To terminate the National Flood Insurance Program and related mandatory purchase and compliance requirements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 14, 2013

Mrs. MILLER of Michigan introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To terminate the National Flood Insurance Program and related mandatory purchase and compliance requirements, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “National Flood Insurance Program Termination Act of 2013”.


SEC. 2. TERMINATION OF NATIONAL FLOOD INSURANCE PROGRAM.

(a) Termination of Authority To Provide Coverage.—Effective at the end of December 31, 2015, the Administrator of the Federal Emergency Management Agency (in this section referred to as the “Administrator”) shall not provide any new flood insurance coverage, or renew any coverage provided before such date, under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

(b) Treatment of Existing Coverage.—Subsection (a) shall not—

(1) affect any flood insurance coverage provided under such Act under a contract or agreement entered into before the date specified in such subsection and, notwithstanding the repeals under section 3, such provisions as in effect immediately before such repeal shall continue to apply with respect to flood insurance coverage in force after such repeal; or

(2) require the termination of any contract or other agreement for flood insurance coverage entered into before such date.

(c) Wind-Up.—After the date specified in subsection (a), the Administrator shall take such actions as may be
necessary steps to wind up the affairs of the National Flood Insurance Program.

(d) TREATMENT OF FUNDS.—Amounts in the National Flood Insurance Fund established under section 1310 of the National Flood Insurance Act of 1968 (42 U.S.C. 4017) and amounts in the National Flood Insurance Reserve Fund established under section 1310A of such Act (42 U.S.C. 4017a) shall be available to the Administrator for performing the functions of the Administrator with respect to flood insurance coverage remaining in force after the date specified in subsection (a). Upon the expiration of the contracts and agreements for such coverage, any unexpended balances in such Funds shall be deposited in the Treasury as miscellaneous receipts.

(e) SAVINGS PROVISIONS.—

(1) TREATMENT OF PRIOR DETERMINATIONS.—The repeals made by section 3 of the provisions of law specified in such section shall not affect any order, determination, regulation, or contract that has been issued, made, or allowed to become effective under such provisions before the effective date of the repeal. All such orders, determinations, regulations, and contracts shall continue in effect until modified, superseded, terminated, set aside, or revoked in accordance with law by the President, the
Administrator, or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) Pending Proceedings.—

(A) Effect on Pending Proceedings.—
The repeals made by section 3 shall not affect any proceedings relating to the National Flood Insurance Program, including notices of proposed rulemaking, pending on the effective date of the repeals, before the Federal Emergency Management Agency, except that no assistance or flood insurance coverage may be provided pursuant to any application pending on such effective date. Such proceedings, to the extent that they relate to functions performed by the Administrator after such repeal, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Administrator, by a court of competent jurisdiction, or by operation of law.

(B) Construction.—Nothing in this subsection may be construed to prohibit the dis-
continuance or modification of any proceeding described in subparagraph (A) under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) ACTIONS.—This section shall not affect suits commenced before the effective date of the repeals made by section 3, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this section had not been enacted.

(4) LIABILITIES INCURRED.—No suit, action, or other proceeding commenced by or against an individual in the official capacity of such individual as an officer of the Federal Emergency Management Agency having any responsibility for the National Flood Insurance Program shall abate by reason of the enactment of this section. No cause of action relating to such Program, by or against the Federal Emergency Management Agency, or by or against any officer thereof in the official capacity of such officer having any responsibility for such program, shall abate by reason of the enactment of this section.
SEC. 3. REPEALS AND CONTINUATION OF FEMA MAPPING RESPONSIBILITIES.

(a) National Flood Insurance Act of 1968.—

The National Flood Insurance Act of 1968 is amended—

(1) by striking section 1302 (42 U.S.C. 4001);

(2) by striking chapters I and II (42 U.S.C. 4011 et seq.);

(3) in section 1360 (42 U.S.C. 4101)—

(A) in subsection (a)(2), by striking “until the date specified in section 1319”;

(B) by striking subsection (d);

(C) in subsection (g)—

(i) by striking “To promote compliance with the requirements of this title, the” and inserting “The”;

(ii) by striking “directly responsible for coordinating the national flood insurance program”; and

(iii) in the last sentence, by striking “National Flood Insurance Fund, pursuant to section 1310(b)(6)” and inserting the following: “General Fund of the Treasury and shall be used only for reducing the debt of the Federal Government”; and

(D) in subsection (i)—
(i) by striking “free of charge” and inserting “at cost”;

(ii) by striking “and States and communities participating in the national flood insurance program pursuant to section 1310 and at cost to all other” and inserting “, States and communities, and other interested”; and

(iii) in the last sentence, by striking “National Flood Insurance Fund, pursuant to section 1310(b)(6)” and inserting the following: “General Fund of the Treasury and shall be used only for reducing the debt of the Federal Government”;

(4) in section 1363 (42 U.S.C. 4104)—

(A) in subsection (e)—

(i) in the second sentence, by striking “the Scientific Resolution Panel provided for in section 1363A” and inserting “an independent scientific body or appropriate Federal agency for advice”; and

(ii) by striking the third and fifth sentences;
(B) in subsection (g), by striking “Except as provided in section 1363A, any” and inserting “Any”;

(5) by striking section 1363A (42 U.S.C. 4104–1);

(6) in section 1364 (42 U.S.C. 4104a)—

(A) in subsection (a)—

(i) in paragraphs (1) and (2), by striking “or the Flood Disaster Protection Act of 1973” each place such term appears; and

(ii) in paragraph (3)—

(I) by striking subparagraphs (B) and (C) and inserting the following:

“(B) a statement that flood insurance coverage may be available in the private market or through a State-sponsored program; and”; and

(II) by redesignating subparagraph (D) as subparagraph (C); and

(B) by striking subsections (b) and (c);

(7) in section 1365 (42 U.S.C. 4104b)—

(A) in subsection (a), by striking “and in which flood insurance under this title is available”; and
(B) in subsection (b)—

(i) by striking paragraph (1); and

(ii) in paragraph (2)—

(I) in the first sentence, by striking “the community identification number and community participation status (for purposes of the national flood insurance program) of the community in which the improved real estate or such property is located,”; and

(II) in the third sentence, by striking “because the building or mobile home is not located in a community that is participating in the national flood insurance program or”;

(8) by striking sections 1366 and 1367 (42 U.S.C. 4104c, 4104d);

(9) in section 1370 (42 U.S.C. 4121)—

(A) by striking paragraphs (3), (4), (5), (7), (14), and (15);

(B) in paragraph (12)(B), by striking the semicolon at the end and inserting “; and”;

(C) in paragraph (13), by striking the semicolon at the end and inserting a period; and
(D) by redesignating paragraphs (6), (8), (9), (10), (11), (12), and (13), as so amended, as paragraphs (3), (4), (5), (6), (7), (8), and (9), respectively;

(10) by striking sections 1371 through 1375 (42 U.S.C. 4122–26);

(11) in section 1376 (42 U.S.C. 4127)—

(A) in subsection (a), by striking “to carry out this title” and all that follows through the end of paragraph (3) and inserting “to carry out the mapping, studies, investigations, and other responsibilities of the Director under this title”; and

(B) by striking subsection (e); and

(12) by striking section 1377 (42 U.S.C. 4001 note).

(b) Flood Disaster Protection Act of 1973.—

The Flood Disaster Protection Act of 1973 is amended—

(1) by striking section 2 (42 U.S.C. 4002);

(2) by striking section 102 (42 U.S.C. 4012a);

(3) in section 201 (42 U.S.C. 4105)—

(A) by striking subsection (a) and inserting the following new subsection:

“(a) As information becomes available to the Director concerning the existence of flood hazards, the Director
shall publish information in accordance with section 1360(a)(1) of the National Flood Insurance Act of 1968 and shall notify the chief executive officer of each known flood-prone community of its tentative identification as a community containing one or more areas having special flood hazards.”;

(B) in subsection (b), by striking “shall either (1) promptly make proper application to participate in the national flood insurance program or (2)” and inserting “may”;

(C) by striking subsections (e) and (d); and

(D) by redesignating subsection (e) as subsection (e); and

(4) by striking section 202 (42 U.S.C. 4106).

(e) Biggert-Waters Flood Insurance Reform Act of 2012.—The Biggert-Waters Flood Insurance Reform Act of 2012 is amended—

(1) in section 100215 (42 U.S.C. 4101a)—

(A) in subsection (b)(2), by striking “insurance rate” and inserting “risk”;

(B) in subsection (e), by striking “insurance rate” each place such term appears and inserting “risk”;

(C) in subsection (d)—
(i) in paragraph (1)(A)(i), by striking “insurance rate” and inserting “risk”; and

(ii) in paragraph (2), by striking “National Flood Insurance Program rate” and inserting “flood risk”; and

(D) in subsection (l)(2), by striking “insurance rate” and inserting “risk”;

(2) in section 100216 (42 U.S.C. 4101b)—

(A) in subsection (a), by striking “National Flood Insurance Program rate” and inserting “flood risk”;

(B) in subsection (b)—

(i) in paragraph (1), by striking “National Flood Insurance Program rate” each place such term appears in subparagraphs (A) and (C) and inserting “flood risk”; and

(ii) in paragraph (2)(B), by striking “National Flood Insurance Program”;

(C) in subsection (d)—

(i) in paragraph (1)—

(I) in subparagraph (A), by striking “effects—” and all that follows and inserting “effects of any potential changes to flood risk maps that may
result from the mapping program re-
quired under this section.”; and

(II) in subparagraph (B), by strik-
ing “(with regard to contents ins-
surance)”; and

(ii) in paragraph (2)—

(I) in subparagraph (A), by strik-
ing “covered by the mandatory flood
insurance purchase requirements
under section 102 of the Flood Dis-
aster Protection Act of 1973 (42
U.S.C. 4012a)” and inserting “having
special flood hazards”; and

(II) in subparagraph (B), by strik-
ing “subject to the flood insur-
ance mandatory purchase require-
ment” and inserting “areas having
special flood hazards”; and

(III) in subparagraph (C), by strik-
ing “, including” and all that fol-
lows through “(42 U.S.C. 4011 et
seq.)”; and

(D) in subsection (e)—
(i) by striking “National Flood Insurance Program rate” and inserting “flood risk”;  
(ii) by striking “insurance rates” and inserting “risk designations”; and  
(iii) by striking “its rate maps” and inserting “its risk maps”; and  
(3) by striking—  
(A) section 100224 (42 U.S.C. 4081 note; relating to oversight and expense reimbursements of insurance companies);  
(B) section 100226 (42 U.S.C. 4101 note; relating to flood protection structure accreditation task force);  
(C) section 100227 (42 U.S.C. 4011 note; relating to flood in progress determinations);  
(D) section 100229 (126 Stat. 945; relating to local data requirement);  
(E) section 100230 (42 U.S.C. 4014 note; relating to eligibility for insurance);  
(F) section 100231 (126 Stat. 949; relating to studies and reports);  
(G) subsections (a), (b), (c), and (e) of section 100232 (126 Stat. 953; relating to reinsurance);
(H) section 100233 (126 Stat. 955; relating to GAO study on business interruption and additional living expenses coverages);

(I) section 100234 (42 U.S.C. 4013a; relating to policy disclosures);

(J) section 100236 (126 Stat. 957; relating to study of participation and affordability for certain policyholders);

(K) section 100237 (126 Stat. 957; relating to study and report concerning Indian tribe and member participation in flood insurance program);

(L) section 100240 (126 Stat. 961; relating to levees constructed on certain properties);

(M) section 100247 (126 Stat. 967; relating to FIO study on risks, hazards, and insurance); and

(N) section 100248 (126 Stat. 968; relating to flood protection improvements constructed on certain properties).


(f) Federal Flood Insurance Act of 1956.—

Section 15 of the Federal Flood Insurance Act of 1956 (42 U.S.C. 2414) is amended by striking subsection (e).

(g) Real Estate Procedures Act of 1974.—

Paragraph 14 of section 5(b) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604(b)(14)) is amended by striking “under the National Flood Insurance Program or”.

(h) Housing and Community Development Act of 1974.—Paragraph (28) of section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(28)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking “participate in the national flood insurance program” and inserting “have areas designated”;

(B) by inserting “as having special flood hazards” after the first comma; and

(C) by striking “under such Act”; and

(2) in subparagraph (A)—
(A) in clause (i), by striking “participate in the national flood insurance program” and inserting “have areas designated as having special flood hazards”; 

(B) in clause (ii), by striking “and the effect of such inclusion” and all that follow through “to such property”;

(C) in clause (iii), by striking “the flood insurance mandatory purchase requirement” and inserting “special flood hazards”; 

(D) in clause (iv), by striking “, including, where applicable, lower-cost preferred risk policies under this title for such properties and the contents of such properties”;

(E) in clause (vi) by striking “, including a telephone number” and all that follows through “is available”; and

(F) in clause (vii)—

(i) by striking “participating in the national flood insurance program regarding the program and” and inserting “having areas designated as having special flood hazards regarding”; and

(ii) by striking “coverage under the National Flood Insurance Act of 1968”
and inserting “private flood insurance coverage”.

(i) **EFFECTIVE DATE.**—The amendments made by this section shall take effect at the end of December 31, 2015.

**SEC. 4. INTERSTATE COMPACTS FOR FLOOD INSURANCE COVERAGE.**

(a) **CONGRESSIONAL CONSENT.**—The consent of the Congress is hereby given to any two or more States to enter into agreement or compacts, not in conflict with any law of the United States, for making available to interested persons insurance coverage against loss resulting from physical damage to or loss of real property or personal property related thereto arising from any flood occurring in the United States.

(b) **RIGHTS RESERVED.**—The right to alter, amend, or repeal this section, or consent granted by this section, is expressly reserved to the Congress.