116TH CONGRESS 1ST SESSION

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H. R. 470

To repeal the mandatory flood insurance coverage requirement for commercial properties located in flood hazard areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

January 10, 2019

Mr. LUETKEMEYER introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To repeal the mandatory flood insurance coverage requirement for commercial properties located in flood hazard areas, 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. OPT-OUT OF MANDATORY COVERAGE REQUIRE
MENT FOR COMMERCIAL PROPERTIES.

(a) AMENDMENTS TO FLOOD DISASTER PROTECTION

ACT OF 1973.—The Flood Disaster Protection Act of

1973 is amended—

(1) in section 3(a) (42 U.S.C. 4003(a))—

(A) in paragraph (10), by striking "and"

at the end;

1	(B) in paragraph (11), by striking the pe-
2	riod at the end and inserting "; and"; and
3	(C) by adding at the end the following new
4	paragraph:
5	"(12) 'residential improved real estate' means
6	improved real estate that—
7	"(A) is primarily used for residential pur-
8	poses, as defined by the Federal entities for
9	lending regulation; and
10	"(B) secures financing or financial assist-
11	ance provided through a federally related single
12	family loan program, as defined by the Federal
13	entities for lending regulation."; and
14	(2) in section 102 (42 U.S.C. 4012a)—
15	(A) in subsection (b)—
16	(i) in paragraph (1)(A)—
17	(I) by inserting "residential" be-
18	fore "improved real estate"; and
19	(II) by inserting "residential" be-
20	fore "building or mobile home";
21	(ii) in paragraph (2)—
22	(I) by inserting "residential" be-
23	fore "improved real estate"; and
24	(II) by inserting "residential" be-
25	fore "building or mobile home": and

1	(iii) in paragraph (3)—
2	(I) in subparagraph (A), by in-
3	serting "residential" before "improved
4	real estate"; and
5	(II) in the matter after and
6	below subparagraph (B), by inserting
7	"residential" before "building or mo-
8	bile home";
9	(B) in subsection (c)(3), by striking ", in
10	the case of any residential property, for any
11	structure that is a part of such property" and
12	inserting "for any structure that is part of a
13	residential property";
14	(C) in subsection (e)—
15	(i) in paragraph (1)—
16	(I) by inserting "residential" be-
17	fore "improved real estate"; and
18	(II) by inserting "residential" be-
19	fore "building or mobile home" each
20	place such term appears; and
21	(ii) in paragraph (5)—
22	(I) in subparagraph (A)—
23	(aa) by inserting "residen-
24	tial" before "improved real es-

1	tate" each place such term ap-
2	pears; and
3	(bb) by inserting "residen-
4	tial" before "building or mobile
5	home" each place such term ap-
6	pears;
7	(II) in subparagraph (B), by in-
8	serting "residential" before "building
9	or mobile home" each place such term
10	appears; and
11	(III) in subparagraph (C), by in-
12	serting "residential" before "building
13	or mobile home"; and
14	(D) in subsection (h)—
15	(i) by inserting "residential" before
16	"improved real estate" each place such
17	term appears; and
18	(ii) in the matter preceding paragraph
19	(1), by inserting "residential" before
20	"building or mobile home".
21	(b) Amendments to National Flood Insurance
22	ACT OF 1968.—The National Flood Insurance Act of
23	1968 is amended—
24	(1) in section 1364(a) (42 U.S.C. 4104a(a))—

1	(A) in paragraph (1), by inserting "resi-
2	dential" before "improved real estate";
3	(B) in paragraph (2), by inserting "resi-
4	dential" before "improved real estate"; and
5	(C) in paragraph (3)(A), by inserting "res-
6	idential" before "building";
7	(2) in section 1365 (42 U.S.C. 4104b)—
8	(A) in subsection (a)—
9	(i) by inserting "residential" before
10	"improved real estate"; and
11	(ii) by inserting "residential" before
12	"building";
13	(B) in subsection (b)(2)—
14	(i) by inserting "residential" before
15	"building" each place such term appears;
16	and
17	(ii) by inserting "residential" before
18	"improved real estate" each place such
19	term appears;
20	(C) in subsection (d), by inserting "resi-
21	dential" before "improved real estate" each
22	place such term appears; and
23	(D) in subsection (e)—
24	(i) by inserting "residential" before
25	"improved real estate"; and

1	(ii) by inserting "residential" before
2	"building" each place such term appears;
3	and
4	(3) in section 1370 (42 U.S.C. 4121)—
5	(A) in paragraph (8), by inserting "resi-
6	dential" before "improved real estate";
7	(B) by redesignating paragraphs (14) and
8	(15) as paragraphs (15) and (16), respectively;
9	and
10	(C) by inserting after paragraph (13) the
11	following new paragraph:
12	"(14) the term 'residential improved real estate'
13	means improved real estate that—
14	"(A) is primarily used for residential pur-
15	poses, as defined by the Federal entities for
16	lending regulation; and
17	"(B) secures financing or financial assist-
18	ance provided through a federally related single
19	family loan program, as defined by the Federal
20	entities for lending regulation;".
21	(c) RULE OF CONSTRUCTION.—This section and the
22	amendments made by this section may not be construed
23	to prohibit the Administrator of the Federal Emergency
24	Management Agency from offering flood insurance cov-
25	erage under the National Flood Insurance Program for

- 1 eligible non-residential properties, other residential multi-
- 2 family properties, or structures financed with commercial
- 3 loans, or to prohibit the purchase of such coverage for

4 such eligible properties.

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