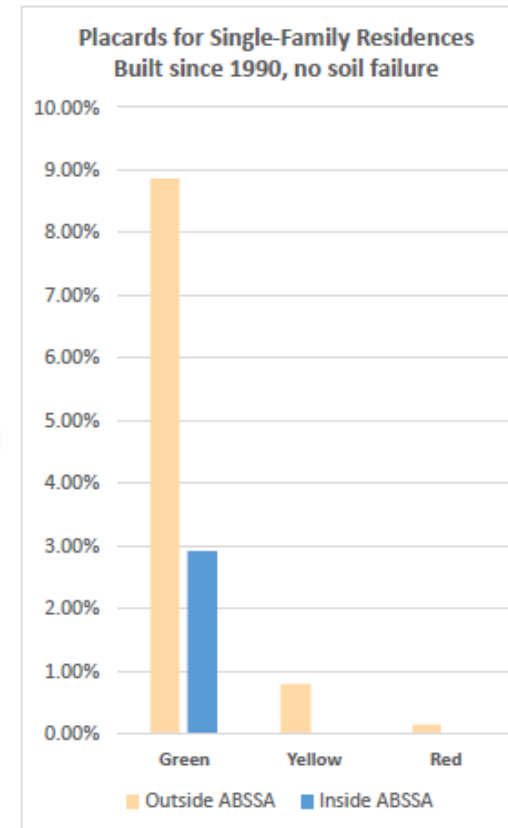
Building Code Enforcement

By 1990 modern seismic provisions were being enforced within the ABSSA on single family home construction. For that reason, these results show only single family residences built since 1990.

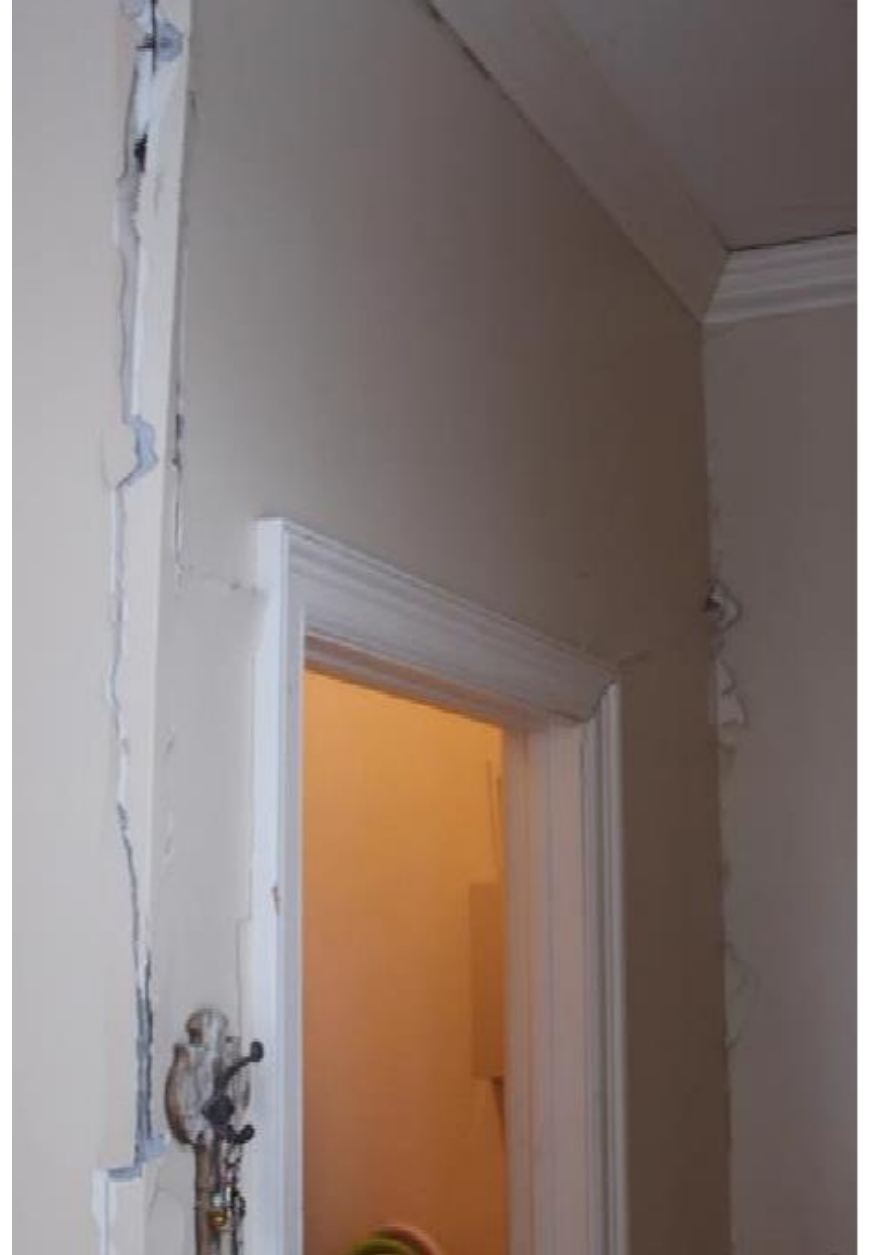
Some of the earthquake damage was caused by soil failure under these houses. Because the building codes and inspections would not have predicted that, those inspections were also removed from this analysis.

TOTALS	None	Green	Yellow	Red	Inspections	Total
Inside ABSSA*	10772	324	1	0	325	11097
Outside ABSSA	3755	369	33	6	408	4163
Eagle River	2720	326	30	4	360	3080
Chugiak	836	38	3	1	42	878
Anchorage*	199	5	0	1	6	205
PERCENTAGES	None	Green	Yellow	Red	Inspections	
Inside ABSSA*	97.07%	2.92%	0.01%	0.00%	2.93%	
Outside ABSSA	90.20%	8.86%	0.79%	0.14%	9.80%	
Eagle River	88.31%	10.58%	0.97%	0.13%	11.69%	
Chugiak	95.22%	4.33%	0.34%	0.11%	4.78%	
Anchorage*	97.07%	2.44%	0.00%	0.49%	2.93%	
Ratio out/in:	0.93	3.04	87.97	---	3.35	

* In the community boundary of Anchorage, this analysis includes 11,097 residences inside the ABSSA and 205 outside.



Analyzing only homes built since 1990 and not experiencing soil failure, both inside and outside the ABSSA show decreased rates of damage. That said, the inspections **inside the ABSSA** experienced much lower rates of damage, with only one yellow placard and no red placards.



Substantial Damage: Floods & Earthquakes



FEMA

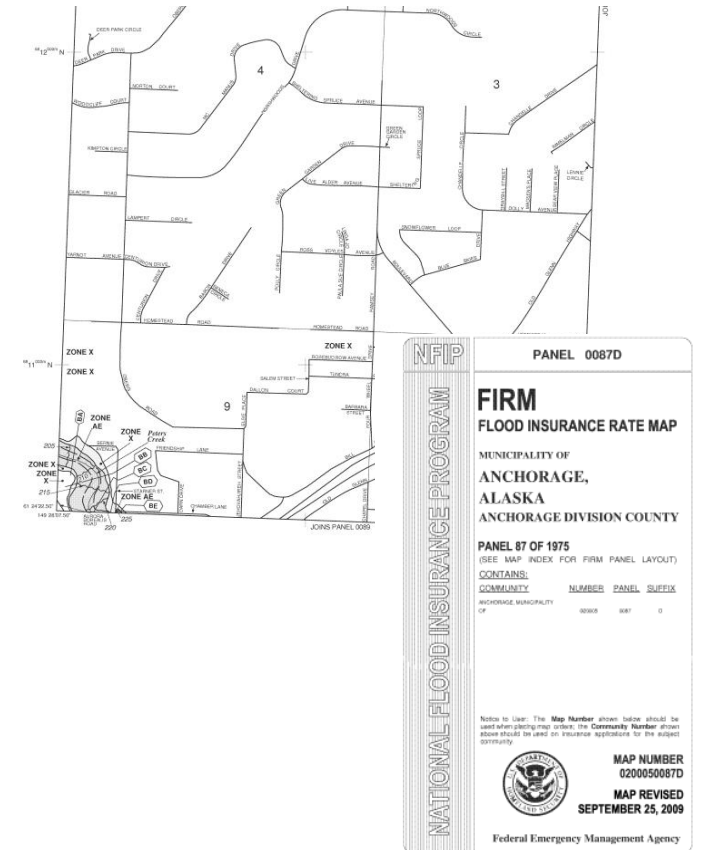
Job Aid

Public Assistance

April 2017

Understanding Substantial Structural Damage in the International Existing Building Code

This document will help you understand how the concept of Substantial Structural Damage (SSD) is used within the *International Existing Building Code*[®] (IEBC[®]). FEMA's Public Assistance Required Minimum Standards Policy found in the Public Assistance Program and Policy Guide, Chapter 2 – Section VII.B.2,¹ (Policy) requires that projects receiving FEMA assistance for repair or replacement incorporate the natural hazards-related provisions of the most recent edition of the International Code Council's[®] (ICC[®]) *International Building Code*[®] (IBC[®]), *International Residential Code*[®] (IRC[®]), and/or the IEBC. The policy applies to buildings that have sustained any level of damage (including, possibly, SSD or Substantial Damage), as well as projects involving new construction, such as improved projects², alternate projects³, or projects eligible for replacement in accordance with 44 CFR, Part



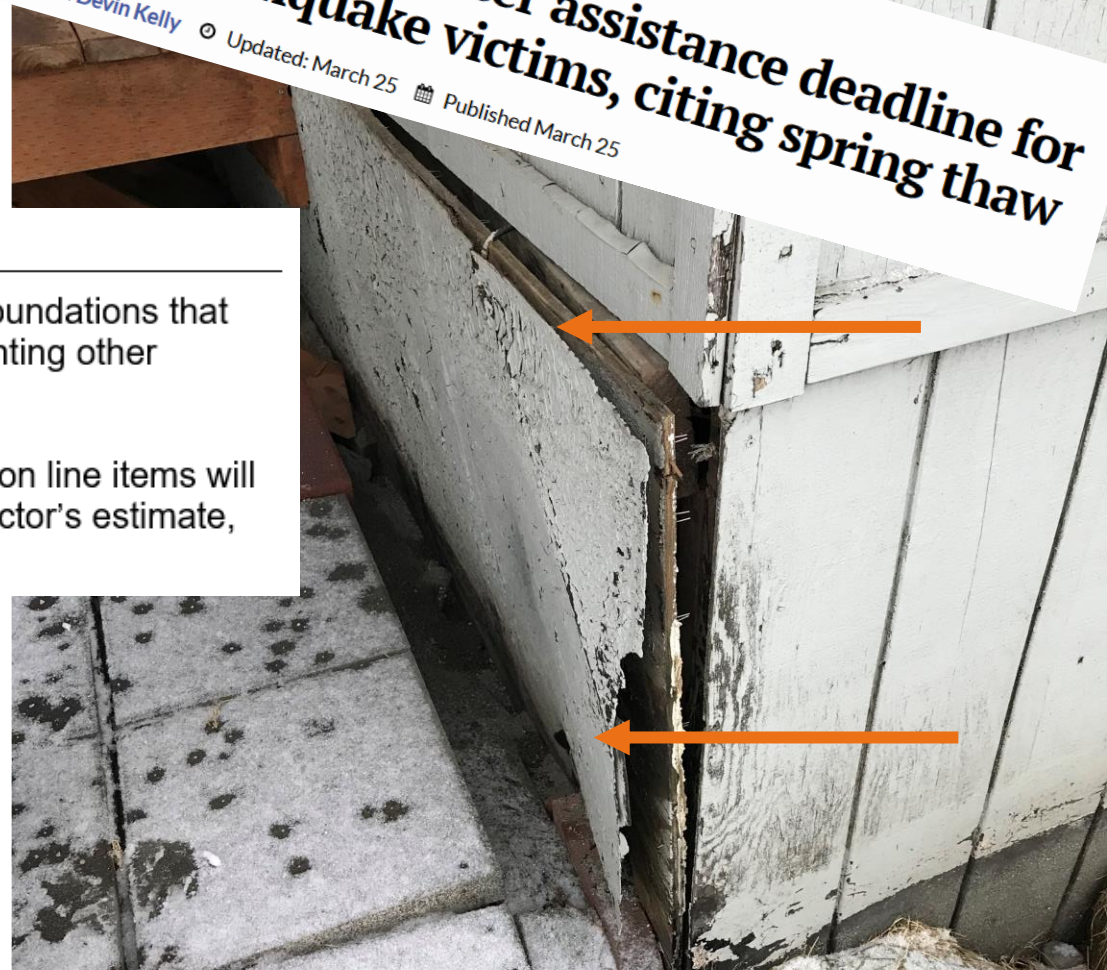
Foundation Damages

Alaska News
FEMA extends disaster assistance deadline for Alaska earthquake victims, citing spring thaw
Author: Devin Kelly Updated: March 25 Published March 25

Appeals for Foundation and Masonry

Due to FEMA inspectors having limited scope to assess damages to foundations that have dropped or shifted as a result of liquified soils, FEMA is implementing other methods to assess these payments on appeal.

All appeals from eligible applicants whose inspections include foundation line items will be reviewed and may be paid for foundation repairs based on a contractor's estimate, up to the Home Repair maximum award.



They **urged residents to exhaust their appeal options**. The U.S. Small Business Administration, meanwhile, is offering low-interest loans up to \$200,000 for homeowners and \$2 million for businesses, though not all qualify.

Insuring the Risk

Average Foundation Damage Cost: \$30,000 - \$50,000

Maximum FEMA Individual Assistance Payout: ~\$ 30,000

AK Earthquake Insurance:

- 15% Coverage
 - Unknown limitations of standard homeowner's insurance
- 20% Deductible (Average Home Price: \$380,000= \$76,000 Deductible)
- Aftershocks post-72 hours from event require new deductible

High cost keeps down earthquake insurance coverage in Alaska



Original from Anchorage

By **Should you have had earthquake damage insurance on your Southcentral Alaska home? Not necessarily.**

Is earthquake insurance coverage worth it? It depends





Obtain and Maintain


Federal money is available for repairs and damage and debris cleanup in the immediate aftermath of a quake. For long-term repair work, FEMA requires the insurance coverage.

The district received quotes and believes a \$10 million earthquake insurance policy would cost about \$1.8 million per year for the life of the facilities, Roth said.

The district must weigh whether taking the federal money is worth the added expense of carrying the insurance.

The insurance requirement may prove too costly for taxpayers, school district Superintendent Deena Bishop said.

"It almost outprices itself," she said.



FEMA Region IX: Earthquake Insurance

ANNE ROSINSKI, CEG

EARTHQUAKE PROGRAM MANAGER

Earthquake Insurance in FEMA Region IX

California - available through CA Earthquake Authority (CEA) <https://www.earthquakeauthority.com/>

- January 17, 1994 M6.7 Northridge earthquake in downtown Los Angeles on previously unknown fault
- ~\$20 BN in residential damages alone with only half covered by insurance
- By January 1995, out of fear they wouldn't have enough money to pay damage claims if another Northridge-like quake happened, companies representing 93% of CA homeowners insurance market either restricted or stopped writing homeowners policies altogether
- 1996 CA legislature created the CEA – a not-for-profit, publicly managed, privately funded
 - Residential property insurers could offer their own insurance or become a CEA participating insurance company
 - Earthquake Strong and Ready – includes such efforts as Brace+Bolt program

Arizona, Hawaii, Nevada, Guam, CNMI - Earthquake insurance is considered an optional coverage.

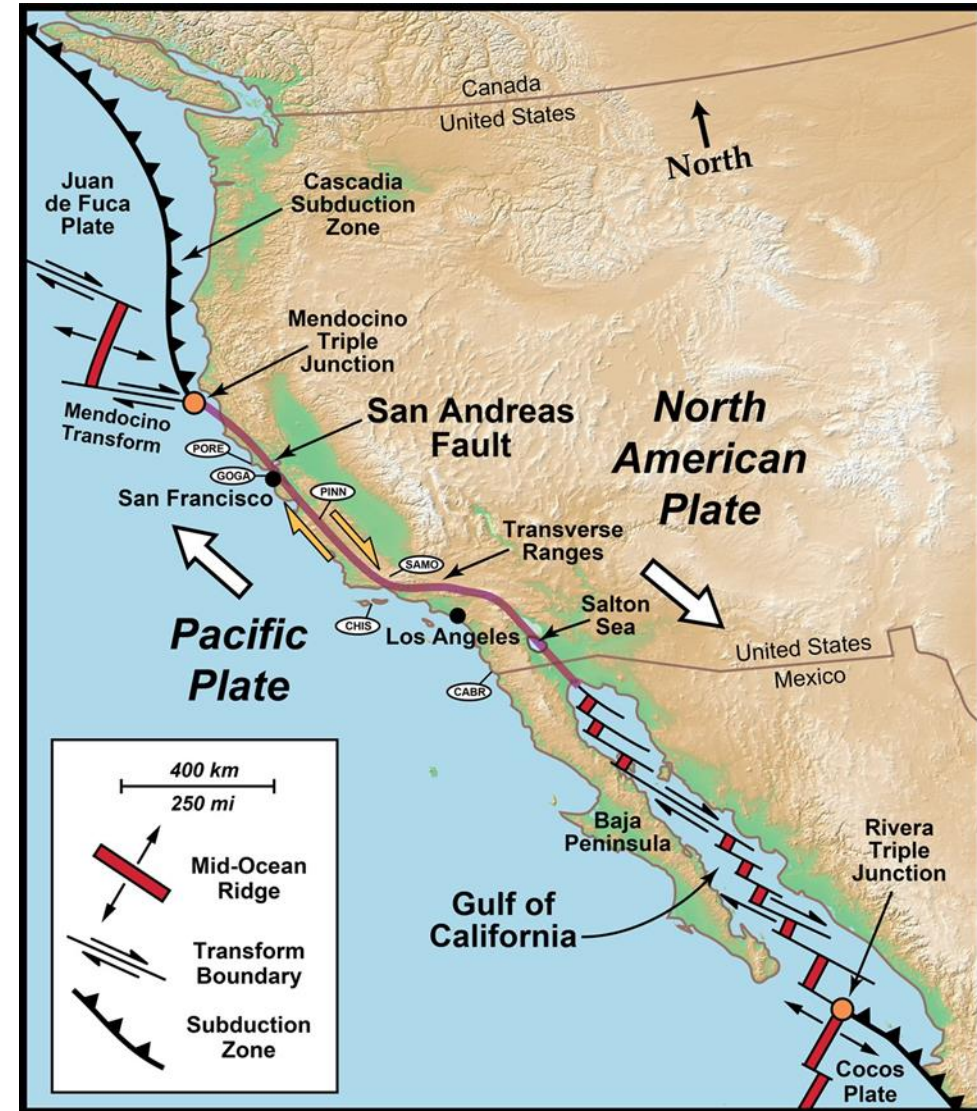
Parametric Insurance

- Newest product on the market
- In Region IX, currently only offered in CA – homes and businesses, renters as well as homeowners
- Low monthly premiums based on your location
- \$10,000 homeowners/\$20,000 businesses; no deductible
- Intended to cover immediate needs after an earthquake
 - Any expense except losses already covered by other insurance, and losses due to bodily harm
- Can be purchased in addition to other earthquake insurance

Complex Plate Tectonics = Hard To Quantify And Categorize Hazard and Risk

Continental U.S. (CONUS)

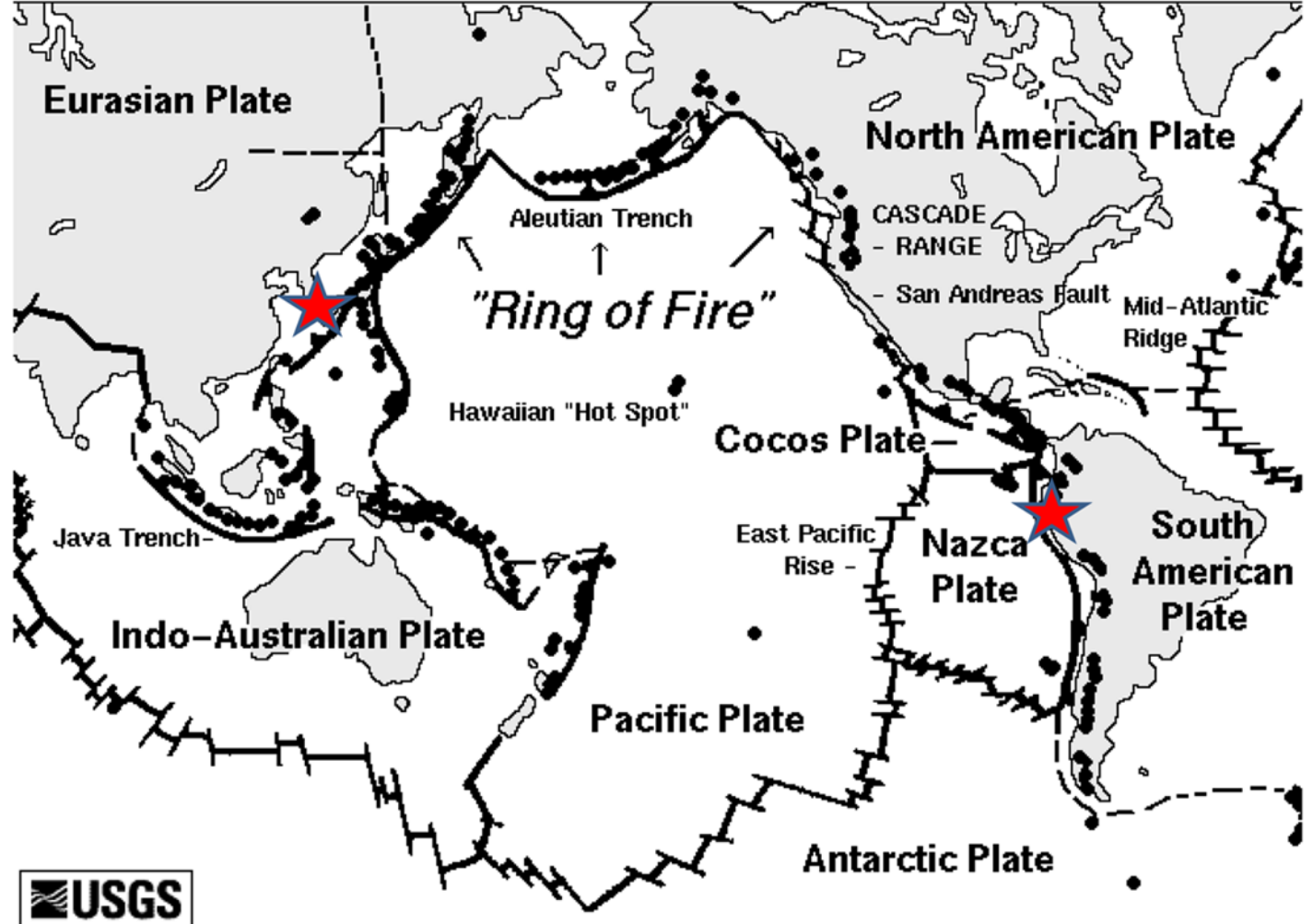
- Strike-slip (horizontal slip) San Andreas from Baja up to Cape Mendocino
- Extension (vertical up/down slip) where N AM plate over riding Pacific plate into Nevada Basin and Range
- Subduction (compression, uplift) and volcanic earthquakes North of Cape Mendocino



Complex Plate Tectonics = Hard To Quantify And Categorize Hazard and Risk

Outside Continental U. S. (OCONUS) Pacific Ring of Fire

- Hawaii - Hotspot volcanic activity, crustal loading, and subsidence
- Guam and American Samoa - subduction along western Pacific rim



Topinka, USGSICVD, 1997, Modified from: Tilling, Heliker, and Wright, 1987, and Hamilton, 1976

Why is Earthquake Insurance different in CA v. other states?

- Since 1933 when the M6.3 Long Beach earthquake destroyed 230 brick school buildings, CA has led the way passing legislation to help state residents understand earthquake hazards
- CA adopts *and enforces* strict building code requirements



John Muir School, Pacific Avenue, Long Beach

Why is Earthquake Insurance different in CA v. other states?

California Seismic Hazards Zone Act:

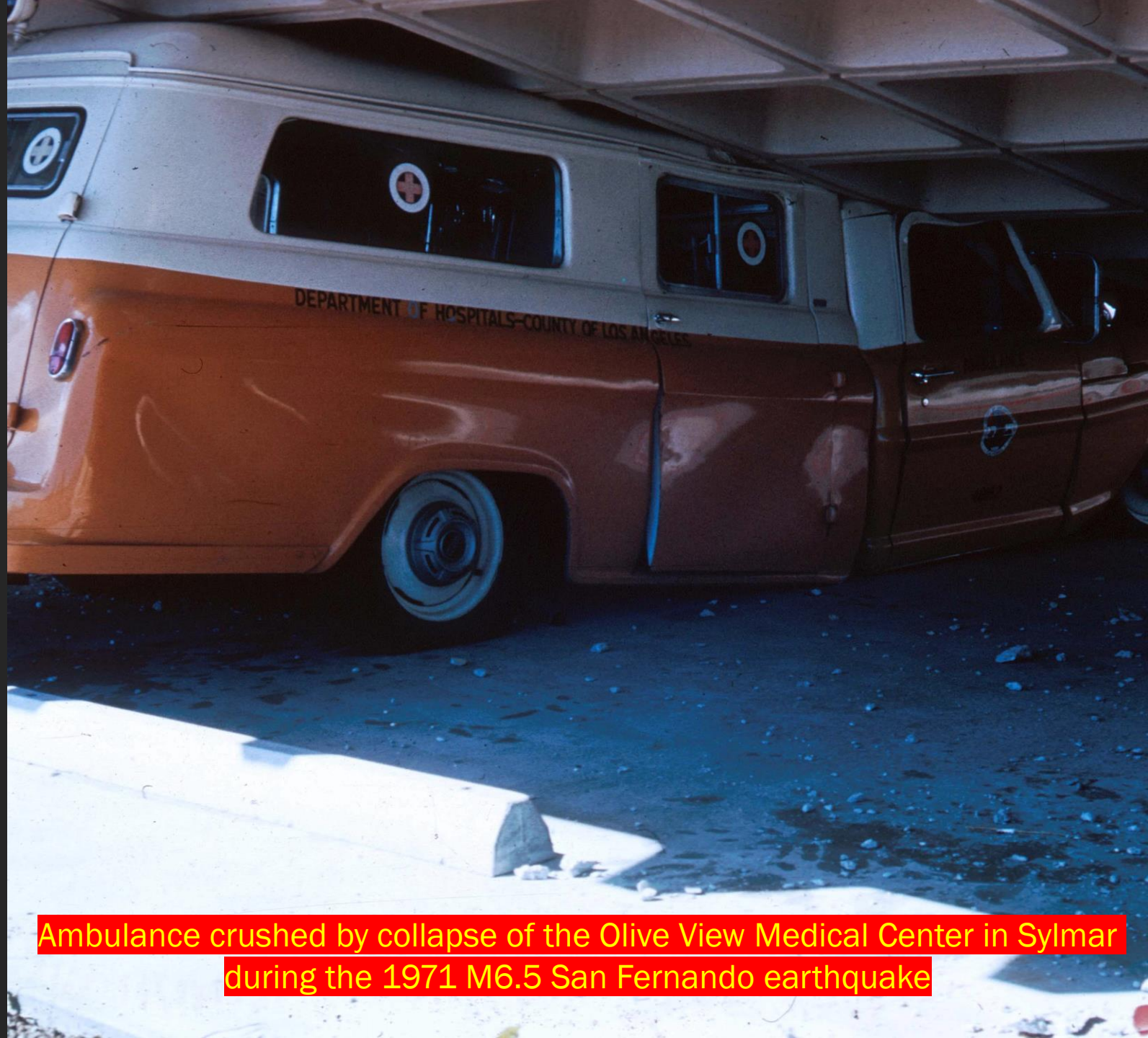
Surface fault rupture

Liquefaction

Earthquake-induced landslide

Tsunami inundation

- Seismic Hazard Zones identify locations of earthquake hazards
- Not all active earthquake faults can be zoned e.g. blind thrust faults
- Not all areas of the state have been evaluated for all earthquake hazards
- Zones do not prohibit development but new construction and improvements over 50% inside of zone must perform site investigation
- The Act also requires disclosure by real estate sellers and agents at the time of sale if a property is within one of the designated seismic hazard zones.



Ambulance crushed by collapse of the Olive View Medical Center in Sylmar during the 1971 M6.5 San Fernando earthquake

What About the Problem of Smaller Earthquakes e.g. $\leq M6.0$?

2014 M6.0 SOUTH NAPA, CA

- Earthquake date: August 24, 2014
- Presidential disaster declaration date: September 11, 2014
- Total individual & households Program Dollars Approved: \$11,388,127
- Individual Assistance Applications Approved: 4,265



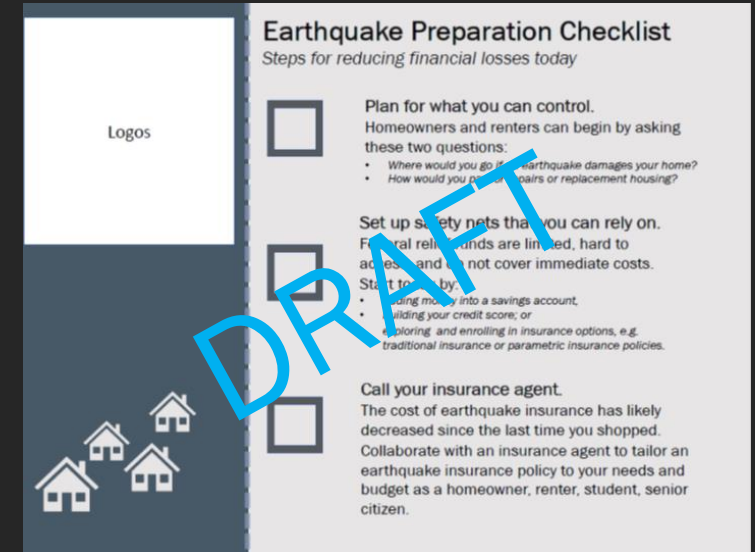
2020 M5.7 MAGNA, UTAH

- Earthquake date: March 18, 2020
- Presidential disaster declaration date: July 9, 2020
- To date more than 1,180 Utah residents registered for federal assistance; >520 virtual inspections of homes damaged



FEMA Region IX Earthquake Insurance and Financial Resilience Tool Kit

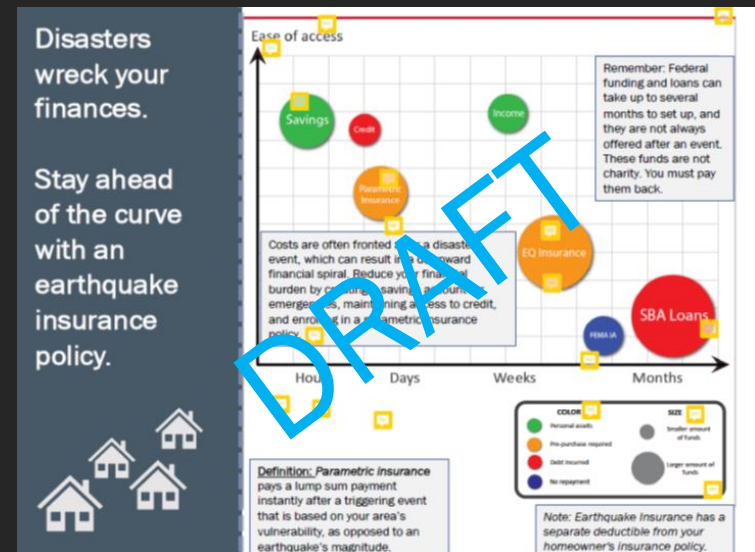
- Collaboration with CEA, Jumpstart, United Policy Holders, FEMA Region IX, CERC support
- Phased project
- First deliverable: 1-page information sheet with instructions to ACT NOW
- Future actions may include interactive web site, mobile app,, other



Earthquake Preparation Checklist
Steps for reducing financial losses today

Logos

- Plan for what you can control.**
Homeowners and renters can begin by asking these two questions:
 - Where would you go if an earthquake damages your home?
 - How would you pay for repairs or replacement housing?
- Set up safety nets that you can rely on.**
Federal relief funds are limited, hard to access, and do not cover immediate costs. Start to plan by:
 - Moving money into a savings account,
 - Building your credit score, or
 - Exploring and enrolling in insurance options, e.g. traditional insurance or parametric insurance policies.
- Call your insurance agent.**
The cost of earthquake insurance has likely decreased since the last time you shopped. Collaborate with an insurance agent to tailor an earthquake insurance policy to your needs and budget as a homeowner, renter, student, senior citizen.






Ready or not, earthquakes happen!

Guess who has earthquake insurance in this picture?

HINT: Earthquake insurance and financial resilience let you Drop.Cover.Hold On, and enjoy the ride 😊

QUESTIONS?

Anne.Rosinski@FEMA.DHS.gov

An aerial photograph of a rugged mountain range with brown and tan peaks and valleys. A large, semi-transparent white circle is overlaid on the left side of the image, containing the title and author information. The background shows a vast landscape with a small town or city visible in the lower right valley.

***WASATCH FRONT
UNREINFORCED
MASONRY RISK
REDUCTION STRATEGY***

Sean McGowan, PE

*Earthquake Program Manager & Building
Science Lead*

FEMA Region 8

Outline

- *Utah earthquake risk*
- *Lessons from Disasters: 2020 Magna, Utah Earthquake*
 - *Slow Declaration process*
 - *Insurance issues*
- *Mitigation efforts*
 - *Fix the Bricks*
 - *Wasatch Front Unreinforced Masonry (URM) Risk Reduction Strategy*

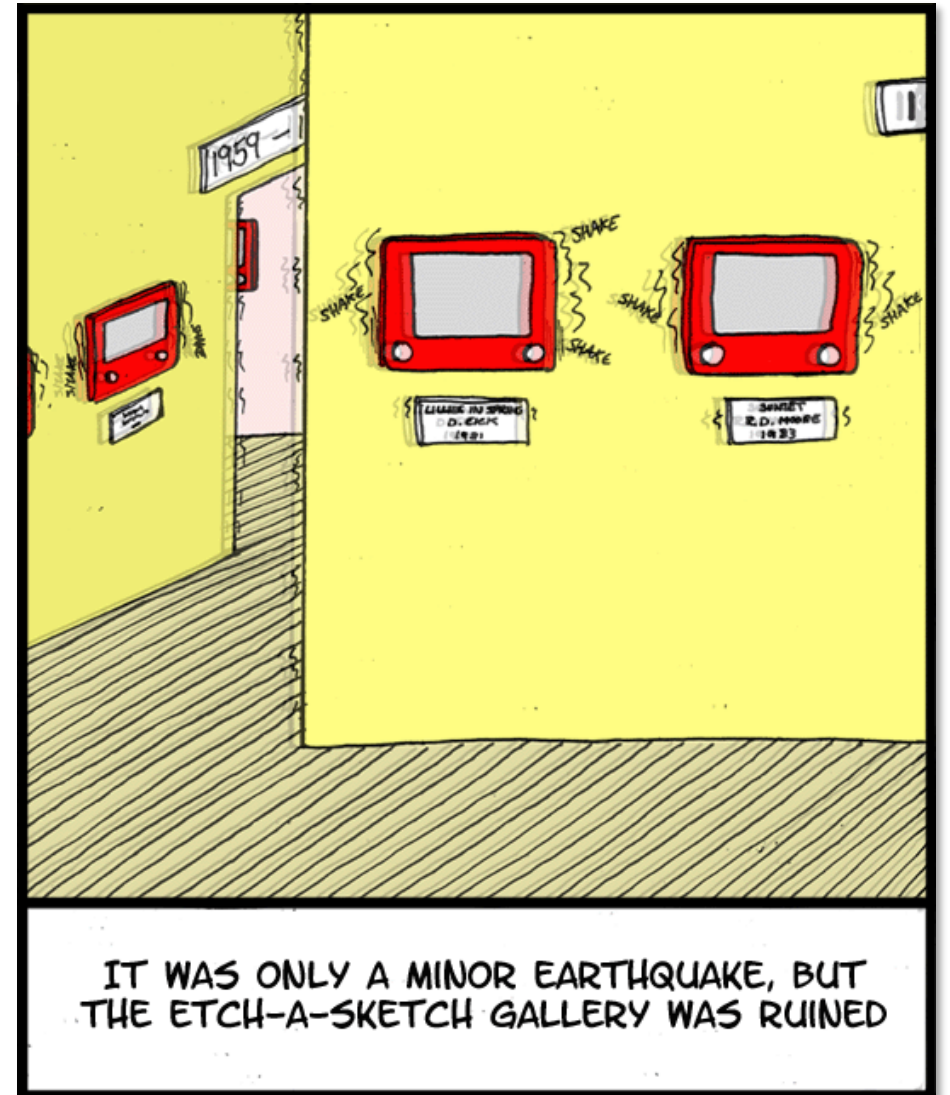
Utah's Killer Buildings: Unreinforced Masonry

Unreinforced Masonry (URM) Buildings don't have any steel holding the brittle bricks together.

URMs experience **life-threatening damage** at low levels of shaking. They often fall *outwards*.

30,000+ URMs in Salt Lake City; 147,000 in 12 county Wasatch Front

~440k people at risk!



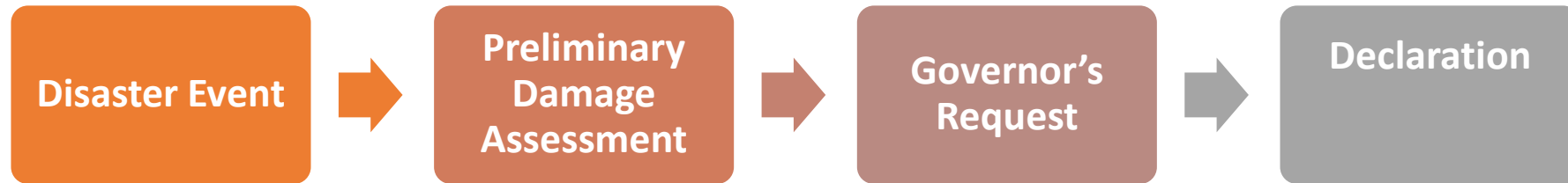
Economics > Engineering

URMs persist because they are economically viable. Victorian, Tudor, Georgian, and brownstone style buildings are sought after as homes and workplaces.

Most are not insured against earthquake damage!



What a Disaster



Declaration thresholds:
State: \$1.53 per capita
(uninsured)

2020 Magna Earthquake

- Occurred March 18, 2020
- Damage Assessments: mostly virtual
...yet needed to be accurate
- Moderate earthquakes – may have delayed Declarations
- Declaration:
 - Individuals: July 9, 2020
 - Public: Dec. 31, 2020



Why the Delay? Insurance Coverage

- State was *very* well insured.
- Difficult to prove uninsured losses exceeded Declaration threshold
- Talk to FEMA Regions to better understand interplay between premiums, deductibles, and Declaration threshold



Who Foots the Bill?



- YELLOW = State properties

Who Foots the Bill?



- **YELLOW** = State properties
- **X** = Damaged, FEMA covers 75% uninsured losses

Who Foots the Bill?



- **YELLOW** = State properties
- **X** = Damaged, FEMA covers 75% uninsured losses

Parametric portfolio coverage – lump sum

FEMA: “So, which buildings did that cover? Taxpayers won’t be on the hook for them.”

APPROXIMATELY 66 MILLION YEARS AGO...

WELL THAT LOOKS LIKE IT WILL COST A FORTUNE...

ASTEROID
MITIGATION
PROGRAM

KVOELKA 3 MAY 2019



FEMA



Fix the Bricks

- FEMA Pre-Disaster Mitigation grant to Salt Lake City
- Residential URM retrofits
- ~\$4 million in 2020



THE BRICKS

SALT LAKE CITY

RE-ROOFING?
REMODELING?

It's the perfect opportunity to make seismic improvements.

URM Strategy

- Funding ideas – linking resources to maximize Federal/State grants
- Creative solutions: tax breaks, Historic Preservation credits
- Roadmap for public engagement and soliciting buy-in



Wasatch Front Unreinforced Masonry Risk Reduction Strategy



Issues to Consider

- Most property owners don't have earthquake coverage
- Retrofits protect people, typically not buildings themselves
- When damage is bad enough, some survivors default and walk away
- How do we better engage Insurance Commissioners and private insurers to:
 - Help communicate risk?
 - Protect property owners?
 - Prevent economic meltdown?

Thanks!

Sean McGowan, PE

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Denver, CO

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303-475-1447



ARE YOU READY?

CENTRALUSQUAKE.ORG

3RD LARGEST
MARKET FOR EARTHQUAKE INSURANCE



UNITED STATES NATURAL DISASTERS

TOTAL ECONOMIC LOSS IN BILLIONS





DO YOU HAVE A PLAN?

CENTRALUSQUAKE.ORG



FOUR THINGS YOU SHOULD KNOW

ABOUT EARTHQUAKE COVERAGE



SWIPE TO SEE TIPS >>>

1 KNOW WHAT IS AND WHAT IS NOT COVERED UNDER EARTHQUAKE POLICIES.

Earthquake insurance typically only covers direct damage to the property resulting from the shaking of an earthquake. Indirect damage, such as fire and water damage from burst gas and water pipes, is covered under a homeowners policy.

2 EARTHQUAKE DEDUCTIBLES ARE MUCH HIGHER THAN A TYPICAL HOMEOWNERS INSURANCE DEDUCTIBLE.

If your deductible is too high, you may not be able to use your earthquake insurance because the damage may not be greater than the deductible.

3 THE DEDUCTIBLE YOU PAY IS CONSIDERED AN UNINSURED LOSS.

But you are entitled to federal disaster loans to help cover uninsured losses.

4 TYPICALLY, ALL EARTHQUAKE EVENTS IN A 72-HOUR (THREE-DAY) PERIOD ARE CONSIDERED ONE EVENT — WITH ONE CLAIM AND ONE SET OF DEDUCTIBLES.

Damage caused by aftershocks more than 72 hours after the first quake could mean a second claim with a second set of deductibles. The time period can vary, so be sure to go over this with your insurance agent.

ARE YOU
READY?
DO YOU HAVE A
PLAN?
CENTRALUSQUAKE.ORG



U.S. Department of Homeland Security
Washington, DC 20472

FEMA

MEMORANDUM OF AGREEMENT
BETWEEN
THE U.S. DEPARTMENT OF HOMELAND SECURITY/
FEDERAL EMERGENCY MANAGEMENT AGENCY (DHS/FEMA)
AND
THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS (NAIC)

I. PARTIES

The parties to this Memorandum of Agreement (MOA, or agreement) are the Federal Emergency Management Agency within the U.S. Department of Homeland Security (DHS/FEMA, or the Agency), and the National Association of Insurance Commissioners (NAIC). Both parties are responsible for the goals and activities contained in this agreement and shall contribute to its success.

First building code and mitigation DOI workshop planned for mid March in cooperation with FEMA, IBHS, ICC, FLASH and others.

NAIC Insurance Summit Risk and Resilience Track - June