



ASA Insurance Announces the Consequences of the Bill for Renewing Flood Insurance

The House voted 237-189 to keep the National Flood Insurance Program while increasing premiums for some property owners.

SALT LAKE CITY, UTAH, UNITED STATES, January 10, 2018 /EINPresswire.com/ -- The House voted 237-189 to keep the National [Flood Insurance](#) Program while increasing premiums for some property owners. Flood insurance is necessary for people who live in areas which are prone to flooding because most traditional [home insurance](#) policies do not cover this type of event. Salt Lake City, UT is one of the communities which participates in the program, according to ASA Insurance, a local provider of [home insurance in Salt Lake City](#).

The National Flood Insurance Program is the only program of its kind to provide coverage to the majority of American homeowners. In 2017, the program needed assistance in the form of \$16 billion due to the claims from Hurricane Harvey. Several changes were necessary in the bill due to the fact that the current premiums were not enough to keep up with the costs involved in flood claims. The program has been extended for another five years. Several controversial items were removed from the bill, including not insuring homes with replacement values of more than \$1 million and not insuring newly built properties starting in 2021. Premium rates will be increased based on expected future flood claims rather than what has occurred in the area in the past.

Mortgage companies may require a buyer to purchase flood insurance if the property they are buying is located in a designated flood zone. Many people are not aware of the risks of flooding to their area unless there has been a flood in recent years. While much of the area around Salt Lake City is more desert-like, long-time residents of the state will remember the flood of 1983. It was deemed as the Flood of the Century with excessive snow falling after record-breaking rain the spring and summer before. Slides devastated towns such as Thistle and Farmington. As temperatures climbed, more snow melted, creating more water in the already swollen lakes, creeks and rivers.

As Creed Anderson of ASA Insurance explains, "You don't have to go through one of these major floods but once to understand the havoc it can cause." Many homeowners don't realize that standard home insurance policies often don't cover damage by flooding. Anderson says it is important that they read the fine print of their policies so they are aware of what is covered and what exclusions exist. "It's a bad time to find out something isn't covered after you file a claim and have it rejected." Another area he recommends policyholders pay attention to is if their policy allows for temporary housing expenses. If damage to a home is great enough to make it unlivable, some insurance policies will pay for temporary housing in a hotel or other accommodation until the home can be repaired. Homeowners need to review their property insurance policies to find out the limits and exclusions.

Flood insurance can help homeowners recover from a loss caused by flooding. Standard home insurance policies cover many other losses, but it is important for homeowners to understand what those coverages include and what limits exist.

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