

Most homeowners insurance policies do not cover flood damage, but homes and businesses in high-risk flood areas are still required to have flood insurance if they have a mortgage from a government-backed lender. The Federal Emergency Management Agency (FEMA) manages the National Flood Insurance Program (NFIP), which provides flood insurance to anyone living in a participating community.¹ NFIP policyholders may receive discounted premiums if their community participates in the Community Rating System (CRS). The CRS is a “voluntary incentive program that recognizes and encourages community floodplain management practices that exceed the minimum requirements of the NFIP.”² The program is meant to incentivize local governments to undertake additional flood protection measures and activities that can help protect and save lives and property when flooding occurs.³

Discounts on flood insurance premiums can be as high as 45 percent through the CRS. The level of discount depends on the number of recommended activities the participating governments adopt, for which they were awarded credit points. Class 10 communities do not receive a discount, while Class 1 communities receive a 45 percent discount. The CRS provides credit based on 19 public information and floodplain management activities as described in the CRS Coordinator’s Manual. Communities may already be doing many of these activities and should work to seek credit for them if this is the case. Public information and floodplain activities may include:⁴

- Providing the Flood Insurance Rate Map and giving inquiring property owners technical advice on protecting their buildings from flooding, and publicizing these services.
- Guaranteeing currently open public or private floodplain parcels are kept free from development.
- Regulating new development throughout the watershed to ensure that post-development runoff is no greater than pre-development runoff.
- Acquiring and/or relocating flood prone buildings so that they are out of the floodplain and the floodplain remains open.
- Having a program for and conducting annual inspections of all channels and detention basins, removing debris as needed.

No community in Texas currently takes full advantage of the CRS program, and few qualify for even half of the allowable discount. Below are some highlighted communities.⁵ Dallas, with a Class 3 and 35 percent discount, is the highest ranked city in the state under the CRS. NFIP policy holders throughout Texas could receive larger premium discounts if their communities were to engage in more CRS activities.

NFIP #	Community	CRS Class	% Discount
480266	Guadalupe County	8	10
485493	New Braunfels	8	10
480418	Boerne	7	15
480624	Austin	6	20
480045	San Antonio	6	20
480296	Houston	5	25
480171	Dallas	3	35

To find out if your local government participates in the CRS program and, if so, what your discount should be, go to <https://www.fema.gov/floodplain-management/community-rating-system> and scroll down to the *CRS Participating Communities* section. If your community does not participate, urge your local elected officials to take advantage of the program. If your community does participate in CRS, you can contact your city or county officials to urge them to achieve a higher CRS rating – which will reduce your flood insurance premiums.

¹ <https://www.fema.gov/flood-insurance>

² <https://www.fema.gov/floodplain-management/community-rating-system>

³ https://www.fema.gov/sites/default/files/documents/fema_crs-brochure_032023.pdf

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⁵ [October 2024 CRS Eligible Communities - Excel.xlsx](#)