Federal Emergency Management Agency
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NEWS

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FEMA BUYOUT PROGRAM WELL UNDERWAY IN FLOOD-DAMAGED MIDWEST

WASHINGTON -- The Federal Emergency Management Agency's (FEMA's) buyout/relocation program reaches a milestone tomorrow when 37 property owners in Valmeyer, Ill., close on the sale of their damaged homes to the federal government.

Valmeyer Mayor Dennis Knoblok and Laurence Zensinger, FEMA coordinator for the federal Midwest Home Acquisition and Relocation Program, will hail the first exchange of "homeowner keys for federal cash" with ceremonial remarks at one of the town's flood-damaged homes Tuesday, June 21, starting at 9:00 a.m.

Designed to mitigate the suffering and financial losses from repeated flooding, the program provides federal and state money to purchase structures in the floodplain from the owners, who then move away from the danger and end the historic cycle of repeated destruction and rebuilding of properties located in flood-prone areas.

Relocating homes and other properties out of the flood plain will not only prevent further suffering and personal losses, but will also reduce the costs to the nation for responding to and recovering from flood disasters.

Tuesday's 37 purchases in Valmeyer, Ill., a small town located SSE of St. Louis, Mo., whose residents have suffered repeated flooding in recent years, is only the first phase of the buyout in that community. The entire town is being relocated on higher ground further back from the Mississippi River; the old town site will become municipal parkland.

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FEMA BUYOUT PROGRAM -- Add One

The Valmeyer acquisition/relocation project will be repeated in coming months in over 100 other Midwest communities severely damaged by last summer's floods. The buyouts will involve approximately 6,300 structures in all. To date, 86 such projects have been approved, using mostly Hazard Mitigation Grant Program (HMGP) funds. Administered by FEMA, HMGP funds are available for mitigation measures identified through the post-disaster planning process.

Last December, Congress passed the Hazard Mitigation and Relocation Assistance Act, which increases HMGP funding and enables FEMA to fund up to 75 percent of project costs; the state or local government must provide a 25 percent match of cash, in-kind services or materials.

As of early June, approximately $68.8 million in HMGP funds have been obligated from a total available of about $143.5 million.

Through Section 1362 of the National Flood Insurance Program, FEMA can purchase flood-damaged properties and provide owners the opportunity to relocate. To be eligible, the owner must have a flood insurance policy in force when the damage occurs and must meet several other program criteria. In addition, the community must agree to accept title to the FEMA-purchased property and manage it for open space purposes.

Section 1362 funds total about $6 million and are being applied to buy-out projects.

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Notice of Pending NFIP Probation
Sent to Gilmer County, Ga.

Washington, D.C.--Gilmer County, Ga., has been notified of pending probation from the National Flood Insurance Program (NFIP), effective Aug. 16, 1994. According to officials of the Federal Emergency Management Agency (FEMA), the probationary action is the result of deficiencies in the county's floodplain management program and violations of it's flood damage prevention ordinance required for NFIP participation.

The NFIP is a federal program managed by FEMA. It makes flood insurance available to residents of communities that adopt and enforce an approved floodplain management program that meets minimum NFIP requirements.

A letter dispatched from the FEMA Region IV office contained a list of the county's program deficiencies and violations, and a description of remedial measures. FEMA officials emphasized that the probationary action is a notice to county officials that their floodplain management program does not meet the NFIP criteria, and that program deficiencies and violations are serious enough to lead eventual suspension from the program.

FEMA officials also indicated that the probationary action will become effective unless officials of the county take the necessary steps to correct the program deficiencies, remedy the violations to the maximum extent possible, and demonstrate effective compliance with NFIP requirements.

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Pending Probation of Gilmer County, Ga.
Add one

The probation action will not affect the availability of flood insurance to Gilmer County residents. However, a $50.00 surcharge will be added to the premium of each new or renewed flood insurance policy sold in the community for at least one year, beginning Aug. 16, 1994. This surcharge will remain in effect through any successive probation periods.

The failure of Gilmer County officials to take remedial action during the specified probation period will subject the community to NFIP suspension. Such suspension actions would result on the discontinuation of flood insurance availability and prohibit federal agencies from making grants, loans, or guarantees for properties in the flood hazard area.

FEMA Region IV officials stressed that they would continue to provide technical assistance to Gilmer County officials to help remedy the violations and achieve compliance with the minimum criteria of the NFIP.

Nationwide, there are more than 18,000 communities participating in the NFIP, with more than 2.7 million policies in effect.

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Media Contact:

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DISASTER FUNDS APPROVED FOR SOUTH DAKOTA FLOODING

WASHINGTON -- President Clinton today approved the use of federal disaster funds to help local governments in northeastern South Dakota recover from the effects of flooding that began earlier this year.

The President's major disaster declaration followed reports by the Federal Emergency Management Agency (FEMA) of significant damage to public property from flooding caused by heavy rains and snowmelt in early March that saturated ground still waterlogged from last summer's massive Midwest flooding.

FEMA Director James Lee Witt said funding made available by the declaration will cover 75 percent of the eligible costs for repairing roads, bridges and other flood-damaged public facilities in the counties of Brookings, Brown, Clark, Codington, Day, Edmunds, Grant, Hand, Hanson, Kingsbury, McPherson, Marshall, Roberts, Sanborn, and Spink.

Witt designated the counties eligible for the aid immediately after the declaration. He indicated that damage surveys are continuing as floodwaters recede and additional designations may be made when the assessments are completed.

David P. Grier, of FEMA's regional office in Denver, Colo., was named by Witt to coordinate the federal relief effort. Grier said that applicant briefings will be held shortly in the affected area to explain procedures for requesting assistance.

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FOR IMMEDIATE RELEASE

**FEMA TO HONOR TOP ACHIEVERS
AT ANNUAL AWARDS CEREMONIES**

The Federal Emergency Management Agency (FEMA) will hold its annual achievement awards Wednesday, June 22, 1994, at 9:30 a.m., in the Dept. of Health and Human Services Auditorium, North Building, 330 Independence Ave., S.W., Washington, D. C. Some 145 awards will be presented by FEMA Director James Lee Witt to employees and others for outstanding contributions to FEMA's mission during the past year.

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FEMA BUYOUT BEGINS: FLOOD-DAMAGED PROPERTIES CHANGE HANDS IN VALMEYER

WHAT: Housekeys and FEMA checks exchanged...
Less than one year after the historic Flood of '93, FEMA and citizens of Valmeyer, Ill., are closing on the purchase of the first 37 properties by FEMA, as part of a buyout program aimed at mitigating future flood dangers.

WHEN: Starting at 9 a.m. Tuesday, June 21, 1994.

WHERE: **FIRST**, a symbolic exchange of check for keys with the owners at one of the flood-damaged homes, followed by comments on the program and a brief walking tour of the old neighborhood, which will soon be razed and turned into parkland. *Stop at Valmeyer's temporary Town Hall (a double trailer at the new town site on Illinois Hwy 156 approx. 8m west of Waterloo) at 8:30 a.m. for directions to the home.*

SECOND, return to Valmeyer's temporary Town Hall, where the closings will take place.

BACKGROUND: Following last summer's record flooding in the Midwest, FEMA Director James Lee Witt ordered new policies developed that emphasized protecting people from future floods by developing a number of mitigation strategies. One of those was to institute a buyout program, whereby federal and state money would be used to purchase structures in the flood plain from the owners, who then would move away from the danger.

In the case of Valmeyer, the entire town is moving back from the river up on a bluff. The old town site will become parkland.

What takes place in Valmeyer Tuesday will be repeated in coming months in some 100 other Midwest communities severely damaged by last summer's floods.

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EMERGENCY MANAGERS GATHER IN CHARLESTON FOR EARTHQUAKE WORKSHOP

WASHINGTON --Earthquake experts and Federal and state emergency planners will meet in Charleston, SC, June 20-23 for the 1994 Annual Earthquake Program Information Exchange (EPIE) Workshop.

Sponsored by the Federal Emergency Management Agency (FEMA), this year's EPIE Workshop will involve approximately 120 Federal hazard mitigation specialists, seismologists and engineers, and emergency managers representing thirty-five states and territories considered to be at moderate, high, or very high earthquake risk.

The Workshop will serve as a forum for states and territories participating in FEMA's Earthquake Hazards Reduction Program to share ideas, planning strategies, training and communications tools such as videos, posters and publications. Participants can exchange information and experiences in developing local programs, outreach strategies, training initiatives and other efforts aimed at reducing potential losses of life and property from earthquakes. They will learn from each other what has worked, what hasn't, and why.

Richard T. Moore, FEMA's Associate Director for Mitigation, will be the keynote speaker. Other principals include officials from the U.S Geological Survey, the Center for Earthquake Research and Information of Memphis State University, FEMA Regional offices and state emergency management agencies.

Many of the Workshop sessions will focus on the most recent major U.S. earthquake, last January's Northridge Earthquake in Southern California. The 1993 earthquakes in Guam and Oregon will also be examined.

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NOTE TO EDITORS: The EPIE Workshop will take place at the Mills House Hotel, 115 Meeting Street, Charleston, starting at 9:00 a.m. Monday, 6/20. Reporters are welcome.

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Federal Insurance Administrator Presents
Awards at Annual Conference

Federal Insurance Administrator, Elaine A. McReynolds, has honored members of the insurance industry for helping the Federal Insurance Administration make people aware of the risk of floods and the availability of flood insurance. She presented the awards to industry representatives at the 11th annual Write Your Own Conference held from May 22 to 25 in Scottsdale, AZ.

The Write Your Own (WYO) Conference is the annual meeting of the insurance and lending communities and staff from the Federal Emergency Management Agency (FEMA) who work with the National Flood Insurance Program (NFIP). Topics of workshops held at the conference included underwriting, claims, legal issues, floodplain management, and marketing.

The NFIP, administered by FEMA through the Federal Insurance Administration (FIA) and FEMA's Mitigation Directorate, makes flood insurance available to residents of communities that adopt and enforce floodplain management requirements to reduce future flood losses.

For the past four years, the FIA has recognized Write Your Own companies that qualified for the Administrator's Club. Last year, FIA initiated two new awards, the Agent of the Year and the Public Awareness Materials Contest. This year, at the May 23 awards ceremony, McReynolds told conference attendees that, "These awards are our way of showing that we appreciate your hard work and dedication to helping FIA and the rest of FEMA protect lives and property from floods."

Administrator's Club

The Administrator's Club was initiated in 1990 to recognize WYO companies that have realized a significant growth in their flood insurance policy base. For Arrangement Year 1993, only the top ten companies with the highest percentage of growth, with an increase of at least 2,000 policies, qualified.

The Federal Insurance Administrator presented all 10 companies with a plaque. The company with the highest percentage of growth also received a trophy in recognition of their outstanding growth.

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Federal Insurance Administrator
Presents Awards, add one

Agent of the Year

The Agent of the Year Award, initiated in 1992, is presented to four agents: three writing with WYO companies and one writing directly with the Federal government. Written nominations, submitted by WYO companies and others familiar with outstanding insurance agents, explain why the agent deserves to be recognized as Agent of the Year based on efforts to implement innovative marketing strategies, achieve superior policy growth, adhere to established underwriting guidelines, and participate in flood awareness activities.

All of the nominations are reviewed by a Selection Committee, that consists of one member each from the Flood Insurance Producers National Committee, the WYO Marketing Committee, and the Insurance Institute for Property Loss Reduction.

Public Awareness Materials Contest

In 1992, FIA also initiated a contest for public awareness materials that WYO companies produce to increase awareness of flood insurance to their policyholders and potential policyholders, as well as to encourage their insurance agents to sell flood insurance. All materials are put into one of eight categories and are displayed at the WYO Conference. All attendees review them and vote for their favorites.

McReynolds congratulated the winners on their achievements, saying that, "You are a vital link in making sure that people in your community understand the need for flood insurance and how they can protect their investments and their lives through the NFIP."

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[Editor's note: Award winners are listed on the attached sheet]

1994 Write Your Own Conference Award Winners

Agents of the Year

Companies with more than 200,000 flood policies:
Richard Sierra
RHH/Albert G. Ruben Partners, Los Angeles, Calif.
Nominated by Omaha Property and Casualty

Companies with between 100,000 and 199,999 flood policies:
Richard D. Barton
Richard D. Barton Agency, Cape Coral, Fla.
Nominated by Nationwide

Companies with less than 100,000 flood policies:
Kenneth Garner
Kenneth Garner Insurance Agency, Honolulu, Hi.
Nominated by American Modern Home Insurance Company

Direct program:
Paris Murphy
Sunwest Agency, Inc., Albuquerque, NM
Nominated by Gloria Prince, Manager of the NFIP Bureau and Statistical Agent in Region VI

Public Awareness Materials Contest

Flood Insurance Brochures:
Bankers Insurance Company

Flood Insurance Envelopes:
Aetna Life and Casualty Company

Flood Insurance Kits:
American Bankers Insurance Company

Flood Insurance Mailing Inserts:
USAA

Flood Insurance Posters:
Omaha Property and Casualty Company

Flood Insurance Print Advertisements:
Aetna Life and Casualty Company

Flood Insurance Specialty Items:
Bankers Insurance Company *(mug)*

Flood Insurance Spanish Materials:
Bankers Insurance Company *(brochure)*

1993 Administrator's Club

Trophy winner
Transamerica Premier Insurance Company
Qualified 2 years
416% increase, nearly 8,000 policy increase

American Modern Home
Qualified three consecutive years
More than 110% increase, nearly 15,500 policy increase

Bankers Insurance Company
Qualified all four years
More than 20% increase, more than 31,500 policy increase

Independent Fire
Qualified all four years
46% increase, more than 9,000 policy increase

Nationwide Insurance
Qualified three years
Nearly 14% increase, more than 14,500 policy increase

Pan American Insurance
Qualified three consecutive years
36% increase, more than 2,000 policy increase

Prudential P&C
Qualified all four years
More than 14% increase, more than 3,500 policy increase

Service Insurance Company
Qualified three years
215% increase, more than 4,000 policy increase

Southern Farm Bureau
Qualified two years
More than 16% increase, more than 3,000 policy increase

U.S. Security
Qualified two years
217% increase, nearly 5,000 policy increase