

15% Flood Insurance Discounts

Congressionally mandated reforms required by the Homeowners Flood Insurance Affordability Act of 2014 that repeal and modify the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters), while slowing some flood insurance rate increases, will still result in rising premiums and surcharges. The Town of Charlestown has been working diligently to offset these proposed rate increases by participating in the Community Rating System (CRS) Program.

On May 1, 2015 the Town will be officially accepted into the CRS Program by the Federal Emergency Management Agency (FEMA). The CRS Program is a voluntary program that recognizes communities for floodplain management activities that exceed the minimum National Flood Insurance Program (NFIP) standards. Upon acceptance into the program, property owners in the Town of Charlestown will receive discounts on their Flood Insurance Premiums based on the "Class" rating in the CRS program.

The Town has achieved a Class 7 rating, the first in the State of Rhode Island and the second community to receive such a great rating in the entire Northeast. The Class 7 rating qualifies all property owners with a "standard" flood insurance policy, for a 15% discount on their flood insurance premiums. "Preferred Risk Policies" will not be awarded the discount as they already receive discounted rates; however "grandfathered" policy holders will still be eligible to receive a 5% discount.

Currently there are 794 Flood Insurance Policies in effect in the Town of Charlestown. The Class 7 rating will save property owners in the Town of Charlestown a total of \$173,850.00 per year. As more policies are purchased and as premiums increase, so will the savings.

Upon renewal of a policy or when a new policy is written, after May 1, 2015, property owners, including municipal and commercially owned property, will receive the discount on their premium. Be sure to check your policy upon renewal to verify you have received the discount, which should be done automatically by your insurance company. Should you not see the discount, be sure to verify the type of policy you have before contacting your insurance company as the "Preferred Risk Policies" are not eligible.

Feel free to contact me at (401) 364-1215 or by email ~ jwarner@charlestownri.gov should you have any questions pertaining to the CRS Program and related discounts.

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