



# Community Rating System

2020

*The National Flood Insurance Program (NFIP) Community Rating System (CRS) was implemented in 1990 as a voluntary program for recognizing and encouraging community floodplain management activities exceeding the minimum NFIP standards. Any community in full compliance with the minimum NFIP floodplain management requirements may apply to join the CRS.*

## Over 1,500 Communities Participate in the CRS

Over 3.6 million policyholders in 1,509 communities participate in the CRS by implementing local mitigation, floodplain management, and outreach activities that exceed the minimum NFIP requirements.

Under the CRS, flood insurance premium rates are discounted to reward community actions that meet the three goals of the CRS: (1) reduce flood damage to insurable property; (2) strengthen and support the insurance aspects of the NFIP; and (3) encourage a comprehensive approach to floodplain management.

Although CRS communities represent only 7 percent of the over 22,000 communities participating in the NFIP, over 70 percent of all flood insurance policies are written in CRS communities.

## CRS Classes

The CRS uses a Class rating system that is similar to fire insurance rating to determine flood insurance premium reductions for residents. CRS Classes\* are rated from 9 to 1. Today, most communities enter the program at a CRS Class 9 or Class 8 rating, which entitles residents in Special Flood Hazard Areas (SFHAs) to a 5 percent discount on their flood insurance premiums for a Class 9 or a 10 percent discount for Class 8. As a community engages in additional mitigation activities, its residents become eligible for increased NFIP policy premium discounts. Each CRS Class improvement produces a 5 percent greater discount on flood insurance premiums for properties in the SFHA.

\* CRS Class changes occur on May 1 and October 1 of each year. The data contained in this fact sheet were current through October 2019.

## Best of the Best

*Nine communities occupy the highest levels of the CRS. Each tailored its floodplain management program to its own hazards, character, and goals. These programs comprise numerous activities, many of which are credited by the CRS. The average discount in policyholder premiums varies according to a community's CRS Class and the amount of insurance coverage in place.*

- **Roseville, California**, was spurred by floods in 1995 to strengthen its floodplain management program. Today the City (Class 1) earns points for almost all CRS-creditable activities. The average premium discount for policies in the Special Flood Hazard Area (SFHA) is \$925.
- **Sacramento County, California**, (Class 2) is diligent in its public outreach on protecting waterways, purchasing flood insurance, and preparing for floods. Average SFHA premium discount: \$547.
- **Fort Collins, Colorado**, (Class 2) uses diverse approaches to keep its large student population informed. Identifying and protecting critical facilities and constant GIS improvements help the city maintain its exemplary program. Average SFHA premium discount: \$676.
- Comprehensive planning has been a key to **Tulsa, Oklahoma**, in reducing flood damage from the dozens of creeks within its jurisdiction. The City (Class 2) has cleared more than 900 buildings from its floodplains. Average SFHA premium discount: \$791.
- **King County, Washington**, (Class 2) has preserved more than 100,000 acres of floodplain open space and receives additional CRS credit for maintaining it in a natural state. Average SFHA premium discount: \$783.
- **Pierce County, Washington**, (Class 2) maintains over 80 miles of river levees. The County mails informational brochures to all floodplain residents each year. Average SFHA premium discount: \$784.
- **Thurston County, Washington**, has a history of planning for hazard mitigation, watershed protection, and open space. Strict development standards and stormwater management have helped the County reach Class 2. Average SFHA premium discount: \$688.
- **Sacramento, California**, applies a range of higher regulatory standards, mitigates its repetitive loss properties, and manages a sizeable stormwater system to achieve its Class 2. Average SFHA premium discount: \$457.
- **Ottawa, Illinois**, has combined buyouts, a flood warning and notification system, and continual public awareness initiatives to help it cope with periodic floods and also reach CRS Class 2. Average SFHA premium discount: \$853.

## CRS Credit

A community accrues points to improve its CRS Class rating and receive increasingly higher discounts. Points are awarded for engaging in any of 19 creditable activities, organized under four categories: (1) Public information, (2) Mapping and regulations, (3) Flood damage reduction, and (4) Warning and response.

Formulas and adjustment factors are used to calculate credit points for each activity.

The communities listed below are among those that have qualified for the greatest premium discounts:

Class 1: Roseville, California

Class 2: City of Sacramento, California  
Sacramento County, California  
Fort Collins, Colorado  
Ottawa, Illinois  
Tulsa, Oklahoma  
King County, Washington  
Pierce County, Washington  
Thurston County, Washington

Class 3: Louisville–Jefferson County, Kentucky  
Ocala, Florida  
Sea Isle City, New Jersey

Class 4: Maricopa County, Arizona  
Cutler Bay, Florida  
Palm Coast, Florida  
Charlotte, North Carolina  
Charleston County, South Carolina  
Folly Beach, South Carolina

## Benefits of the CRS

Lower cost flood insurance rates are only one of the rewards a community receives from participating in the CRS. Other benefits include

- Citizens and property owners in CRS communities have increased opportunities to learn about risk, evaluate their individual vulnerabilities, and take action to protect themselves, as well as their homes and businesses.
- CRS floodplain management activities provide enhanced public safety, reduced damage to property and public infrastructure, and avoidance of economic disruption and loss.

- Communities can evaluate their flood programs against a nationally recognized benchmark.
- Technical assistance in designing and implementing some activities is available to community officials at no charge.
- CRS communities have incentives to maintain and improve their flood programs over time.

## How to Apply

To apply for CRS participation, a community must initially inform the Federal Emergency Management Agency (FEMA) Regional Office of its interest in applying to the CRS and will eventually submit a CRS application, along with documentation that shows it is implementing the activities for which credit is requested. The application is submitted to the Insurance Services Office, Inc. (ISO)/CRS Specialist. ISO works on behalf of FEMA and insurance companies to review CRS applications, verify communities' credit points, and perform program improvement tasks.

A community's activities and performance are reviewed during a verification visit. FEMA establishes the credit to be granted and notifies the community, the State, insurance companies, and other appropriate parties.

Each year, the community must verify that it is continuing to perform the activities that are being credited by the CRS by submitting an annual recertification. In addition, a community can continue to improve its Class rating by undertaking new mitigation and floodplain management activities that earn even more points.

## CRS Training

CRS Specialists are available to assist community officials in applying to the program and in designing, implementing, and documenting the activities that earn even greater premium discounts. A week-long CRS course for local officials is offered free at FEMA's Emergency Management Institute (EMI) on the National Emergency Training Center campus in Emmitsburg, Maryland, and can be field deployed in interested states. A series of webinars is offered throughout the year.

### For More Information

A list of resources is available at the [CRS page of the FEMA website](#). For more information about the CRS or to obtain the CRS application, contact Insurance Services Office, Inc. at [nfipcrs@iso.com](mailto:nfipcrs@iso.com).