

PRESS RELEASE

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Insurance Commissioner Sevigny Warns that Rainy Season Brings New Flood Risk: Consider the Purchase of National Flood Insurance Now

Concord, NH – March 30, 2009 –New Hampshire Insurance Commissioner Roger Sevigny expressed concern that with spring rains in the offing, and snow run-off at high levels, many New Hampshire property owners may be unprotected.

When spring rains and snow melt caused flooding in New Hampshire the last several years, thousands of homes and businesses were affected. Homes were destroyed, and many homes suffered serious damage. Homeowners lost belongings and businesses lost inventory and equipment. Businesses were forced to close due to the damage.

The flooding in 2006 was the state’s most expensive natural disaster in more than 50 years. Damage to public infrastructure alone as a result of the May 2006 flooding totaled nearly \$15 million. Flooding in 2007 and 2008 likewise caused extensive damage and cost millions. Notwithstanding the recent history of annual floods in the state, of the 20,192 structures in special flood hazard areas in New Hampshire, only 4,205 are covered by flood insurance.

Insurance Commissioner Sevigny said “Despite several consecutive years of wide spread spring flooding throughout the state, many people have not taken advantage of the National Flood Insurance Program. Flood insurance can be purchased from the federal government in preparation for this year’s spring rains and run off that could protect most residential and business property from catastrophic loss. There’s a 30 day waiting period, however, for coverage to take effect, so people should not put it off until the last minute and expect to have coverage in place.” Sevigny went on to say “Although sales of new flood insurance policies in New Hampshire have exceeded the national average, most New Hampshire properties are not insured against flooding. Unfortunately, many people mistakenly believe that the federal or state government will pay them for their losses if they don’t have flood insurance.”

Commissioner Sevigny urges New Hampshire residents to consider flood insurance, and reminds New Hampshire residents of the following:

- Homeowner insurance does not cover flood losses.
- Anyone can purchase flood insurance, regardless of where the property is located, as long as your hometown is a National Flood Insurance Program community.
- Your home does not need to be within a specific flood zone to qualify for National Flood Insurance.
- Most homeowners, businesses and renters can purchase flood insurance.
- You can purchase federal flood insurance through your local insurance agent.
- You can purchase federal flood insurance even if your mortgage lender doesn't require it.
- You can purchase flood insurance even if your property has been flooded before.

Commissioner Sevigny reminds the public that “Only 50% of those in high risk areas nationwide are insured against flooding. This is a federal government program designed to protect you against catastrophic loss, and you can't count on federal aid to make you whole without a flood insurance policy.”

Additional information about flood insurance can be found on the New Hampshire Insurance Department's web site www.nh.gov/insurance, or at the FEMA flood insurance site for consumers, www.FloodSmart.gov

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ABOUT THE NH INSURANCE DEPARTMENT

The first insurance regulator in the US, the NH Insurance Department was created in 1851 and charged with enforcing and administering New Hampshire's insurance laws. The department, an agency of the executive branch of New Hampshire state government, conducts safety and soundness and market conduct examinations of licensees, licenses insurance companies and insurance producers, reviews premium rates and policy forms, provides assistance, information and referral services to New Hampshire insurance consumers, and administers the filing and collection of New Hampshire's insurance premium tax. For more information, visit the Insurance Department's web site at: www.nh.gov/insurance.