



FEMA

W-11093

September 22, 2011

MEMORANDUM FOR: Write Your Own (WYO) Principal Coordinators and the  
National Flood Insurance Program (NFIP) Servicing Agent

A handwritten signature in black ink, appearing to read "Dennis Kuhns".

FROM: Dennis Kuhns  
Division Director  
Risk Insurance Division

SUBJECT: Basement Coverage

In the aftermath of recent, widespread, and significant flooding events, there have been reports of prospective flood insurance buyers being incorrectly told that the National Flood Insurance Program (NFIP) does not provide any coverage in basements. In order to more correctly inform customers and avoid potential Errors and Omissions claims, please encourage producers to provide the following information from FEMA's publication *Answers to Questions about the NFIP*.

**Question #57. What coverage is available in basements and in enclosed areas beneath the lowest elevated floor of an elevated building located in an SFHA built after the community entered the NFIP (Post-FIRM)?**

Coverage is provided for foundation elements, including posts, pilings, piers, or other support systems for elevated buildings. Coverage is also available for basement and enclosure utility connections, as well as for certain mechanical equipment necessary for the habitability of a building, such as furnaces, water heaters, clothes washers and dryers, food freezers and the food in them, air conditioners, heat pumps, electrical junctions, and circuit breaker boxes. Finished structural elements such as paneling and linoleum, and contents items such as rugs and furniture are not covered. The SFIP (Standard Flood Insurance Policy) has a complete list of covered elements and equipment.

*Answers to Questions about the NFIP* is available to order in quantities from the FEMA Warehouse by calling 1-800-480-2520. It can be accessed online through the FEMA Library at the following link: <http://www.fema.gov/library/viewRecord.do?id=1404>.

Another publication helpful to producers when explaining some of the more important provisions of the NFIP policy is *The National Flood Insurance Program Summary of Coverage*. It is available in English and Spanish, can be ordered in quantities through the FEMA Warehouse, and can be accessed

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through the FEMA Library at the following link:  
<http://www.fema.gov/library/viewRecord.do?id=3011>.

For a range of helpful information on the NFIP, flood risk, and flood insurance protection, producers should refer their customers to <http://www.FloodSmart.gov>, the consumer website for the NFIP. Producers who sell flood insurance can visit <http://www.Agents.FloodSmart.gov> for tips and resources that may help them better serve their clients.

Thank you for encouraging producers to use this information when describing flood insurance coverage.

cc: Vendors, IBHS, FIPNC, Government Technical Representative