



FEMA

W-10104

December 22, 2010

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  
Federal Insurance and Mitigation Administration

SUBJECT: Preferred Risk Policy (PRP) Two-Year Eligibility Extension

Over the past few months, materials and guidance related to the new two-year Preferred Risk Policy (PRP) Eligibility Extension have been provided via National Flood Insurance Program (NFIP) bulletins as well as made available online. In preparation for the start of this rating option, the Federal Emergency Management Agency (FEMA) distributed a news release over the national news wire this week. It can be found at <http://www.fema.gov/news/newsrelease.fema?id=53398>.

As a reminder, beginning January 1, 2011, a new insurance rating option will allow many property owners that are newly mapped into a high-risk area to take advantage of lower-cost flood insurance for two years before they are required to pay standard rates. The program will make PRP's – which start at just \$129 a year and are typically only available for properties in moderate-to-low risk areas – available for properties that have been newly mapped into high-risk areas due to a flood map revision on or after October 1, 2008.

With FEMA's ongoing media outreach to promote the new option nationwide and WYO companies already mailing out notices to potentially eligible policyholders, insurance agents should be prepared to answer questions about this new rating option that will help save their customers money while still providing the needed protection. As a reminder, the NFIP has developed, distributed and posted materials online (a Fact Sheet, Frequently Asked Questions and Talking Points) to assist insurance agents when they speak with their customers about the Extension. Agents should be directed to visit [www.Agents.FloodSmart.gov](http://www.Agents.FloodSmart.gov) or [www.FloodSmart.gov/PRPEExtension](http://www.FloodSmart.gov/PRPEExtension) to access this information.

Additional materials intended for local officials, lenders, and others have also been developed and can be found at [www.FloodSmart.gov/PRPEExtension](http://www.FloodSmart.gov/PRPEExtension).

If you have questions, please contact Harriette Kinberg by electronic message at [Harriette.Kinberg@dhs.gov](mailto:Harriette.Kinberg@dhs.gov). Thank you for your continued support of the NFIP.

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Required Routing: All Departments