

As a State Insurance Commissioner, you play a crucial role in developing State policy for insurance. You can help shape the vision and strategy for protecting consumers with insurance coverage.

In these times of weather-related disasters, flood insurance, available through the National Flood Insurance Program (NFIP), is critically important to homeowners, business owners, and renters in your State.

Here are some simple but effective steps that you can take to foster understanding of flood insurance by both insurance agents and consumers.



For more information about the NFIP and flood insurance, call 1-800-427-4661, or go to <http://www.fema.gov/business/nfip>

Workshop Schedules

<http://www.fema.gov/business/nfip/trainagt.shtm>

NFIP Regional Offices

http://www.fema.gov/business/nfip/nfip_regions.shtm

Agent Training and FloodSmart Resources

<http://training.nfipstat.com>

<http://www.floodsmart.gov>



National Flood Insurance Program
**Six Ways
State Insurance
Commissioners
Can Support Agent and
Consumer Education
and Training**



FEMA

1 Mandate NFIP continuing education for licensed agents.

How many of your constituents were protected by flood insurance last year? How many of them suffered uninsured flood losses? How many will not be insured this year? Most State Departments of Insurance have a continuing education program for their licensed agents and brokers. Insurance agents are at the forefront for getting flood insurance products to consumers. It is critical that agents are knowledgeable—armed with up-to-date information about flood risks and the insurance coverage available. You can support this effort by mandating that a certain amount of the required continuing education credits come from an approved flood insurance workshop or on-line course.

In fact, the Flood Insurance Reform Act of 2004, Public Law 108-264, Section 207, mandates minimum training and education requirements for all insurance agents who sell NFIP flood insurance policies. The *Federal Register* notice (Vol. 70, No. 169) published September 1, 2005, describes the flood insurance course content that States should include when establishing or updating their flood insurance training requirements. FEMA is committed to actively supporting the States in implementing their flood insurance training programs for insurance agents.

The NFIP conducts workshops throughout the United States and its territories annually that answer the questions insurance agents may have regarding flood insurance. These workshops cover such topics as:

- How the NFIP works
- Use of the Elevation Certificate
- NFIP terms and coverages
- Essential elements for rating
- Claims procedures
- Where to get help

Depending on the State, insurance agents and brokers can earn from 2 to 4 continuing education credits for attending. Workshop schedules and other information about training opportunities are available at <http://www.fema.gov/business/nfip/trainagt.shtm>.

2 Establish an NFIP education plan for Department staff and for licensing new agents and brokers.

A recurrent theme from flood victims after a flood disaster is that their insurance agent never told them that they could purchase flood insurance, or that their insurance agent misinformed them about their eligibility to purchase the product. You can help resolve this problem by making sure that questions about flood insurance are included on State licensing exams.

Natural disasters can create confusion and chaos for everyone. After a flood disaster, your Department of Insurance staff wants to be fully prepared to respond to the overwhelming number of inquiries that it might receive. What makes a great team even greater is its bench strength. Your department will be more prepared to assist consumers in recovering from a flood disaster if you prepare your team with training about the NFIP before disaster strikes. Contact the NFIP Bureau and Statistical Agent Regional Office for your State (http://www.fema.gov/business/nfip/nfip_regions.shtm) to arrange for staff training at no cost.

3 Link your website to the FEMA/NFIP FloodSmart and Agent Training websites.

Today we live in not only an environment of unprecedented peril—as weather events take a high toll on our people and our pocket-books—but also an era of unparalleled possibility—when technology makes it possible to counter nature with know-how.

Information is the cornerstone of preparedness. Your providing a link to the NFIP FloodSmart website (<http://www.floodsmart.gov>) will allow us to share information that enables people to more effectively assess their risks and address them.

The NFIP Agent Training Station (<http://training.nfipstat.com>) is available to insurance agents 24 hours a day, 7 days a week. Upon successful completion of the mastery exam at the end of the basic training module, the insurance agent receives a Certificate of Completion. We encourage State Insurance Departments to accept this certificate as proof of compliance with your continuing education program.

4 Evaluate prospective flood insurance training providers and reward diligent agent training efforts.

With the expected increase in weather-related disasters and greater number of constituents at risk, now is the time to ensure that the

training your licensed insurance agents and brokers receive meets the minimum standards established by FEMA (as described in the September 1, 2005, *Federal Register* notice). FEMA offers incentives to agents who pursue flood insurance training. For example, the NFIP's Agent Co-op Program provides larger flood insurance advertising cost-shares to those agents who have completed a State-approved flood insurance training course within a 12-month period.

FEMA encourages State Insurance Departments to enable insurance agents who have completed applicable training within a 12-month period to show evidence that they have satisfied the State's mandatory flood insurance training requirement.

5 Keep track of agent compliance with State flood insurance training requirements. Waive the fee for attendance at NFIP workshops sponsored by FEMA.

State Insurance Departments can use in-house, contractor, or other resources to help track the results of their flood insurance training requirements. FEMA, through its NFIP Bureau and Statistical Agent contractor, will handle the reporting function for attendance at a FEMA-sponsored NFIP Agent Workshop, thus eliminating the administrative burden upon the Departments of Insurance and/or their contractors. By also eliminating the fee associated with obtaining continuing education credit, it is anticipated that more licensed insurance agents will take advantage of the "free" continuing education credits and attend an NFIP agent workshop.

6 Develop an outreach program to educate consumers about the NFIP.

One of the most effective ways to educate consumers about the need to protect themselves from financial loss due to flooding is to support and encourage NFIP-related public awareness activities.

Many State Departments of Insurance are already actively involved in coordinating and sponsoring flood awareness campaigns throughout their States. Some of these activities include sponsoring flood insurance workshops and/or seminars, Flood Forums, Flood Awareness Day or Month proclamations, and direct-mail campaigns to home and business owners. The NFIP provides public awareness materials free of charge through the FEMA Distribution Center at 1-800-480-2520.

