

115TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To reauthorize the National Flood Insurance Program, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

Mr. CRAPO (for himself and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

---

## **A BILL**

To reauthorize 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 “National Flood Insur-  
5 ance Program Reauthorization Act of 2017”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Definitions.
- Sec. 4. Extension of National Flood Insurance Program.

TITLE I—RISK MITIGATION

- Sec. 101. Community preparation for repetitively flooded areas.
- Sec. 102. Wildfires on Federal land.
- Sec. 103. Increased cost of compliance.
- Sec. 104. Predisaster hazard mitigation program authorization.
- Sec. 105. Disclosure of flood risk information upon transfer of property.
- Sec. 106. Multifamily mitigation.
- Sec. 107. Technical assistance.

#### TITLE II—FLOOD MAPPING PROGRAM IMPROVEMENTS

- Sec. 201. Reauthorization of mapping program.
- Sec. 202. National Flood Mapping Program improvements.

#### TITLE III—PROGRAM IMPROVEMENTS

- Sec. 301. Replacement cost in determining premium rates.
- Sec. 302. Risk transfer options.
- Sec. 303. Participation studies.
- Sec. 304. Study regarding coverage for business interruption.

### 1 **SEC. 3. DEFINITIONS.**

2 In this Act—

3 (1) the term “Administrator” means the Ad-  
4 ministrator of the Federal Emergency Management  
5 Agency;

6 (2) the term “appropriate committees of Con-  
7 gress” means—

8 (A) the Committee on Banking, Housing,  
9 and Urban Affairs of the Senate; and

10 (B) the Committee on Financial Services  
11 of the House of Representatives;

12 (3) the term “Federal entity for lending regula-  
13 tion” has the meaning given the term in section 3(a)  
14 of the Flood Disaster Protection Act of 1973 (42  
15 U.S.C. 4003(a));

16 (4) the term “mandatory purchase require-  
17 ment” means the requirement under subsections (a)

1 and (b) of section 102 of the Flood Disaster Protec-  
2 tion Act of 1973 (42 U.S.C. 4012a) to have flood in-  
3 surance coverage; and

4 (5) the term “National Flood Insurance Pro-  
5 gram” means the program established under the Na-  
6 tional Flood Insurance Act of 1968 (42 U.S.C. 4001  
7 et seq.).

8 **SEC. 4. EXTENSION OF NATIONAL FLOOD INSURANCE PRO-**  
9 **GRAM.**

10 (a) FINANCING.—Section 1309(a) of the National  
11 Flood Insurance Act of 1968 (42 U.S.C. 4016(a)) is  
12 amended, in the first sentence, by striking “September 30,  
13 2017” and inserting “September 30, 2023”.

14 (b) PROGRAM EXPIRATION.—Section 1319 of the Na-  
15 tional Flood Insurance Act of 1968 (42 U.S.C. 4026) is  
16 amended by striking “September 30, 2017” and inserting  
17 “September 30, 2023”.

18 **TITLE I—RISK MITIGATION**

19 **SEC. 101. COMMUNITY PREPARATION FOR REPETITIVELY**  
20 **FLOODED AREAS.**

21 (a) IN GENERAL.—Section 1361 of the National  
22 Flood Insurance Act of 1968 (42 U.S.C. 4102) is amended  
23 by adding at the end the following:

24 “(e) COMMUNITY PREPARATION FOR REPETITIVELY  
25 FLOODED AREAS.—

1 “(1) DEFINITIONS.—In this subsection—  
2 “(A) the term ‘covered community’ means  
3 a community—  
4 “(i) that is participating, under sec-  
5 tion 1315, in the national flood insurance  
6 program; and  
7 “(ii) within which are located—  
8 “(I) 50 or more repetitive loss  
9 structures;  
10 “(II) 5 or more severe repetitive  
11 loss structures for which mitigation  
12 activities meeting the standards for  
13 approval under section 1366(c)(2)(A)  
14 have not been conducted; or  
15 “(III) a public facility or a pri-  
16 vate nonprofit facility that has re-  
17 ceived assistance for repair, restora-  
18 tion, reconstruction, or replacement  
19 under section 406 of the Robert T.  
20 Stafford Disaster Relief and Emer-  
21 gency Assistance Act (42 U.S.C.  
22 5172) in connection with more than 1  
23 flooding event in the most recent 10-  
24 year period;

1           “(B) the terms ‘private nonprofit facility’  
2           and ‘public facility’ have the meanings given  
3           those terms in section 102 of the Robert T.  
4           Stafford Disaster Relief and Emergency Assist-  
5           ance Act (42 U.S.C. 5122);

6           “(C) the term ‘repetitive loss structure’  
7           has the meaning given the term in section  
8           1370(a); and

9           “(D) the term ‘severe repetitive loss struc-  
10          ture’ has the meaning given the term in section  
11          1366(h).

12          “(2) REQUIREMENTS.—The Administrator  
13          shall, by regulation, require any covered commu-  
14          nity—

15               “(A) to identify the areas within the cov-  
16               ered community where properties described in  
17               paragraph (1)(A)(ii) or flood-damaged facilities  
18               are located to determine areas repetitively dam-  
19               aged by floods and to assess, with assistance  
20               from the Administrator, the continuing risks to  
21               such areas;

22               “(B) to develop a community-specific plan  
23               for mitigating continuing flood risks to such re-  
24               petitively flooded areas and to submit such plan

1 and plan updates to the Administrator at ap-  
2 propriate intervals;

3 “(C) to implement such plans; and

4 “(D) to make such plans, plan updates,  
5 and reports on progress in reducing flood risk  
6 available to the public, subject to section 552a  
7 of title 5, United States Code.

8 “(3) INCORPORATION INTO EXISTING PLANS.—

9 A plan developed pursuant to paragraph (2) may be  
10 incorporated into a mitigation plan developed under  
11 section 1366 and a hazard mitigation plan developed  
12 under section 322 of the Robert T. Stafford Disaster  
13 Relief and Emergency Assistance Act (42 U.S.C.  
14 5165).

15 “(4) ASSISTANCE TO A COVERED COMMU-  
16 NITY.—

17 “(A) DATA.—To assist a covered commu-  
18 nity in preparation of a plan required under  
19 paragraph (2), the Administrator shall, upon  
20 request, provide a covered community with ap-  
21 propriate data regarding the property addresses  
22 and dates of claims associated with insured  
23 properties within the covered community.

24 “(B) MITIGATION GRANTS.—In making a  
25 determination regarding financial assistance

1 under the authorities of this title, the Adminis-  
2 trator may consider the extent to which a cov-  
3 ered community has complied with this sub-  
4 section and is working to remedy problems with  
5 addressing repetitively flooded areas.

6 “(5) SANCTIONS.—

7 “(A) IN GENERAL.—The Administrator  
8 shall, by regulations issued in accordance with  
9 the procedures established under section 553 of  
10 title 5, United States Code, regarding sub-  
11 stantive rules, provide appropriate sanctions for  
12 a covered community that fails to comply with  
13 the requirements under this subsection or to  
14 make sufficient progress in reducing the flood  
15 risks to areas in the covered community that  
16 are repetitively damaged by floods.

17 “(B) NOTICE.—Before imposing any sanc-  
18 tion pursuant to this paragraph, the Adminis-  
19 trator shall provide the covered community in-  
20 volved with notice of the non-compliance that  
21 could result in the imposition of sanctions,  
22 which shall include recommendations for actions  
23 to bring the covered community into compliance  
24 with this subsection.

1           “(C) CONSIDERATIONS.—In determining  
2           appropriate sanctions to impose under this  
3           paragraph, the Administrator shall consider the  
4           resources available to the covered community  
5           involved, including Federal funding, the portion  
6           of the covered community that lies within an  
7           area having special flood hazards, and other  
8           factors that make it difficult for the covered  
9           community to conduct mitigation activities for  
10          existing flood-prone structures.

11          “(6) REPORTS TO CONGRESS.—Not later than  
12          6 years after the date of enactment of this sub-  
13          section, and not less frequently than every 2 years  
14          thereafter, the Administrator shall submit a report  
15          to Congress regarding the progress of covered com-  
16          munities in implementing plans developed pursuant  
17          to paragraph (2)(B).”.

18          (b) REGULATIONS.—Not later than 1 year after the  
19          date of enactment of this Act, the Administrator shall  
20          issue regulations necessary to carry out subsection (e) of  
21          section 1361 of the National Flood Insurance Act of 1968  
22          (42 U.S.C. 4102), as added by subsection (a) of this sec-  
23          tion.



1 **SEC. 102. WILDFIRES ON FEDERAL LAND.**

2 (a) DEFINITION OF MAJOR DISASTER FOR WILDFIRE  
3 ON FEDERAL LAND.—

4 (1) IN GENERAL.—Section 102 of the Robert T.  
5 Stafford Disaster Relief and Emergency Assistance  
6 Act (42 U.S.C. 5122) is amended—

7 (A) by redesignating paragraphs (3)  
8 through (12) as paragraphs (4) through (13),  
9 respectively; and

10 (B) by inserting after paragraph (2) the  
11 following:

12 “(3) MAJOR DISASTER FOR WILDFIRE ON FED-  
13 ERAL LAND.—The term ‘major disaster for wildfire  
14 on Federal land’ means any wildfire or wildfires that  
15 in the determination of the President in accordance  
16 with section 802 warrants assistance under section  
17 803 to supplement the efforts and resources of the  
18 Secretary of the Interior or the Secretary of Agri-  
19 culture—

20 “(A) on Federal land; or

21 “(B) on non-Federal land in accordance  
22 with a fire protection agreement or cooperative  
23 agreement.”.

24 (2) CONFORMING AMENDMENT.—Section  
25 251(b)(2)(D)(iii) of the Balanced Budget and Emer-  
26 gency Deficit Control Act of 1985 (2 U.S.C.

1 901(b)(2)(D)(iii)) is amended by striking “section  
2 102(2) of the Robert T. Stafford Disaster Relief and  
3 Emergency Assistance Act (42 U.S.C. 5122(2))”  
4 and inserting “paragraph (2) or (3) of section 102  
5 of the Robert T. Stafford Disaster Relief and Emer-  
6 gency Assistance Act (42 U.S.C. 5122)”.

7 (b) DECLARATION OF A MAJOR DISASTER FOR  
8 WILDFIRE ON FEDERAL LAND.—The Robert T. Stafford  
9 Disaster Relief and Emergency Assistance Act (42 U.S.C.  
10 5121 et seq.) is amended by adding at the end the fol-  
11 lowing:

12 **“TITLE VIII—MAJOR DISASTER**  
13 **FOR WILDFIRE ON FEDERAL**  
14 **LAND**

15 **“SEC. 801. DEFINITIONS.**

16 “In this title:

17 “(1) FEDERAL LAND.—The term ‘Federal land’  
18 means—

19 “(A) any land under the jurisdiction of the  
20 Secretary of the Interior; and

21 “(B) any land under the jurisdiction of the  
22 Secretary of Agriculture, acting through the  
23 Chief of the Forest Service.

1           “(2) FEDERAL LAND MANAGEMENT AGEN-  
2           CIES.—The term ‘Federal land management agen-  
3           cies’ means—

4                   “(A) the Bureau of Land Management;

5                   “(B) the National Park Service;

6                   “(C) the Bureau of Indian Affairs;

7                   “(D) the United States Fish and Wildlife  
8           Service; and

9                   “(E) the Forest Service.

10           “(3) SECRETARY CONCERNED.—The term ‘Sec-  
11           retary concerned’ means—

12                   “(A) the Secretary of the Interior, with re-  
13           spect to land under the jurisdiction of the Sec-  
14           retary of the Interior; and

15                   “(B) the Secretary of Agriculture, with re-  
16           spect to land under the jurisdiction of the Sec-  
17           retary of Agriculture, acting through the Chief  
18           of the Forest Service.

19           “(4) WILDFIRE SUPPRESSION OPERATIONS.—  
20           The term ‘wildfire suppression operations’ means the  
21           emergency and unpredictable aspects of wildland  
22           firefighting, including support, response, emergency  
23           stabilization activities, and other emergency manage-  
24           ment activities of wildland firefighting on Federal  
25           land, or on non-Federal land in accordance with a

1 fire protection agreement or cooperative agreement,  
2 by the Federal land management agencies covered  
3 by—

4 “(A) the wildfire suppression subactivity of  
5 the Wildland Fire Management account of the  
6 Federal land management agencies; or

7 “(B) the FLAME Wildfire Suppression  
8 Reserve Fund account of the Federal land man-  
9 agement agencies.

10 **“SEC. 802. PROCEDURE FOR DECLARATION OF A MAJOR**  
11 **DISASTER FOR WILDFIRE ON FEDERAL LAND.**

12 “(a) IN GENERAL.—The Secretary concerned may  
13 submit a request to the President in accordance with the  
14 requirements of this title for a declaration by the Presi-  
15 dent that a major disaster for wildfire on Federal land  
16 exists.

17 “(b) REQUIREMENTS.—A request for a declaration  
18 by the President that a major disaster for wildfire on Fed-  
19 eral land exists shall—

20 “(1) be made in writing by the Secretary con-  
21 cerned;

22 “(2) certify that the amount made available for  
23 the current fiscal year for wildfire suppression oper-  
24 ations of the Federal land management agencies  
25 under the jurisdiction of the Secretary concerned,

1 net of any concurrently enacted rescissions of wild-  
2 fire suppression funds, increases the total unobli-  
3 gated balance of the amount available for wildfire  
4 suppression by an amount equal to not less than 70  
5 percent of the average total cost incurred by the  
6 Federal land management agencies per year for  
7 wildfire suppression operations, including the sup-  
8 pression costs in excess of amounts made available,  
9 for the previous 10 fiscal years;

10 “(3) certify that, for the current fiscal year, an  
11 amount equal to not less than 30 percent of the av-  
12 erage total cost incurred by the Federal land man-  
13 agement agencies per year for wildfire suppression  
14 operations, including the suppression costs in excess  
15 of amounts made available, for the previous 10 fiscal  
16 years, has been made available for the Federal land  
17 management agencies under the jurisdiction of the  
18 Secretary concerned for the purpose of funding—

19 “(A) projects and activities on Federal  
20 land that improve the fire regime of areas that  
21 meet the desired future conditions of the appli-  
22 cable land and resource management plan or  
23 land use plan; or

24 “(B) restoration and resiliency projects  
25 and activities on Federal land that meet the de-

1           sired future conditions of the applicable land  
2           and resource management plan or land use  
3           plan;

4           “(4) certify that, for the current fiscal year—

5                   “(A) the sum of the amounts certified  
6           under paragraphs (2) and (3) is equal to not  
7           less than 100 percent of the average total cost  
8           incurred by the Federal land management agen-  
9           cies per year for wildfire suppression oper-  
10          ations, including the suppression costs in excess  
11          of amounts made available, for the previous 10  
12          fiscal years; and

13                   “(B) the amount certified under paragraph  
14          (3) is in addition to and supplements other  
15          amounts made available for the Federal land  
16          management agencies for projects and activities  
17          described in subparagraphs (A) and (B) of  
18          paragraph (3) that equal or exceed the amount  
19          made available for those projects and activities  
20          for fiscal year 2017, subject to the condition  
21          that the amount made available for those  
22          projects and activities for fiscal year 2017 shall  
23          be adjusted annually beginning with fiscal year  
24          2019 to reflect changes during the preceding  
25          fiscal year in the Consumer Price Index for All

1           Urban Consumers published by the Bureau of  
2           Labor Statistics of the Department of Labor;

3           “(5) certify that the amount available for wild-  
4           fire suppression operations of the Federal land man-  
5           agement agencies under the jurisdiction of the Sec-  
6           retary concerned will be obligated not later than 30  
7           days after the Secretary concerned notifies the  
8           President that amounts for wildfire suppression op-  
9           erations will be exhausted to fund ongoing and an-  
10          ticipated wildfire suppression operations for which  
11          the request is made; and

12          “(6) specify the amount required for the fiscal  
13          year for which the request is made to fund wildfire  
14          suppression operations for which the request is  
15          made.

16          “(c) DECLARATION.—Based on the request of the  
17          Secretary concerned in accordance with this title, the  
18          President may declare that a major disaster for wildfire  
19          on Federal land exists.

20          “(d) LIST OF PROJECTS REPORTING REQUIRE-  
21          MENT.—Not later than November 1 of each fiscal year,  
22          the Secretary of Agriculture and the Secretary of the Inte-  
23          rior shall each submit to the Committee on Agriculture,  
24          Nutrition, and Forestry, the Committee on Appropria-  
25          tions, and the Committee on Energy and Natural Re-

1 sources of the Senate and the Committee on Agriculture,  
2 the Committee on Appropriations, and the Committee on  
3 Agriculture of the House of Representatives a list of  
4 projects and activities described in subparagraphs (A) and  
5 (B) of subsection (b)(3) to be conducted using amounts  
6 described in subsection (b)(3).

7 **“SEC. 803. WILDFIRE ON FEDERAL LAND ASSISTANCE.**

8 “(a) IN GENERAL.—During a period for which a  
9 major disaster for wildfire on Federal land has been de-  
10 clared under section 802, the President may transfer  
11 funds only from the account established by subsection (b)  
12 to the Secretary concerned to conduct wildfire suppression  
13 operations on—

14 “(1) Federal land; and

15 “(2) non-Federal land in accordance with a fire  
16 protection agreement or cooperative agreement.

17 “(b) WILDFIRE SUPPRESSION OPERATIONS DIS-  
18 ASTER ACCOUNT.—

19 “(1) IN GENERAL.—There is established a spe-  
20 cial account for the assistance available under a dec-  
21 laration of a major disaster for wildfire on Federal  
22 land under section 802.

23 “(2) USE.—The account established by para-  
24 graph (1) may only be used to provide assistance in  
25 accordance with this title.



1           “(3) AUTHORIZATION OF APPROPRIATIONS.—  
2           Subject to the limitation described in subsection  
3           (c)(2), there are authorized to be appropriated to  
4           the account established by paragraph (1) such sums  
5           as are necessary to provide assistance in accordance  
6           with this title.

7           “(c) LIMITATIONS.—

8           “(1) LIMITATION OF TRANSFER.—

9           “(A) IN GENERAL.—The assistance avail-  
10           able under a declaration of a major disaster for  
11           wildfire on Federal land under section 802 shall  
12           be limited to the transfer of the amount re-  
13           quested in accordance with section 802(b)(6).

14           “(B) WILDFIRE SUPPRESSION OPERATIONS  
15           DISASTER ACCOUNT.—The assistance available  
16           for transfer under this section shall not exceed  
17           the amount contained in the account established  
18           by subsection (b)(1).

19           “(2) MAXIMUM TRANSFER AMOUNT LIMITA-  
20           TION.—If a bill or joint resolution making appro-  
21           priations for a fiscal year is enacted that specifies an  
22           amount for wildfire suppression operations in the  
23           Wildland Fire Management accounts of the Depart-  
24           ment of Agriculture or the Department of the Inte-  
25           rior, the total amount of assistance appropriated to

1 and transferred from the account established by sub-  
2 section (b)(1) and in accordance with a declaration  
3 of a major disaster for wildfire on Federal land  
4 under section 802 to those Wildland Fire Manage-  
5 ment accounts for that fiscal year shall not exceed  
6 \$1,647,000,000.

7 “(3) TRANSFER OF FUNDS.—A transfer under  
8 this section shall be made from the wildfire suppres-  
9 sion operations account to the wildfire suppression  
10 subactivity of the Wildland Fire Management ac-  
11 counts, to remain available until expended.

12 “(d) PROHIBITION OF OTHER TRANSFERS.—Except  
13 as provided in this section, no amounts may be transferred  
14 to or from the account established by subsection (b)(1)  
15 to or from any other fund or account.

16 “(e) REIMBURSEMENT FOR WILDFIRE SUPPRESSION  
17 OPERATIONS ON NON-FEDERAL LAND.—If amounts  
18 transferred under this section are used to conduct wildfire  
19 suppression operations on non-Federal land, the Secretary  
20 concerned shall—

21 “(1) secure reimbursement for the cost of those  
22 wildfire suppression operations; and

23 “(2) transfer the amounts received under para-  
24 graph (1) to the account established by subsection  
25 (b)(1).

1       “(f) ANNUAL ACCOUNTING AND REPORTING RE-  
2 QUIREMENTS.—

3           “(1) IN GENERAL.—Not later than 90 days  
4 after the last day of each fiscal year for which as-  
5 sistance is received under this section, the Secretary  
6 concerned shall submit to the committees described  
7 in paragraph (2), and make available to the public,  
8 a report that describes the following:

9           “(A) The risk-based factors that influenced  
10 management decisions regarding wildfire sup-  
11 pression operations of the Federal land man-  
12 agement agencies under the jurisdiction of the  
13 Secretary concerned.

14           “(B) Specific discussion of a statistically  
15 significant sample of large fires, in which each  
16 fire is analyzed for—

17           “(i) cost drivers;

18           “(ii) the effectiveness of risk manage-  
19 ment techniques;

20           “(iii) resulting positive or negative im-  
21 pacts of fire on the landscape;

22           “(iv) the impact of investments in  
23 preparedness;

24           “(v) suggested corrective actions; and

1                   “(vi) such other factors as the Sec-  
2                   retary concerned considers appropriate.

3                   “(C) Total expenditures for wildfire sup-  
4                   pression operations of the Federal land man-  
5                   agement agencies under the jurisdiction of the  
6                   Secretary concerned, including a description of  
7                   the expenditures by—

8                   “(i) fire size;

9                   “(ii) cost;

10                  “(iii) regional location; and

11                  “(iv) such other factors as the Sec-  
12                  retary concerned considers appropriate.

13                  “(D) Lessons learned.

14                  “(E) Such other matters as the Secretary  
15                  concerned considers appropriate.

16                  “(2) COMMITTEES DESCRIBED.—The commit-  
17                  tees referred to in paragraph (1) are—

18                  “(A) of the Senate—

19                         “(i) the Committee on Agriculture,  
20                         Nutrition, and Forestry;

21                         “(ii) the Committee on Appropria-  
22                         tions;

23                         “(iii) the Committee on the Budget;

24                         “(iv) the Committee on Energy and  
25                         Natural Resources;

1 “(v) the Committee on Homeland Se-  
2 curity and Governmental Affairs; and

3 “(vi) the Committee on Indian Af-  
4 fairs; and

5 “(B) of the House of Representatives—

6 “(i) the Committee on Agriculture;

7 “(ii) the Committee on Appropria-  
8 tions;

9 “(iii) the Committee on the Budget;

10 “(iv) the Committee on Natural Re-  
11 sources; and

12 “(v) the Committee on Transportation  
13 and Infrastructure.

14 “(g) SAVINGS PROVISION.—Except as provided in  
15 subsections (c) and (d), nothing in this title limits the Sec-  
16 retary of the Interior, the Secretary of Agriculture, an In-  
17 dian tribe, or a State from receiving assistance through  
18 a declaration made by the President under this Act if the  
19 criteria for that declaration are satisfied.”.

20 (c) PROHIBITION ON TRANSFERS.—No amounts may  
21 be transferred to or from the wildfire suppression sub-  
22 activity of the Wildland Fire Management account or the  
23 FLAME Wildfire Suppression Reserve Fund account of  
24 the Federal land management agencies, as defined in sec-  
25 tion 801 of the Robert T. Stafford Disaster Relief and

1 Emergency Assistance Act, as added by subsection (b), to  
2 or from any other account or subactivity of those Federal  
3 land management agencies that is not used to cover the  
4 cost of wildfire suppression operations.

5 (d) EFFECTIVE DATE.—This section and the amend-  
6 ments made by this section shall take effect on October  
7 1, 2017.

8 **SEC. 103. INCREASED COST OF COMPLIANCE.**

9 (a) IN GENERAL.—Section 1304(b) of the National  
10 Flood Insurance Act of 1968 (42 U.S.C. 4011(b)) is  
11 amended—

12 (1) in paragraph (4), by redesignating subpara-  
13 graphs (A) through (D) as clauses (i) through (iv),  
14 respectively, and adjusting the margins accordingly;

15 (2) by redesignating paragraphs (1) through  
16 (4) as subparagraphs (A) through (D), respectively,  
17 and adjusting the margins accordingly;

18 (3) in the matter preceding subparagraph (A),  
19 as so redesignated, by striking “The national” and  
20 inserting the following:

21 “(1) IN GENERAL.—The national”;

22 (4) in paragraph (1), as so designated—

23 (A) in subparagraph (A), as so redesign-  
24 ated, by inserting “, without regard to whether

1 the property is in an area having special flood  
2 hazards” after “loss structures”;

3 (B) in subparagraph (C), as so redesign-  
4 nated, by striking the period at the end and in-  
5 serting a semicolon; and

6 (C) in subparagraph (D), as so redesign-  
7 nated—

8 (i) in the matter preceding clause (i),  
9 as so redesignated, by inserting “subject to  
10 paragraph (2),” before “properties for  
11 which”; and

12 (ii) in clause (iv), as so redesignated,  
13 by striking the period at the end and in-  
14 serting “; and”; and

15 (D) by adding at the end the following:

16 “(E) a property outside an area having  
17 special flood hazards if the community, under  
18 section 1361, has established land use and con-  
19 trol measures for the area in which the property  
20 is located.”; and

21 (5) by striking the flush text following para-  
22 graph (1)(E), as added by paragraph (4)(D) of this  
23 subsection, and inserting the following:

24 “(2) USE OF FUNDS FOR MITIGATION  
25 PROJECTS.—The Administrator shall allow a policy-

1 holder to use insurance purchased under this sub-  
2 section for any eligible project costs under a pro-  
3 gram described in clause (i), (ii), or (iii) of para-  
4 graph (1)(D) of an acquisition, demolition, elevation,  
5 relocation, or small structural project funded under  
6 that program, including—

7 “(A) asbestos remediation;

8 “(B) the demolition of a driveway or side-  
9 walk when a structure is acquired; and

10 “(C) the addition of a lift, ramp, or other  
11 device that is necessary for a homeowner or oc-  
12 cupant with a physical limitation or disability to  
13 safely access a home that has been elevated.

14 “(3) SURCHARGES.—

15 “(A) PRIMARY COVERAGE.—The Adminis-  
16 trator shall impose a surcharge on each insured  
17 of an amount per policy that the Administrator  
18 determines is appropriate in order to provide  
19 cost of compliance coverage in accordance with  
20 paragraph (4)(A).

21 “(B) ENHANCED COVERAGE.—For each  
22 policy for flood insurance made available under  
23 this title with respect to which enhanced cov-  
24 erage is provided under paragraph (4)(B), the  
25 Administrator shall impose a surcharge, in ad-



1           dition to the surcharge imposed under subpara-  
2           graph (A), in an amount that the Administrator  
3           determines appropriate.

4           “(4) AMOUNT OF COVERAGE.—

5                 “(A) PRIMARY COVERAGE.—Each policy  
6           for flood insurance coverage made available  
7           under this title shall provide coverage under  
8           this subsection having an aggregate liability for  
9           any single property of \$60,000.

10                “(B) ENHANCED COVERAGE.—Notwith-  
11           standing the limitation under subparagraph  
12           (A), the Administrator shall provide, upon re-  
13           quest by a policyholder, enhanced coverage  
14           under this subsection having an aggregate li-  
15           ability for any single property in an amount  
16           that is not more than \$100,000.

17                “(5) TREATMENT OF COVERAGE LIMITS.—The  
18           purchase of insurance under this subsection with re-  
19           spect to a property shall not be counted for the pur-  
20           poses of any limitation on coverage with respect to  
21           that property under section 1306(b).”.

22           (b) TECHNICAL AND CONFORMING AMENDMENT.—  
23           Not later than 1 year after the date of enactment of this  
24           Act, the Administrator shall amend the Standard Flood  
25           Insurance Policy set forth in appendix A to part 61 of

1 title 44, Code of Federal Regulations, to conform the item  
2 relating to “Coverage D—Increased Cost of Compliance”  
3 to the coverage limitations described in subparagraphs (A)  
4 and (B) of section 1304(b)(4) of the National Flood In-  
5 surance Act of 1968 (42 U.S.C. 4011(b)(4)), as added by  
6 subsection (a)(5) of this section.

7 **SEC. 104. PREDISASTER HAZARD MITIGATION PROGRAM**  
8 **AUTHORIZATION.**

9 For each of the first 6 full fiscal years following  
10 the date of enactment of this Act, there is author-  
11 ized to be appropriated \$200,000,000 to carry out  
12 the predisaster hazard mitigation program under  
13 section 203 of the Robert T. Stafford Disaster As-  
14 sistance and Emergency Relief Act (42 U.S.C.  
15 5133).

16 **SEC. 105. DISCLOSURE OF FLOOD RISK INFORMATION**  
17 **UPON TRANSFER OF PROPERTY.**

18 (a) IN GENERAL.—Chapter I of the National Flood  
19 Insurance Act of 1968 (42 U.S.C. 4011 et seq.) is amend-  
20 ed by adding at the end the following:

21 **“SEC. 1326. DISCLOSURE OF FLOOD RISK INFORMATION**  
22 **UPON TRANSFER OF PROPERTY.**

23 “(a) IN GENERAL.—After September 30, 2022, no  
24 new flood insurance coverage may be provided under this  
25 title for any real property unless an appropriate public

1 body has imposed, by statute or regulation, a duty on any  
2 seller or lessor of improved real estate to provide to any  
3 purchaser or lessee (with respect to a lease for a term that  
4 is not shorter than 30 days) of the property a property  
5 flood hazard disclosure that the Administrator has deter-  
6 mined meets the requirements of subsection (b).

7 “(b) DISCLOSURE REQUIREMENTS.—

8 “(1) REQUIREMENTS FOR SELLERS.—A prop-  
9 erty flood hazard disclosure for the sale of a prop-  
10 erty shall meet the requirements of this subsection  
11 only if the disclosure—

12 “(A) is made in writing;

13 “(B) discloses any actual knowledge of the  
14 seller of any—

15 “(i) prior physical damage caused by  
16 flood to a structure located on the prop-  
17 erty;

18 “(ii) prior insurance claim for a loss  
19 covered under the national flood insurance  
20 program or private flood insurance with re-  
21 spect to the property;

22 “(iii) previous notification regarding  
23 the designation of the property as a repet-  
24 itive loss structure or severe repetitive loss

1 structure (as defined in section 1366(h));

2 and

3 “(iv) Federal legal obligation to obtain

4 and maintain flood insurance running with

5 the property; and

6 “(C) is delivered by, or on behalf of, the

7 seller to the purchaser before the purchaser be-

8 comes obligated under any contract to purchase

9 the property.

10 “(2) REQUIREMENTS FOR LESSORS.—A prop-

11 erty flood hazard disclosure for a rental property

12 with a lease for a term that is not shorter than 30

13 days shall meet the requirements of this subsection

14 only if the disclosure—

15 “(A) is made in writing;

16 “(B) discloses any actual knowledge of the

17 lessor—

18 “(i) of any Federal legal obligation to

19 obtain and maintain flood insurance run-

20 ning with the property;

21 “(ii) regarding any prior physical

22 damage caused by flood with respect to the

23 unit being leased; and

1                   “(iii) of the availability of coverage  
2                   under this title for contents located in a  
3                   structure on the property; and

4                   “(C) is delivered by, or on behalf of, the  
5                   lessor to the lessee before the lessee becomes  
6                   obligated under any contract to lease the prop-  
7                   erty.

8                   “(3) RULE OF CONSTRUCTION.—Nothing in  
9                   this section may be construed as preventing a State  
10                  from adopting disclosure requirements in addition to  
11                  the requirements of this section.”.

12                  (b) AVAILABILITY OF FLOOD INSURANCE COV-  
13 ERAGE.—Section 1305(c) of the National Flood Insurance  
14 Act of 1968 (42 U.S.C. 4012(c)) is amended—

15                  (1) in paragraph (1), by striking “, and” at the  
16                  end and inserting a semicolon;

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

19                  (3) by adding at the end the following:

20                  “(3) given satisfactory assurance that, by Octo-  
21                  ber 1, 2022, property flood hazard disclosure re-  
22                  quirements will have been adopted for the area (or  
23                  subdivision) that meet the requirements of section  
24                  1326.”.

1 **SEC. 106. MULTIFAMILY MITIGATION.**

2 (a) IN GENERAL.—Section 1361(d)(1) of the Na-  
3 tional Flood Insurance Act of 1968 (42 U.S.C.  
4 4102(d)(1)) is amended, in the matter preceding subpara-  
5 graph (A), by inserting “(including multifamily buildings  
6 in urban areas)” after “residential buildings”.

7 (b) RISK PREMIUM RATE REDUCTION.—Section  
8 1308(k) of the National Flood Insurance Act of 1968 (42  
9 U.S.C. 4015(k)) is amended by striking “the Adminis-  
10 trator shall” and all that follows through the period at  
11 the end and inserting the following: “the Administrator  
12 shall—

13 “(1) take into account the implementation of  
14 any mitigation method identified by the Adminis-  
15 trator in the guidelines issued under section  
16 1361(d); and

17 “(2) notwithstanding any other provision of  
18 law, charge a risk premium rate that accurately re-  
19 flects the reduction in flood risk to a building, in-  
20 cluding a multifamily building in an urban area, re-  
21 sulting from the use of an alternative method of  
22 mitigation established by the Administrator under  
23 section 1361(d)(1).”.

24 (c) LAND USE CONTROLS.—Section 1315(a) of the  
25 National Flood Insurance Act of 1968 (42 U.S.C.  
26 4022(a)) is amended by adding at the end the following:

1           “(3) LAND USE CONTROLS FOR CERTAIN MUL-  
2           TIFAMILY BUILDINGS IN URBAN AREAS.—

3           “(A) DEFINITION.—In this paragraph, the  
4           term ‘covered area’ means an area that—

5                   “(i) is an urban area; and

6                   “(ii) has been identified as having  
7           special flood hazards.

8           “(B) ADOPTION OF LAND USE CON-  
9           TROLS.—Notwithstanding any other provision  
10          of law, the Administrator, under paragraph (1),  
11          may require an appropriate public body, with  
12          respect to a covered area that is seeking to se-  
13          cure flood insurance coverage under this title,  
14          to adopt land use and control measures for the  
15          repair, restoration, or substantial improvement  
16          of any mid- or high-rise multifamily building  
17          that is located in the covered area.

18          “(C) COMMUNITY STRATEGY.—With re-  
19          spect to a covered area described in subpara-  
20          graph (B), the Administrator shall encourage  
21          the covered area to develop, and assist the cov-  
22          ered area in developing, a comprehensive strat-  
23          egy that—

1                   “(i) reduces flood damage to mid- and  
2 high-rise multifamily buildings in the cov-  
3 ered area that—

4                   “(I) will be repaired, restored, or  
5 substantially improved; and

6                   “(II) cannot be elevated;

7                   “(ii) identifies technical mitigation ac-  
8 tivities that may be applied to the build-  
9 ings described in clause (i), including con-  
10 siderations for mechanical, electrical, and  
11 utility components, that will protect life  
12 and property; and

13                   “(iii) documents that the covered area  
14 has established procedures for—

15                   “(I) the implementation of per-  
16 formance standards;

17                   “(II) requiring evacuation plans;  
18 and

19                   “(III) developing a maintenance  
20 strategy for any mitigation activity  
21 that is applied under clause (ii).

22                   “(D) PARTIAL MITIGATION GUIDELINES.—  
23 The Administrator shall establish guidelines for  
24 performance standards that shall—



1                   “(i) allow for a combination of partial  
2                   mitigation activities, other than elevation,  
3                   for areas (other than residential areas) in  
4                   a covered area described in subparagraph  
5                   (B); and

6                   “(ii) be applied to mid- and high-rise  
7                   multifamily buildings in the areas de-  
8                   scribed in clause (i).”.

9           (d) **CALCULATION OF RISK PREMIUM RATES.**—Sec-  
10   tion 1308 of the National Flood Insurance Act of 1968  
11   (42 U.S.C. 4015) is amended by adding at the end the  
12   following:

13           “(n) **CONSIDERATION OF PARTIAL MITIGATION**  
14   **METHODS.**—Notwithstanding any other provision of law,  
15   with respect to a chargeable premium rate prescribed for  
16   a building described in section 1315(a)(3)(B), the Admin-  
17   istrator shall ensure that the chargeable premium rate  
18   properly reflects the reduction in flood risk after adopting  
19   and implementing the land use and control measures de-  
20   scribed in that section, if applicable.”.

21   **SEC. 107. TECHNICAL ASSISTANCE.**

22           Section 1315(b) of the National Flood Insurance Act  
23   of 1968 (42 U.S.C. 4022(b)) is amended by adding at the  
24   end the following:

25           “(5) **REGIONAL COORDINATOR.**—

1           “(A) IN GENERAL.—The Administrator  
2 shall appoint a regional coordinator in each re-  
3 gion served by a Regional Office (as defined in  
4 section 501 of the Homeland Security Act of  
5 2002 (6 U.S.C. 311)) to provide technical as-  
6 sistance to small communities to enable those  
7 communities to effectively participate in, and  
8 benefit from, the community rating system pro-  
9 gram.

10           “(B) AUTHORIZATION OF APPROPRIA-  
11 TIONS.—There are authorized to be appro-  
12 priated such sums as may be necessary to carry  
13 out this paragraph, which shall remain available  
14 until expended.”.

15           **TITLE II—FLOOD MAPPING**  
16           **PROGRAM IMPROVEMENTS**

17           **SEC. 201. REAUTHORIZATION OF MAPPING PROGRAM.**

18           Section 100216(f) of the Biggert-Waters Flood In-  
19 surance Reform Act of 2012 (42 U.S.C. 4101b(f)) is  
20 amended by striking “2017” and inserting “2023”.

21           **SEC. 202. NATIONAL FLOOD MAPPING PROGRAM IMPROVE-**  
22           **MENTS.**

23           Section 100216 of the Biggert-Waters Flood Insur-  
24 ance Reform Act of 2012 (42 U.S.C. 4101b) is amended—

25           (1) in subsection (b)—

1 (A) in paragraph (1)—  
2 (i) by redesignating subparagraphs  
3 (B) and (C) as subparagraphs (C) and  
4 (D), respectively;  
5 (ii) by inserting after subparagraph  
6 (A) the following:  
7 “(B) as soon as practicable—  
8 “(i) modernize the flood mapping in-  
9 ventory for communities for which the Na-  
10 tional Flood Insurance Program rate maps  
11 have not been modernized; and  
12 “(ii) in coordination with commu-  
13 nities, utilize the digital display environ-  
14 ment established under subsection  
15 (f)(1)(A) to store and disseminate any  
16 flood hazard data, models, and maps gen-  
17 erated under clause (i) while ensuring that  
18 the flood mapping inventory described in  
19 that clause may be printed in order to  
20 carry out—  
21 “(I) floodplain management pro-  
22 grams under the National Flood In-  
23 surance Act of 1968 (42 U.S.C. 4001  
24 et seq.); and

1                   “(II) other purposes of the Na-  
2                   tional Flood Insurance Program;”;

3                   (iii) in subparagraph (C), as so redes-  
4                   ignated, by striking “and” at the end;

5                   (iv) in subparagraph (D), as so redes-  
6                   ignated—

7                   (I) by inserting “, including the  
8                   most current and most appropriate re-  
9                   mote sensing or other geospatial map-  
10                  ping technology” after “available”;  
11                  and

12                  (II) by striking the period at the  
13                  end and inserting “; and”; and

14                  (v) by adding at the end the following:

15                  “(E) when appropriate, partner with other  
16                  Federal agencies, States, communities, and pri-  
17                  vate entities in order to meet the objectives of  
18                  the program.”; and

19                  (B) in paragraph (3)(C), by inserting  
20                  “urban flooding,” after “changing lake levels,”;

21                  (2) by redesignating subsection (f), as amended  
22                  by section 201, as subsection (h); and

23                  (3) by inserting after subsection (e) the fol-  
24                  lowing:

1 “(f) DIGITAL DISPLAY ENVIRONMENT AND BUILD-  
2 ING-SPECIFIC FLOOD HAZARD AND RISK INFORMA-  
3 TION.—

4 “(1) ESTABLISHMENT.—

5 “(A) IN GENERAL.—Not later than 5 years  
6 after the date of enactment of the National  
7 Flood Insurance Program Reauthorization Act  
8 of 2017, the Administrator, in consultation with  
9 the Technical Mapping Advisory Council, shall  
10 establish a dynamic, database-derived digital  
11 display environment for flood hazard and risk  
12 data, models, maps, and assessments.

13 “(B) CONSULTATION WITH STATES AND  
14 COMMUNITIES.—In designing and constructing  
15 the digital display environment under subpara-  
16 graph (A), the Administrator shall—

17 “(i) leverage and partner with States  
18 and communities that have successfully im-  
19 plemented the same approach; and

20 “(ii) consider adopting the techniques  
21 and technologies used by the States and  
22 communities described in clause (i) and ap-  
23 plying those techniques and technologies  
24 nationwide.

25 “(2) DIGITAL DISPLAY SYSTEM.—

1           “(A) IN GENERAL.—In carrying out para-  
2 graph (1), the Administrator, in consultation  
3 with the Technical Mapping Advisory Council,  
4 shall establish a national digital display system  
5 that shall—

6                   “(i) be prompted through dynamic  
7 querying of a spatial, relational flood haz-  
8 ard and risk database;

9                   “(ii) as permissible under law, be  
10 made available to the public;

11                   “(iii) to the extent feasible, and where  
12 sufficient data is available, provide infor-  
13 mation, with respect to individual struc-  
14 tures, regarding—

15                           “(I) flood hazard and risk assess-  
16 ment determinations;

17                           “(II) flood insurance; and

18                           “(III) flood risk mitigation ef-  
19 forts;

20                   “(iv) be constructed in a manner that  
21 facilitates coordination with digital display  
22 systems that—

23                           “(I) have been developed by  
24 State and community partners; and

1                   “(II) the Administrator finds are  
2                   acceptable;

3                   “(v) include the capability to print  
4                   physical copies of maps; and

5                   “(vi) where feasible, allow for the  
6                   maintenance and storage of elevation cer-  
7                   tificates.

8                   “(B) PRIVACY REQUIREMENTS.—The Ad-  
9                   ministrator may not disseminate the database  
10                  described in subparagraph (A)(i), including any  
11                  data used to create that database, to the public  
12                  or to a private company in a manner that vio-  
13                  lates section 552a of title 5, United States  
14                  Code, or any regulation implementing that sec-  
15                  tion.

16                  “(3) DATA PROCUREMENT.—The Administrator  
17                  shall consider methods to obtain any data necessary  
18                  to establish the digital display environment described  
19                  in paragraph (1), including—

20                         “(A) requiring a community that is partici-  
21                         pating in the National Flood Insurance Pro-  
22                         gram to supply information, including building  
23                         footprints and cadastral and elevation data, for  
24                         each structure—

1                   “(i) with respect to which the commu-  
2                   nity possesses that information; and

3                   “(ii) that obtains a construction or  
4                   other development permit within—

5                                 “(I) a special flood hazard area;  
6                                 or

7                                 “(II) an advisory special flood  
8                                 hazard area adopted by the commu-  
9                                 nity;

10                   “(B) issuing guidelines and standards, as  
11                   determined by the Administrator;

12                   “(C) partnering, contracting, or entering  
13                   into agreements with other Federal, State,  
14                   local, and private stakeholders to the greatest  
15                   extent possible to obtain and share existing  
16                   data that meets or exceeds the standards deter-  
17                   mined by the Administrator under subpara-  
18                   graph (B); and

19                   “(D) contracting with private companies to  
20                   obtain new data collections, such as building  
21                   footprints, cadastral data, and elevation certifi-  
22                   cates, if that data may be included in the envi-  
23                   ronment established under paragraph (1).

24                   “(4) LETTERS OF MAP CHANGE.—In coordina-  
25                   tion with States and communities that have success-



1 fully implemented a dynamic, database-derived dig-  
2 ital display environment for flood hazard risk pro-  
3 duction and dissemination, the Administrator shall  
4 issue guidelines for the adoption and integration into  
5 the National Flood Mapping Program of remote  
6 sensing or other geospatial mapping technology-  
7 based letter of map amendment approaches.

8 “(g) ANNUAL REPORT.—The Administrator shall  
9 submit to the Committee on Banking, Housing, and  
10 Urban Affairs of the Senate and the Committee on Finan-  
11 cial Services of the House of Representatives an annual  
12 progress report regarding the mapping program under  
13 this section, including the digital display and structure-  
14 specific information required under subsection (f), which  
15 shall include recommendations to reduce the cost and im-  
16 prove the implementation of that subsection.”

17 **TITLE III—PROGRAM**  
18 **IMPROVEMENTS**

19 **SEC. 301. REPLACEMENT COST IN DETERMINING PREMIUM**  
20 **RATES.**

21 (a) STUDY OF RISK RATING REDESIGN FLOOD IN-  
22 SURANCE PREMIUM RATING OPTIONS; REPORT.—

23 (1) STUDY.—The Administrator shall conduct a  
24 study to—

1 (A) evaluate best practices in the insurance  
2 industry for risk rating and classification, in-  
3 cluding practices that consider replacement cost  
4 value in premium rate estimations; and

5 (B) with respect to the estimates of risk  
6 premium rates for flood insurance made by the  
7 Administrator under section 1307(a)(1) of the  
8 National Flood Insurance Act of 1968 (42  
9 U.S.C. 4014(a)(1))—

10 (i) assess options, methods, and strat-  
11 egies for including replacement cost value  
12 in the estimates;

13 (ii) provide recommendations for in-  
14 cluding replacement cost value in the esti-  
15 mates;

16 (iii) identify an appropriate method-  
17 ology to incorporate replacement cost value  
18 into the estimates; and

19 (iv) develop a feasible implementation  
20 plan and projected timeline for including  
21 replacement cost value in the estimates.

22 (2) REPORT.—

23 (A) REQUIREMENT.—Not later than 1  
24 year after the date of enactment of this Act, the  
25 Administrator shall submit to the appropriate

1 committees of Congress a report that contains  
2 the results and conclusions of the study con-  
3 ducted under paragraph (1) (referred to in this  
4 paragraph as “the study”).

5 (B) CONTENTS.—The report submitted  
6 under subparagraph (A) shall include—

7 (i) an analysis of the recommenda-  
8 tions resulting from the study and any po-  
9 tential impacts that those recommenda-  
10 tions would have on the National Flood In-  
11 surance Program, including cost consider-  
12 ations;

13 (ii) a description of any actions taken  
14 by the Administrator to implement the rec-  
15 ommendations made by the study;

16 (iii) a description of any recommenda-  
17 tions made by the study that, as of the  
18 date on which the Administrator submits  
19 the report, have been deferred or not acted  
20 upon; and

21 (iv) a statement explaining the rea-  
22 sons for any deferral or inaction described  
23 in clause (iii).

24 (b) USE OF REPLACEMENT COST VALUE IN PRE-  
25 MIUM RATES; IMPLEMENTATION.—

1           (1) ESTIMATED RATES.—Section 1307(a)(1) of  
2 the National Flood Insurance Act of 1968 (42  
3 U.S.C. 4014(a)(1)) is amended, in the matter pre-  
4 ceding subparagraph (A), by inserting after “flood  
5 insurance” the following: “, which shall incorporate  
6 replacement cost value, and”.

7           (2) CHARGEABLE RATES.—Section 1308(b) of  
8 the National Flood Insurance Act of 1968 (42  
9 U.S.C. 4015(b)) is amended, in the matter preceding  
10 paragraph (1), by inserting after “Such rates” the  
11 following: “shall incorporate replacement cost value  
12 and”.

13           (3) PHASE-IN.—

14           (A) IN GENERAL.—During the 3-year pe-  
15 riod beginning on the date that is 1 year after  
16 the date of enactment of this Act, the Adminis-  
17 trator may gradually phase in the amendments  
18 made by paragraphs (1) and (2) with respect to  
19 flood insurance coverage made available under  
20 the National Flood Insurance Act of 1968 (42  
21 U.S.C. 4001 et seq.) for properties located in  
22 various geographic regions in the United States  
23 as sufficient information for the implementation  
24 of those amendments becomes available.

1 (B) DEADLINE.—The Administrator shall  
2 ensure that, as of the effective date described in  
3 paragraph (4), the amendments made by para-  
4 graphs (1) and (2) are fully implemented to  
5 apply to all flood insurance coverage made  
6 available under the National Flood Insurance  
7 Act of 1968 (42 U.S.C. 4001 et seq.).

8 (4) EFFECTIVE DATE.—The amendments made  
9 by paragraphs (1) and (2) shall—

10 (A) take effect on the date that is 4 years  
11 after the date of enactment of this Act; and

12 (B) apply to the establishment of risk pre-  
13 mium and chargeable premium rates by the Ad-  
14 ministrator on and after the date described in  
15 subparagraph (A).

16 **SEC. 302. RISK TRANSFER OPTIONS.**

17 Section 1345(e) of the National Flood Insurance Act  
18 of 1968 (42 U.S.C. 4081(e)) is amended—

19 (1) by striking “The Administrator” and insert-  
20 ing the following:

21 “(1) IN GENERAL.—The Administrator”; and

22 (2) by adding at the end the following:

23 “(2) FORMS OF TRANSFER.—If the Adminis-  
24 trator secures reinsurance under paragraph (1), the  
25 Administrator may consider any form of risk trans-

1 fer, including traditional reinsurance, catastrophe  
2 bonds, collateralized reinsurance, resilience bonds,  
3 and other insurance-linked securities, in order to—

4 “(A) maximize pricing competition and the  
5 diversity of sources of capital; and

6 “(B) secure the best value for the flood in-  
7 surance program.”.

8 **SEC. 303. PARTICIPATION STUDIES.**

9 (a) FEDERAL ENTITIES FOR LENDING REGULA-  
10 TION.—

11 (1) IN GENERAL.—The Federal entities for  
12 lending regulation shall conduct an annual study re-  
13 garding the rate at which persons who are subject  
14 to the mandatory purchase requirement are com-  
15 plying with that requirement.

16 (2) SUBMISSION TO CONGRESS.—The Federal  
17 entities for lending regulation shall submit the result  
18 of each study conducted under paragraph (1) to the  
19 appropriate committees of Congress.

20 (b) FEMA.—

21 (1) IN GENERAL.—The Administrator shall con-  
22 duct an annual study regarding the rate at which in-  
23 dividuals who live in areas that have not been identi-  
24 fied, under the National Flood Insurance Act of  
25 1968 (42 U.S.C. 4001 et seq.) or the Flood Disaster

1 Protection Act of 1973 (42 U.S.C. 4002 et seq.), as  
2 having a special flood hazard participate in, or re-  
3 ceive financial assistance under, the National Flood  
4 Insurance Program.

5 (2) SUBMISSION TO CONGRESS.—The Adminis-  
6 trator shall submit the result of each study con-  
7 ducted under paragraph (1) to the appropriate com-  
8 mittees of Congress.

9 **SEC. 304. STUDY REGARDING COVERAGE FOR BUSINESS**  
10 **INTERRUPTION.**

11 (a) IN GENERAL.—The Administrator shall conduct  
12 a study on the feasibility and soundness of offering cov-  
13 erage for interruption business losses caused by a flood  
14 under the National Flood Insurance Program (referred to  
15 in this section as “business interruption coverage”).

16 (b) CONTENTS.—In conducting the study under sub-  
17 section (a), the Administrator shall, at a minimum—

18 (1) evaluate insurance industry best practices  
19 for offering business interruption coverage, including  
20 the types of coverage provided and the utilization  
21 rate;

22 (2) estimate the potential risk premium rates  
23 for business interruption coverage based on the flood  
24 risk reflected in the flood insurance rate map or  
25 other risk metrics in effect at the time of purchase;

1           (3) analyze the operational and administrative  
2           expenses associated with providing business inter-  
3           ruption coverage and adjusting claims;

4           (4) identify potential obstacles that may prevent  
5           the Administrator from offering business interrup-  
6           tion coverage;

7           (5) evaluate the benefits of providing business  
8           interruption coverage;

9           (6) analyze any potential impacts on the finan-  
10          cial position of the National Flood Insurance Pro-  
11          gram; and

12          (7) develop a feasibility implementation plan  
13          and projected timelines for offering business inter-  
14          ruption coverage.

15          (c) AVAILABILITY OF EXPERTS.—In conducting the  
16          study under subsection (a), the Administrator may accept  
17          and utilize the personnel and services of any other Federal  
18          agency, and appoint and fix the compensation of tem-  
19          porary personnel without regard to the provisions of title  
20          5, United States Code, governing appointments in the  
21          competitive service, or employ experts and consultants in  
22          accordance with the provisions of section 3109 of such  
23          title, without regard to the provisions of chapter 51 and  
24          subchapter III of chapter 53 of such title relating to classi-  
25          fication and General Schedule pay rates.



1           (d) DEADLINE.—The Administrator shall complete  
2 the study required under subsection (a) not later than  
3 September 30 of the second full fiscal year after the date  
4 of enactment of this Act.