

**(c) Competitive bidding**

Any contract entered into under subsection (a) may be entered into without regard to section 6101 of title 41 or any other provision of law requiring competitive bidding.

**(d) Findings of Administrator**

No contract may be entered into under this section unless the Administrator finds that the pool, company, or organization will perform its obligations under the contract efficiently and effectively, and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

**(e) Bond; liability of certifying officers and disbursing officers**

(1) Any such contract may require the pool, company, or organization or any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amount as the Administrator may deem appropriate.

(2) No individual designated pursuant to a contract under this section to certify payments shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by him under this section.

(3) No officer disbursing funds shall in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by an individual designated to certify payments as provided in paragraph (2) of this subsection.

**(f) Term of contract; renewals; termination**

Any contract entered into under this section shall be for a term of one year, and may be made automatically renewable from term to term in the absence of notice by either party of an intention to terminate at the end of the current term; except that the Administrator may terminate any such contract at any time (after reasonable notice to the pool, company, or organization involved) if he finds that the pool, company, or organization has failed substantially to carry out the contract, or is carrying out the contract in a manner inconsistent with the efficient and effective administration of the flood insurance program authorized under this chapter.

(Pub. L. 90-448, title XIII, §1346, Aug. 1, 1968, 82 Stat. 585; Pub. L. 98-181, title I [title IV, §451(d)(1)], Nov. 30, 1983, 97 Stat. 1229; Pub. L. 112-141, div. F, title II, §§100232(d)(4), 100238(b)(1), July 6, 2012, 126 Stat. 954, 958.)

**Editorial Notes**

## REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(5) and (f), was in the original a reference to “this title” meaning title XIII of Pub. L. 90-448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

## CODIFICATION

In subsec. (c), “section 6101 of title 41” substituted for “section 3709 of the Revised Statute (41 U.S.C. 5)” on authority of Pub. L. 111-350, §6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

## AMENDMENTS

2012—Subsec. (a). Pub. L. 112-141, §100238(b)(1), substituted “Administrator” for “Director” in introductory provisions.

Pub. L. 112-141, §100232(d)(4)(A), inserted “securing reinsurance of insurance coverage provided by the program or for the purpose of” after “for the purpose of” in introductory provisions.

Subsec. (a)(1). Pub. L. 112-141, §100232(d)(4)(B), substituted “Estimating” for “estimating” and period for semicolon at end.

Subsec. (a)(2). Pub. L. 112-141, §100238(b)(1), substituted “Administrator” for “Director”.

Pub. L. 112-141, §100232(d)(4)(C), substituted “Receiving” for “receiving” and period for semicolon at end.

Subsec. (a)(3). Pub. L. 112-141, §100232(d)(4)(D)(ii), which directed substitution of period for “; and” was executed by making the substitution for “; and” to reflect the probable intent of Congress.

Pub. L. 112-141, §100232(d)(4)(D)(i), substituted “Making” for “making”.

Subsec. (a)(4). Pub. L. 112-141, §100232(d)(4)(G), added par. (4). Former par. (4) redesignated (5).

Subsec. (a)(5). Pub. L. 112-141, §100232(d)(4)(E), (F), redesignated par. (4) as (5) and substituted “Otherwise” for “otherwise”.

Subsecs. (b), (d), (e)(1), (f). Pub. L. 112-141, §100238(b)(1), substituted “Administrator” for “Director” wherever appearing.

1983—Subsecs. (a), (b), (d), (e)(1), (f). Pub. L. 98-181 substituted “Director” for “Secretary” wherever appearing.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90-448, set out as a note under section 4001 of this title.

## TRANSFER OF FUNCTIONS

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 6, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

**§ 4083. Settlement of claims; arbitration**

(a) The Administrator is authorized to make final settlement of any claims or demands which may arise as a result of any financial transactions which he is authorized to carry out under this subchapter, and may, to assist him in making any such settlement, refer any disputes relating to such claims or demands to arbitration, with the consent of the parties concerned.

(b) Such arbitration shall be advisory in nature, and any award, decision, or recommenda-

tion which may be made shall become final only upon the approval of the Administrator.

(Pub. L. 90-448, title XIII, §1347, Aug. 1, 1968, 82 Stat. 586; Pub. L. 98-181, title I [title IV, §451(d)(1)], Nov. 30, 1983, 97 Stat. 1229; Pub. L. 112-141, div. F, title II, §100238(b)(1), July 6, 2012, 126 Stat. 958.)

#### Editorial Notes

##### AMENDMENTS

2012—Pub. L. 112-141 substituted “Administrator” for “Director” in subsecs. (a) and (b).

1983—Pub. L. 98-181 substituted “Director” for “Secretary” in subsecs. (a) and (b).

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#### § 4084. Records and audits

(a) The flood insurance pool formed or otherwise created under part A of this subchapter, and any insurance company or other private organization executing any contract, agreement, or other appropriate arrangement with the Administrator under part B of this subchapter or this part, shall keep such records as the Administrator shall prescribe, including records which fully disclose the total costs of the program undertaken or the services being rendered, and such other records as will facilitate an effective audit.

(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the pool and any such insurance company or other private organization that are pertinent to the costs of the program undertaken or the services being rendered.

(Pub. L. 90-448, title XIII, §1348, Aug. 1, 1968, 82 Stat. 586; Pub. L. 98-181, title I [title IV, §451(d)(1)], Nov. 30, 1983, 97 Stat. 1229; Pub. L. 112-141, div. F, title II, §100238(b)(1), July 6, 2012, 126 Stat. 958.)

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#### SUBCHAPTER III—COORDINATION OF FLOOD INSURANCE WITH LAND-MANAGEMENT PROGRAMS IN FLOOD-PRONE AREAS

#### § 4101. Identification of flood-prone areas

##### (a) Publication of information; establishment of flood-risk zones; estimates of flood-caused loss

The Administrator is authorized to consult with, receive information from, and enter into any agreements or other arrangements with the Secretaries of the Army, the Interior, Agriculture, and Commerce, the Tennessee Valley Authority, and the heads of other Federal departments or agencies, on a reimbursement basis, or with the head of any State or local agency, or enter into contracts with any persons or private firms, in order that he may—

(1) identify and publish information with respect to all flood plain areas, including coastal areas located in the United States, which has special flood hazards, within five years following August 1, 1968, and

(2) establish or update flood-risk zone data in all such areas, and make estimates with respect to the rates of probable flood caused loss for the various flood risk zones for each of these areas until the date specified in section 4026 of this title.

##### (b) Accelerated identification of flood-risk zones; authority of Administrator: grants, technical assistance, transactions, and payments

The Administrator is directed to accelerate the identification of risk zones within flood-prone and mudslide-prone areas, as provided by subsection (a)(2) of this section, in order to