Community Rating System Overview

The Community Rating System (CRS) is a voluntary program that incentivizes communities to implement local mitigation, floodplain management, and outreach activities that surpass the minimum requirements of the National Flood Insurance Program (NFIP). The CRS was created to encourage communities to be proactive in reducing flood risk by offering discounts to flood insurance rates.

The three goals of the CRS are to

1. Reduce flood damage to insurable properties
2. Strengthen and support the insurance aspects of the NFIP
3. Encourage a comprehensive approach to floodplain management

What communities can participate in the CRS?

Any community that is enrolled in the NFIP is able to join the CRS. To be enrolled in the NFIP means that residents are eligible to purchase flood insurance from the NFIP. In April 2024, there were more than 1,700 communities in the CRS, which provided discounts to more than 3.3 million policyholders.

Why would a community want to join the CRS?

Communities can earn CRS points for activities already underway; these points can then translate into flood insurance premium reductions for property owners.

Your community may already be implementing some CRS activities without receiving the discounts for those activities.

How can a community join the CRS?

A community can join the CRS at any time. It is up to the local officials to request to participate. The prospective community will fill out an application detailing the community's current floodplain management practices and flood mitigation activities.

While it can be beneficial to you to implement mitigation activities for your own properties, individuals themselves can not join the CRS. Only a community can join the CRS. You can contact your local officials to encourage them to consider learning more about the CRS.

What is the process for a community to join the CRS?

1. The local government submits a letter of interest to the FEMA Regional Office, the State NFIP Coordinator, and the CRS Contractor showing the community is implementing activities that would receive at least 500 credit points.
2. FEMA Regional Office must approve the submission.
3. The CRS Contractor does a community verification visit.
4. The contractor submits its findings to FEMA.
5. FEMA notifies the community, state, insurance companies, and other parties.
6. The classification is effective on April 1 or October 1.
7. Each year, the community must recertify that it is performing the activities it is receiving credit for.

What is a CRS class?

The CRS uses a class rating system to assign point values to different floodplain management and mitigation measures. The classes range from 1 to 10 with Class 1 receiving the highest flood insurance premium discount and Class 10 receiving no discount. A community that does not apply for the CRS or does not have the minimum number of credits is a Class 10.

A new benefit is the discount is no longer limited to properties inside the Special Flood Hazard Area, extending insurance reductions to a wider range of residents.

Example: Jefferson Parish in Louisiana received a Class 3 designation in 2025. Parish residents have a reduction of 35% on their flood insurance premiums.

What are the prerequisites for becoming a Class 9 or higher?

There are six prerequisites a Class 9 community must meet. The community must:

1. Have been in the NFIP Regular Program for at least one year,
2. Be in compliance with the NFIP minimum requirements,
3. Maintain all floodplain-related construction certificates,
4. Regularly map and assess repetitive loss properties,
5. Maintain flood insurance policies for insurable building owned by the community,
6. Show the Limit of Moderate Wave Action (LiMWA) on its Flood Insurance Rate Map (FIRM), if it is a coastal community.

How does a community earn points?

The community earns points by completing activities credited under the CRS. Some activities are directed toward the general public like creating a Program for Public Information. Other activities are for community officials to implement like improving stormwater management. Activities are sorted into four categories.

Public information

Activities that teach people about flood hazards, flood insurance, and flood protection measures

- Maintaining correct elevation and construction certificates (required for CRS classification)
- Creating locally relevant, customized outreach programs

Mapping and regulations

Activities that enact and enforce regulations exceeding the NFIP minimum standards

- Improving the quality of flood hazard maps
- Updating community floodplain data

Flood damage reduction

Activities that focus on reducing damage to existing buildings

- Producing floodplain management plan
- Keeping the community drainage system clear and maintained

Warning and response

Activities that focus on improving emergency warning and response systems

- Adopting a flood warning and response program
- Inspecting and maintain levees

How does a community maintain its CRS class?

Each year the community must recertify it is meeting the requirements for its class and that it is implementing or enforcing the programs it receives credit for. Recertification can include progress reports for certain activities. Communities also have cycle verifications that take place every few years depending on the CRS class.

If a community is not properly or fully implementing the credited activities, its credit points and classification can be revised. This means residents may be at risk of losing the premium reductions.

How does a community improve its CRS class?

Communities may apply for a modification once a year to add credited activities to improve the CRS class. A community's recertification cannot be used to gain new CRS credit.

For more information contact your state's NFIP Coordinator, your local or nearby CRS Users Group, or visit *crsresources.org* for more information.

COMMUNITY RESILIENCE CENTER AT THE WATER INSTITUTE
thewaterinstitute.org/crc

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