

HOMEOWNER FLOOD INSURANCE AFFORDABILITY ACT (HFIAA)

SUMMARY OF APRIL 1, 2016 CHANGES

ANNUAL PREMIUM RATE INCREASES*

25% Annual Premium Rate Increase

Applies to the following Pre-FIRM Subsidized Policies: Non-Primary Residences, Businesses, Severe Repetitive Loss Properties (includes cumulative damage), & Substantially Damaged/Improved Properties

18% Annual Premium Rate Increase Cap

Applies to all individual policies not included in the 25% increase group

15% Average Annual Premium Rate Increase

Applies to all risk classes not included in the 25% increase group

5% Average Annual Premium Rate Increase Minimum

Applies to all Pre-FIRM subsidized policies not included in the 25% group

15-18% Annual Premium Rate Increase in Year 2

Applies to all policies newly mapped into SFHA. In year 1, policy pays Preferred Risk Property premium rate. [More on new rating calculation.](#)

**Premium increases do NOT include all fees or surcharges*

FEE & SURCHARGE CHANGES

Federal Policy Fee

Most Policies: Increases from \$45 → \$50 annual fee

Preferred Risk Policies: Increases from \$22 → \$25 annual fee

Reserve Fund Assessment (calculated into premium increases)

Most Policies: Remains a 15% annual fee

Preferred Risk Policies: Increases from 10% → 15% annual fee

HFIAA Surcharge (no changes to the HFIAA Surcharge)

Primary Residences: \$25 annual surcharge

Non-Primary Residences/Businesses: \$250 annual surcharge

OTHER CHANGES

Lapsed Pre-FIRM, Grandfathered, or Newly Mapped:

Renewed policies are not eligible for previously subsidized rates.

Implementation of Clear Communication: NFIP insurers must report current flood zone, FIRM info, & BFE (if available) for all new business policies effective on/after April 1, 2016 AND for all policy renewals on/after October 1, 2016.



WETLANDS
WATCH

WWW.WETLANDSWATCH.ORG

Sources: NFIP, WYO Bulletin W-15046, [Cover Memo & Attachments](#) & [Summary](#). See Wetlands Watch [HFIAA Summary of April 1, 2015 Changes](#) for more info.