



Ohio Department of Natural Resources  
**Division of Soil and Water Resources**  
Fact Sheet

Fact Sheet 97-42

## The Community Rating System and Flood Hazard Mitigation

Since its inception in 1968, the National Flood Insurance Program (NFIP) has provided federally-backed flood insurance to encourage communities to enact and enforce floodplain management regulations. The NFIP is a voluntary program based upon an agreement between local communities and the federal government. This agreement states that if the community implements and enforces a floodplain management program to reduce future flood risks to new development and substantially improved existing structures in special flood hazard areas, the federal government will make flood insurance available for purchase within the community. Flood insurance provides financial protection to safeguard property owners against potential flood losses.

The Community Rating System (CRS) was developed by the Federal Emergency Management Agency (FEMA) in 1990 as an incentive for communities to do more than enforce the minimum regulatory standards. Under the NFIP, flood insurance premium rates are the same in all participating communities, even though some communities do much more than regulate development to the minimum NFIP standards. Minimum standards result in few community activities to reduce flood damages to existing buildings, or manage development in areas not mapped by the NFIP, or protect new buildings beyond the minimum NFIP protection level. Because these additional activities can help to reduce or eliminate the severity of future flood losses (also referred to as mitigating losses), FEMA has implemented the CRS.

The three goals of the CRS are to:

- 1) reduce flood losses,
- 2) facilitate accurate insurance rating, and
- 3) promote awareness of flood insurance.

The objective of the CRS is to reward those communities that are doing more than the minimum NFIP requirements to help their residents prevent or reduce flood losses. The CRS is a voluntary incentive program of the NFIP that rewards qualifying local governments for undertaking selected activities above and beyond the minimum NFIP-requirements. The reward is in the form of discounts to flood insurance premium rates on flood insurance policies sold for properties within the community.

A community's floodplain management program is evaluated and assigned a class number from 10 to 1. The lower a community's class number, the lower the flood insurance premium for owners of property in that community. A community's CRS class is based on the number of credit points calculated for activities that are undertaken to promote new flood protection activities. Credit points are assigned based upon how effectively a particular activity reduces flood damage.

The CRS is another set of tools and strategies which build upon the basic hazard identification and risk assessment information provided to NFIP communities. The activities are intended to help communities locate additional areas of flood risk, assess the magnitude of flood risk, and develop strategies and priorities for reducing the risk. The mitigation process can help identify incompatible use in special flood hazard areas and reduce expenditures for flood damages, flood relief and rescue when communities take corrective actions.



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Activities of the CRS are organized under four categories:

- 1) public information,
- 2) mapping and regulations,
- 3) flood damage reduction, and
- 4) flood preparedness.

### **Activities Credited Under the CRS**

#### **Section 300 - Public Information Activities**

This section includes activities that advise residents about the flood hazard, flood insurance, and flood protection measures. Activities included in this section may encompass outreach projects, providing flood protection publications, real estate flood hazard disclosure, and providing technical advice to property owners regarding flood protection. These activities can be directed toward floodplain residents, property owners, insurance agents, or real estate agents. Requiring a FEMA Elevation Certificate for all new development is mandatory for CRS participants. Additional credit points can be earned if the Elevation Certificates are completed for all structures in the special flood hazard area.

#### **Section 400 - Mapping and Regulatory Activities**

This series credits communities that enact and enforce regulations that exceed the NFIP's minimum standards providing protection for local development. Activities include mapping flood hazard areas not shown on the Flood Insurance Rate Map, preserving open space, adopting low density requirements for floodplains, and stormwater management initiatives to minimize the impacts of surface water runoff and drainage. Mapping and regulating areas prone to ice jams, erosion, land subsidence, or other hazard areas can also qualify for additional credit in this section.

#### **Section 500 - Flood Damage Reduction Activities**

This section addresses flood damage to existing structures. Credit is provided for addressing repetitive loss problems, acquisition and relocation programs/activities, retrofitting existing structures (floodproofing, elevating the structure, or other methods to reduce flood damage), and maintaining drainage systems. Note that the CRS does not provide credit for structural flood control projects like channel improvements. This section also assigns credit for preparing, adopting, implementing, evaluating, and updating a comprehensive floodplain management plan. A plan is a comprehensive guide that describes how a community will deal with future flooding problems and protect the natural functions of its floodplains. The comprehensive floodplain management planning process is required for communities with ten or more repetitive losses.

#### **Section 600 - Flood Preparedness Activities**

Activities in this section should minimize the effects of a flood on people, property, and building contents and are coordinated at the local level by the emergency manager. These activities include flood warning systems, flood response plans, evacuation plans, or levee and dam safety programs.

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Production of this Fact Sheet was supported by a grant from the Federal Emergency Management Agency. The contents do not necessarily reflect the views and policy of the grantor agency.

