

113TH CONGRESS
2D SESSION

H. R. 4313

To ensure fairness in premium rates for coverage for business properties and second homes under the National Flood Insurance Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2014

Mr. JOLLY (for himself, Mr. BILIRAKIS, and Ms. CASTOR of Florida) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To ensure fairness in premium rates for coverage for business properties and second homes under the National Flood Insurance Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Flood Insurance Pre-
5 mium Parity Act of 2014”.

6 **SEC. 2. REPEAL OF CERTAIN RATE INCREASES.**

7 (a) REPEAL OF PROHIBITION ON SUBSIDIZED
8 RATES.—Paragraph (2) of section 1307(a) of the Na-

1 tional Flood Insurance Act of 1968 (42 U.S.C. 4014) is
2 amended—

3 (1) in subparagraph (A)—

4 (A) by striking “which is not” and insert-
5 ing “that is neither”; and

6 (B) by inserting before the semicolon at
7 the end the following: “nor the secondary resi-
8 dence of the owner of the property, and the Ad-
9 ministrator shall establish standards for a resi-
10 dential property to qualify for purposes of this
11 subparagraph as a secondary residence that
12 shall (A) require the owner of the property to
13 occupy the property for a minimum period of
14 time each year, as the Administrator deter-
15 mines appropriate, and (B) provide that only a
16 single property of any owner may so qualify”;

17 (2) in subparagraph (C), by inserting “or” after
18 the semicolon at the end;

19 (3) by striking subparagraph (D); and

20 (4) by redesignating subparagraph (E) as sub-
21 paragraph (D).

22 (b) CONFORMING AMENDMENTS RELATING TO LIM-
23 ITATION ON ANNUAL RATE INCREASES.—Paragraph (4) of
24 section 1308(e) of the National Flood Insurance Act of
25 1968 (42 U.S.C. 4015(e)(4)), as amended by section 5

1 of Public Law 113–89, is amended by striking “(A)
2 through (E)” and inserting “(A) through (D)”.

3 (c) IMPLEMENTATION.—

4 (1) EFFECTIVE DATE.—The Administrator of
5 the Federal Emergency Management Agency (in this
6 subsection referred to as the “Administrator”) shall
7 make available such rate tables, as necessary to im-
8 plement the amendments made by subsections (a)
9 and (b) as if such subsections were enacted as part
10 of the Biggert-Waters Flood Insurance Reform Act
11 of 2012 (Public Law 112–141; 126 Stat. 957).

12 (2) IMPLEMENTATION, COORDINATION, AND
13 GUIDANCE.—

14 (A) FACILITATION OF TIMELY REFUNDS.—

15 To ensure the participation of Write Your Own
16 companies (as such term is defined in section
17 100202(a) of the Biggert-Waters Flood Insur-
18 ance Reform Act of 2012 (42 U.S.C. 4004(a)),
19 the Administrator and the Federal Emergency
20 Management Agency shall consult with Write
21 Your Own companies throughout the develop-
22 ment of guidance and rate tables necessary to
23 implement the amendments made by sub-
24 sections (a) and (b).

(B) IMPLEMENTATION AND GUIDANCE.—

The Administrator shall issue final guidance and rate tables necessary to implement the amendments made by subsections (a) and (b) not later than eight months following the date of the enactment of this Act. Write Your Own companies, in coordination with the Federal Emergency Management Agency, shall have not less than six months but not more than eight months following the issuance of such final guidance and rate tables to implement the changes required by such final guidance and rate tables.

(C) REFUND OF EXCESS PREMIUM

CHARGES COLLECTED.—The Administrator shall refund directly to insureds any premiums for flood insurance coverage under the National Flood Insurance Program collected in excess of the rates required under the amendments made by subsections (a) and (b). To allow for necessary and appropriate implementation of such amendments, any premium changes necessary to implement such amendments, including any such premium refund due to policy holders, which shall be paid directly by the National

1 Flood Insurance Program, shall not be charged
2 or paid to policyholders by the National Flood
3 Insurance Program until after the Adminis-
4 trator issues guidance and makes available such
5 rate tables to implement the amendments made
6 by subsections (a) and (b).

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