

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 1309) TO EXTEND THE AUTHORIZATION OF THE NATIONAL FLOOD INSURANCE PROGRAM, TO ACHIEVE REFORMS TO IMPROVE THE FINANCIAL INTEGRITY AND STABILITY OF THE PROGRAM, AND TO INCREASE THE ROLE OF PRIVATE MARKETS IN THE MANAGEMENT OF FLOOD INSURANCE RISK, AND FOR OTHER PURPOSES

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JULY 7, 2011.—Referred to the House Calendar and ordered to be printed

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Mr. SESSIONS, from the Committee on Rules,  
submitted the following

## R E P O R T

[To accompany H. Res. 340]

The Committee on Rules, having had under consideration House Resolution 340, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

### SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 1309, the Flood Insurance Reform Act of 2011, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. The resolution waives all points of order against consideration of the bill. The resolution provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read. The resolution waives all points of order against the committee amendment in the nature of a substitute. The resolution makes in order only those amendments printed in this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments are waived. The resolution provides that the chair of the Committee on Financial Services or his designee may offer amendments en bloc consisting of amend-

ments printed in this report not earlier disposed of. Amendments en bloc shall be considered as read, shall be debatable for 10 minutes equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question. The original proponent of an amendment included in such amendments may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc. Finally, the resolution provides one motion to recommit with or without instructions.

#### EXPLANATION OF WAIVERS

Although the resolution waives all points of order against consideration of the bill, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic.

Although the resolution waives all points of order against the committee amendment in the nature of a substitute recommended by the Committee on Financial Services, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic.

Although the resolution waives all points of order against the amendments printed in this report, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic.

#### COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

##### *Rules Committee record vote No. 107*

Motion by Mr. McGovern to report an open rule. Defeated: 3–5

Majority Members	Vote	Minority Members	Vote
Mr. Woodall .....	Nay	Mr. McGovern .....	Yea
Mr. Nugent .....	Nay	Mr. Hastings of Florida .....	Yea
Mr. Scott of South Carolina .....	Nay	Mr. Polis .....	Yea
Mr. Webster .....	Nay		
Mr. Dreier, Chairman .....	Nay		

#### SUMMARY OF AMENDMENTS MADE IN ORDER

1. Biggert (IL): Would make technical corrections to the bill. (10 minutes)

2. Bachus (AL): Would allow for a possible fourth and five year suspension of the mandatory purchase for certain communities that are making more than adequate progress in their construction of their flood protection systems. (10 minutes)

3. Speier (CA): Would make it a violation for a lender, whose only interest in the property is the amount of the outstanding mortgage indebtedness, to require a homeowner to purchase more than the legally required amount of flood insurance—an amount equal to the outstanding principal balance of the loan. (10 minutes)

4. Flake, Jeff (AZ): Would strike additional coverage provided in H.R. 1309 for business interruption and cost of living expenses. (10 minutes)

5. Ros-Lehtinen (FL), Rivera (FL), Wilson (FL), Hinojosa (TX), Holt (NJ): Would strike the part of Section 5 “Reforms of Premium Rates” that would increase annual limit on premium rates increases from 10% to 20%. This will prevent a 100% increase in possible premium hikes. (10 minutes)

6. Matsui (CA): Would modify language in the bill so that newly mapped properties are phased in to full actuarial, flood insurance rates at a consistent rate of 20% per year over 5 years and requires that newly mapped properties pay 100% of actuarial rates at the end of the 5 year phase-in. (10 minutes)

7. Terry (NE), Berg (ND): Would protect insureds during a ‘flood in progress’, if the insured has purchased flood insurance and has not sustained damage or loss within the 30 day window. (10 minutes)

8. Waters (CA): Would streamline and reauthorize the Flood Mitigation Assistance Program, the Repetitive Flood Claims Program and the Severe Repetitive Loss Program in order to improve their effectiveness and efficiency. (10 minutes)

9. Palazzo (MS): Would ensure that there is adequate representation from Gulf Coast States on the Technical Mapping Advisory Panel. (10 minutes)

10. Walberg (MI): Would place a moratorium on the issuance of any updated rate maps from the date of enactment until the Technical Mapping Advisory Council submits to the FEMA Administrator and Congress the proposed new mapping standards. It would allow for the revision, update and change of rate maps only pursuant to a letter of map change, which includes a letter of map amendment, letter of map revision, and letter of map revision based on fill. (10 minutes)

11. Cardoza (CA): Would eliminate requirements to more broadly map areas considered to be residual risk. (10 minutes)

12. Burton (IN), Stark (CA): Would require written notification by first class mail to each property owner affected by a proposed change in flood elevations, prior to the 90-day appeal period. Notification would include an explanation of the appeals process and contact information for responsible officials. (10 minutes)

13. McGovern (MA): Would allow communities to be reimbursed for certain costs associated with a successful challenge to a bona fide mapping error made by FEMA resulting in a Letter of Map Revision. (10 minutes)

14. Brady, Kevin (TX): Would require the FEMA Administrator to provide to a property owner newly included in a revised or updated proposed flood map a copy of the proposed flood insurance map and information regarding the appeals process at the time the proposed map is issued. (10 minutes)

15. Cuellar (TX): Would require the Administrator to communicate with communities located in areas where flood insurance rate maps have not been updated in 20 years or more and the appropriate State emergency agencies to resolve outstanding issues, provide technical assistance, and disseminate all necessary information to reduce the prevalence of outdated maps in flood-prone areas. (10 minutes)

16. Sherman (CA), Bachus (AL), Meeks, Gregory (NY): Would require FEMA to reduce the number of flood insurance policies that are directly managed by the Agency to not more than 10% of the

total number of flood insurance policies in force. Would further authorize FEMA to refuse to accept future transfers of policies to the NFIP Direct program. (10 minutes)

17. Loebsack (IA): Would require FEMA to notify a prominent local television and radio station of projected and proposed changes to flood maps and to grant an additional 90 days for property owners or a community to appeal proposed flood maps, beyond the original 90 day appeal period, so long as community leaders certify they believe there are property owners unaware of the proposed flood maps and appeal period, and community leaders would use the additional 90 day appeal period to educate property owners on the proposed maps and appeal process. (10 minutes)

18. Palazzo (MS): Would afford policy holders the right to request engineering reports and other documents relied on by the Administrator and/or participating companies in determining whether the damage was caused by flood or any other peril. (10 minutes)

19. Westmoreland (GA): Would add a reserve fund requirement to the National Flood Insurance Program. (10 minutes) .

20. Miller, Candice (MI): Would terminate current spending on TV and Radio commercials being aired to promote the NFIP in all 50 states and directs remaining funds to pay down NFIP's debt. Would continue FEMA's mailing programs that are used to notify current policy holders of changes to their policies and maps as well as other educational publications they produce. (10 minutes)

21. Luetkemeyer (MO): Would require FEMA to study their processes and procedures for making an FIP determination and report their findings to Congress within six months from the date of enactment of the underlying bill. (10 minutes)

22. Canseco (TX): Would require the administrator of FEMA to report to Congress within 6 months of the bill becoming law a plan for how the agency can pay back within 10 years the roughly \$18 billion it currently owes to Treasury. (10 minutes)

23. Scott, Bobby (VA): Would direct the GAO to conduct a study of the means and effects of facilitating a market for all-peril insurance policies for residential properties. (10 minutes)

24. Walz (MN): Would allow state and local governments to use the Army Corps of Engineers to evaluate locally operated levee systems which were either built or designed by the Corps, and which are being reaccredited as part of a National Flood Insurance Program remapping. All costs associated with evaluations would continue to be covered by the state or local government requesting the evaluation. (10 minutes)

25. Miller, Candice (MI): Would terminate NFIP by January 1, 2012 and allow States to form interstate compacts to provide insurance. (10 minutes)

#### TEXT OF AMENDMENTS MADE IN ORDER

##### 1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BIGGERT OF ILLINOIS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 38, line 23, strike "5-year" and insert "10-year".

Page 39, line 18 strike "SURVEY" and insert "CERTIFICATE".

Page 39, line 19 strike "survey" and insert "certificate".

Page 50, line 7, strike "1308(h)" and insert "1308(g)".

Page 50, lines 20 and 21 strike “**OF ESTABLISHMENT OF FLOOD ELEVATIONS**” and insert “**TO MEMBERS OF CONGRESS OF FLOOD MAP REVISIONS AND UPDATES**”.

Page 55, line 11, strike “OFFER” and insert “ERROR”.

Page 64, line 16, strike “sections” and insert “section”.

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2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BACHUS OF ALABAMA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 7, strike the dash in line 3 and all that follows through line 10 and insert “designation of the area as having special flood hazards in a timely manner under section 1363.”.

Page 7, after line 21 insert the following:

“(5) ADDITIONAL EXTENSION FOR COMMUNITIES MAKING MORE THAN ADEQUATE PROGRESS ON FLOOD PROTECTION SYSTEM.—

“(A) EXTENSION.—

“(i) AUTHORITY.—Except as provided in subparagraph (B), in the case of an eligible area for which the Administrator has, pursuant to paragraph (4), extended the period of effectiveness of the finding under paragraph (1) for the area, upon a request submitted by a local government authority having jurisdiction over any portion of the eligible area, if the Administrator finds that more than adequate progress has been made on the construction of a flood protection system for such area, as determined in accordance with the last sentence of section 1307(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4014(e)), the Administrator may, in the discretion of the Administrator, further extend the period during which the finding under paragraph (1) shall be effective for such area for an additional 12 months.

“(ii) LIMIT.— For any eligible area, the cumulative number of extensions under this subparagraph may not exceed 2.

“(B) EXCLUSION FOR NEW MORTGAGES.—

“(i) EXCLUSION.—Any extension under subparagraph (A) of this paragraph of a finding under paragraph (1) shall not be effective with respect to any excluded property after the origination, increase, extension, or renewal of the loan referred to in clause (ii)(II) for the property.

“(ii) EXCLUDED PROPERTIES.—For purposes of this subparagraph, the term ‘excluded property’ means any improved real estate or mobile home—

“(I) that is located in an eligible area; and

“(II) for which, during the period that any extension under subparagraph (A) of this paragraph of a finding under paragraph (1) is otherwise in effect for the eligible area in which such property is located—

“(aa) a loan that is secured by the property is originated; or

“(bb) any existing loan that is secured by the property is increased, extended, or renewed.”.

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3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SPEIER OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 11, after line 22, insert the following new subsection:

(d) PENALTIES FOR REQUIRING PURCHASE OF COVERAGE EXCEEDING MINIMUM MANDATORY PURCHASE REQUIREMENT.—Paragraph (2) of section 102(f) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(f)(2)) is amended—

- (1) in subparagraph (A)(iii), by striking “or” at the end;
- (2) in subparagraph (B), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following new subparagraph:

“(C) in connection with the making, increasing, extending, servicing, or renewing of any loan, requiring the purchase of flood insurance coverage under the National Flood Insurance Act of 1968, or purchasing such coverage pursuant to subsection (e)(2), in an amount in excess of the minimum amount required under subsections (a) and (b) of this section.”.

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4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FLAKE OF ARIZONA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 14, line 24, strike the second semicolon and insert “; and”. Strike paragraph (3) of section 4(c) (page 15, lines 1 and 2).

Page 15, line 5, strike “(8)” and insert “(6)”.

Page 15, line 6, strike “(2), (3), (4), (5), and (6)” and insert “(2), (3), and (4)”.

Strike subsection (d) of section 4 (page 16, line 1 and all that follows through page 18, line 10).

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5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ROSLEHTINEN OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 19, strike lines 10 to 13.

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6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MATSUI OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 20, line 3, strike “50 PERCENT RATE FOR INITIAL YEAR” and insert “5-YEAR PHASE-IN PERIOD”.

Page 20, line 11, strike “12-month period” and insert “5-year period”.

Page 20, lines 17 through 19, strike “50 percent of the chargeable risk premium rate otherwise applicable under this title to the property” and insert “the rate described in paragraph (3)”.

Page 21, line 4, strike “12-month period” and insert “5-year period”.

Page 21, strike lines 11 through 18, and insert the following:

“the chargeable risk premium rate for flood insurance under this title for a covered property that is located in such area shall be—

“(A) for the first year of the 5-year period referred to in paragraph (1), the greater of—

“(i) 20 percent of the chargeable risk premium rate otherwise applicable under this title to the property; and

“(ii) in the case of any property that, as of the beginning of such first year, is eligible for preferred risk rate method premiums for flood insurance coverage, such preferred risk rate method premium for the property;

“(B) for the second year of such 5-year period, 40 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

“(C) for the third year of such 5-year period, 60 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

“(D) for the fourth year of such 5-year period, 80 percent of the chargeable risk premium rate otherwise applicable under this title to the property; and

“(E) for the fifth year of such 5-year period, 100 percent of the chargeable risk premium rate otherwise applicable under this title to the property.”.

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7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE TERRY OF NEBRASKA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 19, after line 8, insert the following new subsection:

(f) EFFECTIVE DATE OF POLICIES COVERING PROPERTIES AFFECTED BY FLOODS IN PROGRESS.—Paragraph (1) of section 1306(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)) is amended by adding after the period at the end the following: “With respect to any flood that has commenced or is in progress before the expiration of such 30-day period, such flood insurance coverage for a property shall take effect upon the expiration of such 30-day period and shall cover damage to such property occurring after the expiration of such period that results from such flood, but only if the property has not suffered damage or loss as a result of such flood before the expiration of such 30-day period.”.

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8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WATERS OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 23, line 17, strike “section 1361A(b)” and insert “section 1366(j)”.

Strike line 10 on page 47 and all that follows through page 48, line 15.

Strike line 16 on page 48 and all that follows through page 49, line 19 and insert the following new section:

**SEC. 12. MITIGATION ASSISTANCE.**

(a) MITIGATION ASSISTANCE GRANTS.—Section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) is amended—

(1) in subsection (a), by striking the last sentence and inserting the following: “Such financial assistance shall be made available—

“(1) to States and communities in the form of grants under this section for carrying out mitigation activities;

“(2) to States and communities in the form of grants under this section for carrying out mitigation activities that reduce flood damage to severe repetitive loss structures; and

“(3) to property owners in the form of direct grants under this section for carrying out mitigation activities that reduce flood damage to individual structures for which 2 or more claim payments for losses have been made under flood insurance coverage under this title if the Administrator, after consultation with the State and community, determines that neither the State nor community in which such a structure is located has the capacity to manage such grants.”.

(2) by striking subsection (b);

(3) in subsection (c)—

(A) by striking “flood risk” and inserting “multi-hazard”;

(B) by striking “provides protection against” and inserting “examines reduction of”; and

(C) by redesignating such subsection as subsection (b);

(4) by striking subsection (d);

(5) in subsection (e)—

(A) in paragraph (1), by striking the paragraph designation and all that follows through the end of the first sentence and inserting the following:

“(1) REQUIREMENT OF CONSISTENCY WITH APPROVED MITIGATION PLAN.—Amounts provided under this section may be used only for mitigation activities that are consistent with mitigation plans that are approved by the Administrator and identified under subparagraph (4).”;

(B) by striking paragraphs (2), (3), and (4) and inserting the following new paragraphs:

“(2) REQUIREMENTS OF TECHNICAL FEASIBILITY, COST EFFECTIVENESS, AND INTEREST OF NFIF.—The Administrator may approve only mitigation activities that the Administrator determines are technically feasible and cost-effective and in the interest of, and represent savings to, the National Flood Insurance Fund. In making such determinations, the Administrator shall take into consideration recognized benefits that are difficult to quantify.

“(3) PRIORITY FOR MITIGATION ASSISTANCE.—In providing grants under this section for mitigation activities, the Administrator shall give priority for funding to activities that the Administrator determines will result in the greatest savings to the National Flood Insurance Fund, including activities for—

“(A) severe repetitive loss structures;

“(B) repetitive loss structures; and

“(C) other subsets of structures as the Administrator may establish.”;

(C) in paragraph (5)—

(i) by striking all of the matter that precedes subparagraph (A) and inserting the following:



“(4) ELIGIBLE ACTIVITIES.—Eligible activities may include—”;

(ii) by striking subparagraphs (E) and (H);

(iii) by redesignating subparagraphs (D), (F), and (G) as subparagraphs (F), (H), and (I);

(iv) by inserting after subparagraph (C) the following new subparagraphs:

“(D) demolition and rebuilding of properties to at least base flood elevation or greater, if required by the Administrator or if required by any State regulation or local ordinance, and in accordance with criteria established by the Administrator;

“(E) elevation, relocation, and floodproofing of utilities (including equipment that serve structures);”;

(v) by inserting after subparagraph (F), as so redesignated by clause (iii) of this subparagraph, the following new subparagraph:

“(G) the development or update of State, local, or Indian tribal mitigation plans which meet the planning criteria established by the Administrator, except that the amount from grants under this section that may be used under this subparagraph may not exceed \$50,000 for any mitigation plan of a State or \$25,000 for any mitigation plan of a local government or Indian tribe;”;

(vi) in subparagraph (I); as so redesignated by clause (iii) of this subparagraph, by striking “and” at the end; and

(vii) by adding at the end the following new subparagraphs:

“(J) other mitigation activities not described in subparagraphs (A) through (H) or the regulations issued under subparagraph (I), that are described in the mitigation plan of a State, community, or Indian tribe; and

“(K) personnel costs for State staff that provide technical assistance to communities to identify eligible activities, to develop grant applications, and to implement grants awarded under this section, not to exceed \$50,000 per State in any Federal fiscal year, so long as the State applied for and was awarded at least \$1,000,000 in grants available under this section in the prior Federal fiscal year; the requirements of subsections (d)(1) and (d)(2) shall not apply to the activity under this subparagraph.”; and

(D) by redesignating such subsection as subsection (c);

(6) by striking subsections (f), (g), and (h) and inserting the following new subsection:

“(d) MATCHING REQUIREMENT.—The Administrator may provide grants for eligible mitigation activities as follows:

“(1) SEVERE REPETITIVE LOSS STRUCTURES.—In the case of mitigation activities to severe repetitive loss structures, in an amount up to 100 percent of all eligible costs.

“(2) REPETITIVE LOSS STRUCTURES.—In the case of mitigation activities to repetitive loss structures, in an amount up to 90 percent of all eligible costs.

“(3) OTHER MITIGATION ACTIVITIES.— In the case of all other mitigation activities, in an amount up to 75 percent of all eligible costs.”;

(7) in subsection (i)—

(A) in paragraph (2)—

(i) by striking “certified under subsection (g)” and inserting “required under subsection (d)”;

(ii) by striking “3 times the amount” and inserting “the amount”;

(B) by redesignating such subsection as subsection (e);

(8) in subsection (j)—

(A) in paragraph (1), by striking “Riegle Community Development and Regulatory Improvement Act of 1994” and inserting “Flood Insurance Reform Act of 2011”;

(B) by redesignating such subsection as subsection (f);

and

(9) by striking subsections (k) and (m) and inserting the following new subsections:

“(g) FAILURE TO MAKE GRANT AWARD WITHIN 5 YEARS.—For any application for a grant under this section for which the Administrator fails to make a grant award within 5 years of the date of application, the grant application shall be considered to be denied and any funding amounts allocated for such grant applications shall remain in the National Flood Mitigation Fund under section 1367 of this title and shall be made available for grants under this section.

“(h) LIMITATION ON FUNDING FOR MITIGATION ACTIVITIES FOR SEVERE REPETITIVE LOSS STRUCTURES.—The amount used pursuant to section 1310(a)(8) in any fiscal year may not exceed \$40,000,000 and shall remain available until expended.

“(i) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

“(1) COMMUNITY.—The term ‘community’ means—

“(A) a political subdivision that—

“(i) has zoning and building code jurisdiction over a particular area having special flood hazards, and

“(ii) is participating in the national flood insurance program; or

“(B) a political subdivision of a State, or other authority, that is designated by political subdivisions, all of which meet the requirements of subparagraph (A), to administer grants for mitigation activities for such political subdivisions.

“(2) REPETITIVE LOSS STRUCTURE.—The term ‘repetitive loss structure’ has the meaning given such term in section 1370.

“(3) SEVERE REPETITIVE LOSS STRUCTURE.—The term ‘severe repetitive loss structure’ means a structure that—

“(A) is covered under a contract for flood insurance made available under this title; and

“(B) has incurred flood-related damage—

“(i) for which 4 or more separate claims payments have been made under flood insurance coverage under this title, with the amount of each such claim exceeding \$15,000, and with the cumulative amount of such claims payments exceeding \$60,000; or

“(ii) for which at least 2 separate claims payments have been made under such coverage, with the cumulative amount of such claims exceeding the value of the insured structure.”.

(b) ELIMINATION OF GRANTS PROGRAM FOR REPETITIVE INSURANCE CLAIMS PROPERTIES.—Chapter I of the National Flood Insurance Act of 1968 is amended by striking section 1323 (42 U.S.C. 4030).

(c) ELIMINATION OF PILOT PROGRAM FOR MITIGATION OF SEVERE REPETITIVE LOSS PROPERTIES.—Chapter III of the National Flood Insurance Act of 1968 is amended by striking section 1361A (42 U.S.C. 4102a).

(d) NATIONAL FLOOD INSURANCE FUND.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

- (1) in paragraph (6), by inserting “and” after the semicolon;
- (2) in paragraph (7), by striking the semicolon and inserting a period; and
- (3) by striking paragraphs (8) and (9).

(e) NATIONAL FLOOD MITIGATION FUND.—Section 1367 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104d) is amended—

(1) in subsection (b)—

(A) by striking paragraph (1) and inserting the following new paragraph:

“(1) in each fiscal year, from the National Flood Insurance Fund in amounts not exceeding \$90,000,000 to remain available until expended, of which—

“(A) not more than \$40,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(1);

“(B) not more than \$40,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(2); and

“(C) not more than \$10,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(3).”.

(B) in paragraph (3), by striking “section 1366(i)” and inserting “section 1366(e)”;

(2) in subsection (c), by striking “sections 1366 and 1323” and inserting “section 1366”;

(3) by redesignating subsections (d) and (e) as subsections (f) and (g), respectively; and

(4) by inserting after subsection (c) the following new subsections:

“(d) PROHIBITION ON OFFSETTING COLLECTIONS.—Notwithstanding any other provision of this title, amounts made available pursuant to this section shall not be subject to offsetting collections through premium rates for flood insurance coverage under this title.

“(e) CONTINUED AVAILABILITY AND REALLOCATION.—Any amounts made available pursuant to subparagraph (A), (B), or (C) of subsection (b)(1) that are not used in any fiscal year shall continue to be available for the purposes specified in such subparagraph of subsection (b)(1) pursuant to which such amounts were made available, unless the Administrator determines that reallocation of such

unused amounts to meet demonstrated need for other mitigation activities under section 1366 is in the best interest of the National Flood Insurance Fund.”

(f) INCREASED COST OF COMPLIANCE COVERAGE.—Section 1304(b)(4) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)(4)) is amended—

- (1) by striking subparagraph (B); and
- (2) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively.

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9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PALAZZO OF MISSISSIPPI OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 32, line 6, before the period insert the following: “, and includes an adequate number of representatives from the States with coastline on the Gulf of Mexico and other States containing areas identified by the Administrator of the Federal Emergency Management Agency as at high-risk for flooding or special flood hazard areas”.

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10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WALBERG OF MICHIGAN OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 36, after line 3, insert the following new subsection:

(i) MORATORIUM ON FLOOD MAP CHANGES.—

(1) MORATORIUM.—Except as provided in paragraph (2) and notwithstanding any other provision of this Act, the National Flood Insurance Act of 1968, or the Flood Disaster Protection Act of 1973, during the period beginning upon the date of the enactment of this Act and ending upon the submission by the Council to the Administrator and the Congress of the proposed new mapping standards required under subsection (c)(1), the Administrator may not make effective any new or updated rate maps for flood insurance coverage under the national flood insurance program that were not in effect for such program as of such date of enactment, or otherwise revise, update, or change the flood insurance rate maps in effect for such program as of such date.

(2) LETTERS OF MAP CHANGE.—During the period described in paragraph (1), the Administrator may revise, update, and change the flood insurance rate maps in effect for the national flood insurance program only pursuant to a letter of map change (including a letter of map amendment, letter of map revision, and letter of map revision based on fill).

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11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CARDOZA OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 36, line 23, after the semicolon insert “and”.

Page 37, strike lines 1 through 3.

Page 37, line 4, strike “(C)” and insert “(B)”.

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12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BURTON OF INDIANA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 50, line 20, insert **“TO MEMBERS OF CONGRESS”** after **“NOTIFICATION”**.

Page 51, after line 11, insert the following new section:

**SEC. 16. NOTIFICATION AND APPEAL OF MAP CHANGES; NOTIFICATION TO COMMUNITIES OF ESTABLISHMENT OF FLOOD ELEVATIONS.**

Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended by striking the section designation and all that follows through the end of subsection (a) and inserting the following:

“SEC. 1363. (a) In establishing projected flood elevations for land use purposes with respect to any community pursuant to section 1361, the Director shall first propose such determinations—

“(1) by providing the chief executive officer of each community affected by the proposed elevations, by certified mail, with a return receipt requested, notice of the elevations, including a copy of the maps for the elevations for such community and a statement explaining the process under this section to appeal for changes in such elevations;

“(2) by causing notice of such elevations to be published in the Federal Register, which notice shall include information sufficient to identify the elevation determinations and the communities affected, information explaining how to obtain copies of the elevations, and a statement explaining the process under this section to appeal for changes in the elevations;

“(3) by publishing in a prominent local newspaper the elevations, a description of the appeals process for flood determinations, and the mailing address and telephone number of a person the owner may contact for more information or to initiate an appeal; and

“(4) by providing written notification, by first class mail, to each owner of real property affected by the proposed elevations of—

“(A) the status of such property, both prior to and after the effective date of the proposed determination, with respect to flood zone and flood insurance requirements under this Act and the Flood Disaster Protection Act of 1973;

“(B) the process under this section to appeal a flood elevation determination; and

“(C) the mailing address and phone number of a person the owner may contact for more information or to initiate an appeal.”.

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13. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MCGOVERN OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 55, line 4, before **“OBTAINING”** insert **“AND COMMUNITIES”**.

Page 55, line 5, before the period insert **“OR REVISION”**.

Page 55, line 14, after “1973” insert “, or a community in which such a property is located,”.

Page 55, line 15, before “due” insert “, or a letter of map revision,”.

Page 55, line 19, after “behalf,” insert “or such community, as applicable,”.

Page 56, line 2, after “owner” insert “or community, as applicable,”.

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14. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BRADY OF TEXAS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 56, after line 9, insert the following new section:

**SEC. 20. NOTIFICATION TO RESIDENTS NEWLY INCLUDED IN FLOOD HAZARD AREAS.**

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(n) NOTIFICATION TO RESIDENTS NEWLY INCLUDED IN FLOOD HAZARD AREA.—In revising or updating any areas having special flood hazards, the Administrator shall provide to each owner of a property to be newly included in such a special flood hazard area, at the time of issuance of such proposed revised or updated flood insurance maps, a copy of the proposed revised or updated flood insurance maps together with information regarding the appeals process under section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104).”.

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15. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CUELLAR OF TEXAS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 56, after line 9, insert the following new section:

**SEC. 20. ENHANCED COMMUNICATION WITH CERTAIN COMMUNITIES DURING MAP UPDATING PROCESS.**

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(n) ENHANCED COMMUNICATION WITH CERTAIN COMMUNITIES DURING MAP UPDATING PROCESS.—In updating flood insurance maps under this section, the Administrator shall communicate with communities located in areas where flood insurance rate maps have not been updated in 20 years or more and the appropriate State emergency agencies to resolve outstanding issues, provide technical assistance, and disseminate all necessary information to reduce the prevalence of outdated maps in flood-prone areas.”.

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16. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHERMAN OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 57, after line 2, insert the following new section:

**SEC. 21. FEMA AUTHORITY TO REJECT TRANSFER OF POLICIES.**

Section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) is amended by adding at the end the following new subsection:

“(d) FEMA AUTHORITY TO REJECT TRANSFER OF POLICIES.—Notwithstanding any other provision of this Act, the Administrator may, at the discretion of the Administrator, refuse to accept the transfer of the administration of policies for coverage under the flood insurance program under this title that are written and administered by any insurance company or other insurer, or any insurance agent or broker.”.

Strike line 23 on page 64 and all that follows through page 65, line 5, and insert the following new section:

**SEC. 24. REQUIRING COMPETITION FOR NATIONAL FLOOD INSURANCE PROGRAM POLICIES.**

(a) REPORT.—Not later than the expiration of the 90-day period beginning upon the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency, in consultation with insurance companies, insurance agents and other organizations with which the Administrator has contracted, shall submit to the Congress a report describing procedures and policies that the Administrator shall implement to limit the percentage of policies for flood insurance coverage under the national flood insurance program that are directly managed by the Agency to not more than 10 percent of the aggregate number of flood insurance policies in force under such program.

(b) IMPLEMENTATION.—Upon submission of the report under subsection (a) to the Congress, the Administrator shall implement the policies and procedures described in the report. The Administrator shall, not later than the expiration of the 12-month period beginning upon submission of such report, reduce the number of policies for flood insurance coverage that are directly managed by the Agency, or by the Agency’s direct servicing contractor that is not an insurer, to not more than 10 percent of the aggregate number of flood insurance policies in force as of the expiration of such 12-month period.

(c) CONTINUATION OF CURRENT AGENT RELATIONSHIPS.—In carrying out subsection (b), the Administrator shall ensure that—

(1) agents selling or servicing policies described in such subsection are not prevented from continuing to sell or service such policies; and

(2) insurance companies are not prevented from waiving any limitation such companies could otherwise enforce to limit any such activity.

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17. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LOEBSACK OF IOWA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 57, after line 2, insert the following new section:

**SEC. 21. APPEALS.**

(a) TELEVISION AND RADIO ANNOUNCEMENT.—Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended—

(1) in subsection (a), by inserting after “determinations” by inserting the following: “by notifying a local television and radio station,”; and

(2) in the first sentence of subsection (b), by inserting before the period at the end the following: “and shall notify a local television and radio station at least once during the same 10-day period”.

(b) **EXTENSION OF APPEALS PERIOD.**—Subsection (b) of section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104(b)) is amended—

(1) by striking “(b) The Director” and inserting “(b)(1) The Administrator”; and

(2) by adding at the end the following new paragraph:

“(2) The Administrator shall grant an extension of the 90-day period for appeals referred to in paragraph (1) for 90 additional days if an affected community certifies to the Administrator, after the expiration of at least 60 days of such period, that the community—

“(A) believes there are property owners or lessees in the community who are unaware of such period for appeals; and

“(B) will utilize the extension under this paragraph to notify property owners or lessees who are affected by the proposed flood elevation determinations of the period for appeals and the opportunity to appeal the determinations proposed by the Administrator.”.

(c) **APPLICABILITY.**—The amendments made by subsections (a) and (b) shall apply with respect to any flood elevation determination for any area in a community that has not, as of the date of the enactment of this Act, been issued a Letter of Final Determination for such determination under the flood insurance map modernization process.

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18. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PALAZZO OF MISSISSIPPI OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 57, after line 2, insert the following new section:

**SEC. 21. INFORMATION REGARDING MULTIPLE PERILS CLAIMS.**

Section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) is amended by adding at the end the following new subsection:

“(d) **INFORMATION REGARDING MULTIPLE PERILS CLAIMS.**—

“(1) **IN GENERAL.**—Subject to paragraph (2), if an insured having flood insurance coverage under a policy issued under the program under this title by the Administrator or a company, insurer, or entity offering flood insurance coverage under such program (in this subsection referred to as a ‘participating company’) has wind or other homeowners coverage from any company, insurer, or other entity covering property covered by such flood insurance, in the case of damage to such property that may have been caused by flood or by wind, the Administrator and the participating company, upon the request of the insured, shall provide to the insured, within 30 days of such request—

“(A) a copy of the estimate of structure damage;

“(B) proofs of loss;



“(C) any expert or engineering reports or documents commissioned by or relied upon by the Administrator or participating company in determining whether the damage was caused by flood or any other peril; and

“(D) the Administrator’s or the participating company’s final determination on the claim.

“(2) TIMING.—Paragraph (1) shall apply only with respect to a request described in such paragraph made by an insured after the Administrator or the participating company, or both, as applicable, have issued a final decision on the flood claim involved and resolution of all appeals with respect to such claim.”.

19. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WEST-MORELAND OF GEORGIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 57, after line 2, insert the following new section:

**SEC. 21. RESERVE FUND.**

(a) ESTABLISHMENT.—Chapter I of the National Flood Insurance Act of 1968 is amended by inserting after section 1310 (42 U.S.C. 4017) the following new section:

**“SEC. 1310A. RESERVE FUND.**

“(a) ESTABLISHMENT OF RESERVE FUND.—In carrying out the flood insurance program authorized by this title, the Administrator shall establish in the Treasury of the United States a National Flood Insurance Reserve Fund (in this section referred to as the ‘Reserve Fund’) which shall—

“(1) be an account separate from any other accounts or funds available to the Administrator; and

“(2) be available for meeting the expected future obligations of the flood insurance program.

“(b) RESERVE RATIO.—Subject to the phase-in requirements under subsection (d), the Reserve Fund shall maintain a balance equal to—

“(1) 1 percent of the sum of the total potential loss exposure of all outstanding flood insurance policies in force in the prior fiscal year; or

“(2) such higher percentage as the Administrator determines to be appropriate, taking into consideration any circumstance that may raise a significant risk of substantial future losses to the Reserve Fund.

“(c) MAINTENANCE OF RESERVE RATIO.—

“(1) IN GENERAL.—The Administrator shall have the authority to establish, increase, or decrease the amount of aggregate annual insurance premiums to be collected for any fiscal year necessary—

“(A) to maintain the reserve ratio required under subsection (b); and

“(B) to achieve such reserve ratio, if the actual balance of such reserve is below the amount required under subsection (b).

“(2) CONSIDERATIONS.—In exercising the authority under paragraph (1), the Administrator shall consider—

“(A) the expected operating expenses of the Reserve Fund;

“(B) the insurance loss expenditures under the flood insurance program;

“(C) any investment income generated under the flood insurance program; and

“(D) any other factor that the Administrator determines appropriate.

“(3) LIMITATIONS.—In exercising the authority under paragraph (1), the Administrator shall be subject to all other provisions of this Act, including any provisions relating to chargeable premium rates and annual increases of such rates.

“(d) PHASE-IN REQUIREMENTS.—The phase-in requirements under this subsection are as follows:

“(1) IN GENERAL.—Beginning in fiscal year 2012 and not ending until the fiscal year in which the ratio required under subsection (b) is achieved, in each such fiscal year the Administrator shall place in the Reserve Fund an amount equal to not less than 7.5 percent of the reserve ratio required under subsection (b).

“(2) AMOUNT SATISFIED.—As soon as the ratio required under subsection (b) is achieved, and except as provided in paragraph (3), the Administrator shall not be required to set aside any amounts for the Reserve Fund.

“(3) EXCEPTION.—If at any time after the ratio required under subsection (b) is achieved, the Reserve Fund falls below the required ratio under subsection (b), the Administrator shall place in the Reserve Fund for that fiscal year an amount equal to not less than 7.5 percent of the reserve ratio required under subsection (b).

“(e) LIMITATION ON RESERVE RATIO.—In any given fiscal year, if the Administrator determines that the reserve ratio required under subsection (b) cannot be achieved, the Administrator shall submit a report to the Congress that—

“(1) describes and details the specific concerns of the Administrator regarding such consequences;

“(2) demonstrates how such consequences would harm the long-term financial soundness of the flood insurance program; and

“(3) indicates the maximum attainable reserve ratio for that particular fiscal year.

“(f) AVAILABILITY OF AMOUNTS.—The reserve ratio requirements under subsection (b) and the phase-in requirements under subsection (d) shall be subject to the availability of amounts in the National Flood Insurance Fund for transfer under section 1310(a)(10), as provided in section 1310(f).”

(b) FUNDING.—Subsection (a) of section 1310 of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

(1) in paragraph (8), by striking “and” at the end;

(2) in paragraph (9), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(10) for transfers to the National Flood Insurance Reserve Fund under section 1310A, in accordance with such section.”.

20. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MILLER  
OF MICHIGAN OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 64, after line 2, insert the following new section:

**SEC. 23. TERMINATION OF BROADCAST PERSONIFIED FLOOD INSURANCE COMMERCIALS.**

PROHIBITION.—The Administrator of the Federal Emergency Management Agency may not, after the date of the enactment of this Act, obligate any amounts for purchasing time or space for any advertisement or commercial for flood insurance coverage under the national flood insurance program under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.). This subsection may not be construed to prohibit obligation of amounts for dissemination of information regarding such program to holders of flood insurance policies under such program.

(b) REDUCTION OF NATIONAL FLOOD INSURANCE FUND DEBT.—Any amounts made available to the Administrator and allocated for advertising or commercials described in subsection (a) that remain unobligated on the date of the enactment of this Act shall be used only for reducing the debt of the National Flood Insurance Fund incurred pursuant to the authority under section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016).

21. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LUETKEMEYER OF MISSOURI OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 70, after line 5, insert the following new section:

**SEC. 27. REPORT ON FLOOD-IN-PROGRESS DETERMINATION.**

The Administrator of the Federal Emergency Management Agency shall review the processes and procedures for determining that a flood event has commenced or is in progress for purposes of flood insurance coverage made available under the national flood insurance program under the National Flood Insurance Act of 1968 and for providing public notification that such an event has commenced or is in progress. In such review, the Administrator shall take into consideration the effects and implications that weather conditions, such as rainfall, snowfall, projected snowmelt, existing water levels, and other conditions have on the determination that a flood event has commenced or is in progress. Not later than the expiration of the 6-month period beginning upon the date of the enactment of this Act, the Administrator shall submit a report to the Congress setting forth the results and conclusions of the review undertaken pursuant to this section and any actions undertaken or proposed actions to be taken to provide for a more precise and technical determination that a flooding event has commenced or is in progress.

22. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CANSECO  
OF TEXAS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

On page 70, after line 5, insert the following new section:

**SEC. 27. STUDY ON REPAYING FLOOD INSURANCE DEBT.**

Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency shall submit a report to the Congress setting forth a plan for repaying within 10 years all amounts, including any amounts previously borrowed but not yet repaid, owed pursuant to clause (2) of subsection (a) of section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)(2)).

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23. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCOTT OF VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 70, after line 5, insert the following new section:

**SEC. 27. STUDY OF ALL-PERIL INSURANCE COVERAGE FOR RESIDENTIAL PROPERTIES.**

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study to determine various means and methods by which a market could be established, and the effectiveness and feasibility of each such means and method, for providing all-peril insurance coverage for residential properties. Such study shall analyze and determine, for only residential properties with mortgages insured under the FHA mortgage insurance programs of the Secretary of Housing and Urban Development, and for all residential properties—

(1) whether a viable insurance market could be established, including by establishment of a Federal program for reinsurance for such all-peril insurance coverage and by other means and methods;

(2) the effects of each such means and method of establishing such a market in facilitating and encouraging the private insurance market to develop and offer all-peril insurance products for residential properties;

(3) the cost of such all-peril insurance coverage for various types of residential properties; and

(4) the effects that requiring such insurance coverage would have on prices for existing housing and for housing constructed in the future.

(b) **REPORT.**—Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit to the Congress a report describing the study conducted pursuant to subsection (a) and the analysis conducted under such study, and setting forth the results and determinations of the study.

(c) **ALL-PERIL INSURANCE.**—For purposes of this section, the term “all-peril insurance” means, with respect a residential property, insurance coverage meeting the following requirements:

(1) **SUBSTANTIAL DEDUCTIBLE.**—The coverage is made available subject to a substantial deductible in relation to the amount of coverage provided.

(2) **COVERED LOSSES.**—The coverage covers only damage and losses to the property that—

(A) render the property uninhabitable or substantially impair the habitability of the property; and

(B) result from any of the following hazards—

- (i) movement of the earth, including earthquakes, shockwaves, sinkholes, landslides, and mudflows;
- (ii) water damage, including floods, sewer back-ups, and water seepage through the foundation;
- (iii) war, including undeclared war and civil war;
- (iv) nuclear hazards, including explosion of nuclear devices and nuclear reactor accidents;
- (v) governmental action, including the destruction, confiscation, or seizure of covered property by any governmental or public authority; or
- (vi) bad repair or workmanship on a property, use of faulty construction materials in a property, or defective maintenance to a property.

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24. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WALZ OF MINNESOTA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following new section:

**SEC. 28. AUTHORITY FOR THE CORPS OF ENGINEERS TO PROVIDE SPECIALIZED OR TECHNICAL SERVICES.**

(a) **IN GENERAL.**—Notwithstanding any other provision of law, upon the request of a State or local government, the Secretary of the Army may evaluate a levee system that was designed or constructed by the Secretary for the purposes of the National Flood Insurance Program established under chapter 1 of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.).

(b) **REQUIREMENTS.**—A levee system evaluation under subsection (a) shall—

- (1) comply with applicable regulations related to areas protected by a levee system;
- (2) be carried out in accordance with such procedures as the Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, may establish; and
- (3) be carried out only if the State or local government agrees to reimburse the Secretary for all cost associated with the performance of the activities.

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25. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MILLER OF MICHIGAN OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “National Flood Insurance Program Termination Act of 2011”.

**SEC. 2. TERMINATION OF NATIONAL FLOOD INSURANCE PROGRAM.**

(a) **TERMINATION OF AUTHORITY TO PROVIDE COVERAGE.**—Effective January 1, 2012, 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) 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 Fund 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 discontinuance 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”;

(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 budget deficit 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 he 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 budget deficit of the Federal Government”;

(4) by striking sections 1361A (42 U.S.C. 4102a);

(5) in section 1363(e) (42 U.S.C. 4104(e)), by striking the third and fifth sentences; and

(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);
  - (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 (c); 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 (c) and (d);

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

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

(c) **BUNNING-BEREUTER-BLUMENAUER FLOOD INSURANCE REFORM ACT OF 2004.**—Title II of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note).

(d) **NATIONAL FLOOD INSURANCE REFORM ACT OF 1994.**—The National Flood Insurance Reform Act of 1994 is amended by striking sections 561 (42 U.S.C. 4011 note), 562 (42 U.S.C. 4102 note), 578 (42 U.S.C. 4014 note), 579(b), and 582 (42 U.S.C. 5154a).

(e) **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).

(f) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on January 1, 2012.

**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.