

115TH CONGRESS
1ST SESSION

S. 1571

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

IN THE SENATE OF THE UNITED STATES

JULY 17, 2017

Mr. CRAPO (for himself and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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. Predisafter 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 noncompliance 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;

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-

holder to use insurance purchased under this subsection for any eligible project costs under a program described in clause (i), (ii), or (iii) of paragraph (1)(D) of an acquisition, demolition, elevation, relocation, or small structural project funded under that program, including—

“(A) asbestos remediation;

“(B) the demolition of a driveway or sidewalk when a structure is acquired; and

“(C) the addition of a lift, ramp, or other device that is necessary for a homeowner or occupant with a physical limitation or disability to safely access a home that has been elevated.

“(3) SURCHARGES.—

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

“(B) ENHANCED COVERAGE.—For each policy for flood insurance made available under this title with respect to which enhanced coverage is provided under paragraph (4)(B), the 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 the
 10 date of enactment of this Act, there is authorized to be
 11 appropriated \$200,000,000 to carry out the predisaster
 12 hazard mitigation program under section 203 of the Rob-
 13 ert T. Stafford Disaster Assistance and Emergency Relief
 14 Act (42 U.S.C. 5133).

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

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

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

22 “(a) IN GENERAL.—After September 30, 2022, no
 23 new flood insurance coverage may be provided under this
 24 title for any real property unless an appropriate public
 25 body has imposed, by statute or regulation, a duty on any

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

6 “(b) DISCLOSURE REQUIREMENTS.—

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

11 “(A) is made in writing;

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

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

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

21 “(iii) previous notification regarding
 22 the designation of the property as a repet-
 23 itive loss structure or severe repetitive loss
 24 structure (as defined in section 1366(h));
 25 and

1 “(iv) Federal legal obligation to obtain
2 and maintain flood insurance running with
3 the property; and

4 “(C) is delivered by, or on behalf of, the
5 seller to the purchaser before the purchaser be-
6 comes obligated under any contract to purchase
7 the property.

8 “(2) REQUIREMENTS FOR LESSORS.—A prop-
9 erty flood hazard disclosure for a rental property
10 with a lease for a term that is not shorter than 30
11 days shall meet the requirements of this subsection
12 only if the disclosure—

13 “(A) is made in writing;

14 “(B) discloses any actual knowledge of the
15 lessor—

16 “(i) of any Federal legal obligation to
17 obtain and maintain flood insurance run-
18 ning with the property;

19 “(ii) regarding any prior physical
20 damage caused by flood with respect to the
21 unit being leased; and

22 “(iii) of the availability of coverage
23 under this title for contents located in a
24 structure on the property; and

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

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

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

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

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

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

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

22 **SEC. 106. MULTIFAMILY MITIGATION.**

23 (a) IN GENERAL.—Section 1361(d)(1) of the Na-
 24 tional Flood Insurance Act of 1968 (42 U.S.C.
 25 4102(d)(1)) is amended, in the matter preceding subpara-

1 graph (A), by inserting “(including multifamily buildings
2 in urban areas)” after “residential buildings”.

3 (b) RISK PREMIUM RATE REDUCTION.—Section
4 1308(k) of the National Flood Insurance Act of 1968 (42
5 U.S.C. 4015(k)) is amended by striking “the Adminis-
6 trator shall” and all that follows through the period at
7 the end and inserting the following: “the Administrator
8 shall—

9 “(1) take into account the implementation of
10 any mitigation method identified by the Adminis-
11 trator in the guidelines issued under section
12 1361(d); and

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

20 (c) LAND USE CONTROLS.—Section 1315(a) of the
21 National Flood Insurance Act of 1968 (42 U.S.C.
22 4022(a)) is amended by adding at the end the following:

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

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

3 “(i) is an urban area; and

4 “(ii) has been identified as having
5 special flood hazards.

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

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

22 “(i) reduces flood damage to mid- and
23 high-rise multifamily buildings in the cov-
24 ered area that—

1 “(I) will be repaired, restored, or
2 substantially improved; and

3 “(II) cannot be elevated;

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

10 “(iii) documents that the covered area
11 has established procedures for—

12 “(I) the implementation of per-
13 formance standards;

14 “(II) requiring evacuation plans;
15 and

16 “(III) developing a maintenance
17 strategy for any mitigation activity
18 that is applied under clause (ii).

19 “(D) PARTIAL MITIGATION GUIDELINES.—
20 The Administrator shall establish guidelines for
21 performance standards that shall—

22 “(i) allow for a combination of partial
23 mitigation activities, other than elevation,
24 for areas (other than residential areas) in

1 a covered area described in subparagraph
2 (B); and

3 “(ii) be applied to mid- and high-rise
4 multifamily buildings in the areas de-
5 scribed in clause (i).”.

6 (d) CALCULATION OF RISK PREMIUM RATES.—Sec-
7 tion 1308 of the National Flood Insurance Act of 1968
8 (42 U.S.C. 4015) is amended by adding at the end the
9 following:

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

18 **SEC. 107. TECHNICAL ASSISTANCE.**

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

22 “(5) REGIONAL COORDINATOR.—

23 “(A) IN GENERAL.—The Administrator
24 shall appoint a regional coordinator in each re-
25 gion served by a Regional Office (as defined in

section 501 of the Homeland Security Act of 2002 (6 U.S.C. 311)) to provide technical assistance to small communities to enable those communities to effectively participate in, and benefit from, the community rating system program.

“(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this paragraph, which shall remain available until expended.”.

TITLE II—FLOOD MAPPING PROGRAM IMPROVEMENTS

SEC. 201. REAUTHORIZATION OF MAPPING PROGRAM.

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

SEC. 202. NATIONAL FLOOD MAPPING PROGRAM IMPROVEMENTS.

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

(1) in subsection (b)—

(A) in paragraph (1)—

1 (i) by redesignating subparagraphs
2 (B) and (C) as subparagraphs (C) and
3 (D), respectively;

4 (ii) by inserting after subparagraph
5 (A) the following:

6 “(B) as soon as practicable—

7 “(i) modernize the flood mapping in-
8 ventory for communities for which the Na-
9 tional Flood Insurance Program rate maps
10 have not been modernized; and

11 “(ii) in coordination with commu-
12 nities, utilize the digital display environ-
13 ment established under subsection
14 (f)(1)(A) to store and disseminate any
15 flood hazard data, models, and maps gen-
16 erated under clause (i) while ensuring that
17 the flood mapping inventory described in
18 that clause may be printed in order to
19 carry out—

20 “(I) floodplain management pro-
21 grams under the National Flood In-
22 surance Act of 1968 (42 U.S.C. 4001
23 et seq.); and

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

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

3 (iv) in subparagraph (D), as so redes-
 4 ignated—

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

10 (II) by striking the period at the
 11 end and inserting “; and”; and

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

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

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

19 (2) by redesignating subsection (f), as amended
 20 by section 201, as subsection (h); and

21 (3) by inserting after subsection (e) the fol-
 22 lowing:

23 “(f) DIGITAL DISPLAY ENVIRONMENT AND BUILD-
 24 ING-SPECIFIC FLOOD HAZARD AND RISK INFORMA-
 25 TION.—

1 “(1) ESTABLISHMENT.—

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

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

14 “(i) leverage and partner with States
15 and communities that have successfully im-
16 plemented the same approach; and

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

22 “(2) DIGITAL DISPLAY SYSTEM.—

23 “(A) IN GENERAL.—In carrying out para-
24 graph (1), the Administrator, in consultation
25 with the Technical Mapping Advisory Council,

1 shall establish a national digital display system
2 that shall—

3 “(i) be prompted through dynamic
4 querying of a spatial, relational flood haz-
5 ard and risk database;

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

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

12 “(I) flood hazard and risk assess-
13 ment determinations;

14 “(II) flood insurance; and

15 “(III) flood risk mitigation ef-
16 forts;

17 “(iv) be constructed in a manner that
18 facilitates coordination with digital display
19 systems that—

20 “(I) have been developed by
21 State and community partners; and

22 “(II) the Administrator finds are
23 acceptable;

24 “(v) include the capability to print
25 physical copies of maps; and

1 “(vi) where feasible, allow for the
 2 maintenance and storage of elevation cer-
 3 tificates.

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

12 “(3) DATA PROCUREMENT.—The Administrator
 13 shall consider methods to obtain any data necessary
 14 to establish the digital display environment described
 15 in paragraph (1), including—

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

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

23 “(ii) that obtains a construction or
 24 other development permit within—

1 “(I) a special flood hazard area;

2 or

3 “(II) an advisory special flood
4 hazard area adopted by the commu-
5 nity;

6 “(B) issuing guidelines and standards, as
7 determined by the Administrator;

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

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

20 “(4) LETTERS OF MAP CHANGE.—In coordina-
21 tion with States and communities that have success-
22 fully implemented a dynamic, database-derived digi-
23 tal display environment for flood hazard risk pro-
24 duction and dissemination, the Administrator shall
25 issue guidelines for the adoption and integration into

1 the National Flood Mapping Program of remote
 2 sensing or other geospatial mapping technology-
 3 based letter of map amendment approaches.

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

13 **TITLE III—PROGRAM** 14 **IMPROVEMENTS**

15 **SEC. 301. REPLACEMENT COST IN DETERMINING PREMIUM** 16 **RATES.**

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

19 (1) STUDY.—The Administrator shall conduct a
 20 study to—

21 (A) evaluate best practices in the insurance
 22 industry for risk rating and classification, in-
 23 cluding practices that consider replacement cost
 24 value in premium rate estimations; and

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

6 (i) assess options, methods, and strat-
7 egies for including replacement cost value
8 in the estimates;

9 (ii) provide recommendations for in-
10 cluding replacement cost value in the esti-
11 mates;

12 (iii) identify an appropriate method-
13 ology to incorporate replacement cost value
14 into the estimates; and

15 (iv) develop a feasible implementation
16 plan and projected timeline for including
17 replacement cost value in the estimates.

18 (2) REPORT.—

19 (A) REQUIREMENT.—Not later than 1
20 year after the date of enactment of this Act, the
21 Administrator shall submit to the appropriate
22 committees of Congress a report that contains
23 the results and conclusions of the study con-
24 ducted under paragraph (1) (referred to in this
25 paragraph as “the study”).

1 (B) CONTENTS.—The report submitted
 2 under subparagraph (A) shall include—

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

9 (ii) a description of any actions taken
 10 by the Administrator to implement the rec-
 11 ommendations made by the study;

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

17 (iv) a statement explaining the rea-
 18 sons for any deferral or inaction described
 19 in clause (iii).

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

22 (1) ESTIMATED RATES.—Section 1307(a)(1) of
 23 the National Flood Insurance Act of 1968 (42
 24 U.S.C. 4014(a)(1)) is amended, in the matter pre-
 25 ceding subparagraph (A), by inserting after “flood

1 insurance” the following: “, which shall incorporate
2 replacement cost value, and”.

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

9 (3) PHASE-IN.—

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

21 (B) DEADLINE.—The Administrator shall
22 ensure that, as of the effective date described in
23 paragraph (4), the amendments made by para-
24 graphs (1) and (2) are fully implemented to
25 apply to all flood insurance coverage made

1 available under the National Flood Insurance
 2 Act of 1968 (42 U.S.C. 4001 et seq.).

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

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

7 (B) apply to the establishment of risk pre-
 8 mium and chargeable premium rates by the Ad-
 9 ministrator on and after the date described in
 10 subparagraph (A).

11 **SEC. 302. RISK TRANSFER OPTIONS.**

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

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

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

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

18 “(2) FORMS OF TRANSFER.—If the Adminis-
 19 trator secures reinsurance under paragraph (1), the
 20 Administrator may consider any form of risk trans-
 21 fer, including traditional reinsurance, catastrophe
 22 bonds, collateralized reinsurance, resilience bonds,
 23 and other insurance-linked securities, in order to—

24 “(A) maximize pricing competition and the
 25 diversity of sources of capital; and

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

3 **SEC. 303. PARTICIPATION STUDIES.**

4 (a) FEDERAL ENTITIES FOR LENDING REGULA-
5 TION.—

6 (1) IN GENERAL.—The Federal entities for
7 lending regulation shall conduct an annual study re-
8 garding the rate at which persons who are subject
9 to the mandatory purchase requirement are com-
10 plying with that requirement.

11 (2) SUBMISSION TO CONGRESS.—The Federal
12 entities for lending regulation shall submit the result
13 of each study conducted under paragraph (1) to the
14 appropriate committees of Congress.

15 (b) FEMA.—

16 (1) IN GENERAL.—The Administrator shall con-
17 duct an annual study regarding the rate at which in-
18 dividuals who live in areas that have not been identi-
19 fied, under the National Flood Insurance Act of
20 1968 (42 U.S.C. 4001 et seq.) or the Flood Disaster
21 Protection Act of 1973 (42 U.S.C. 4002 et seq.), as
22 having a special flood hazard participate in, or re-
23 ceive financial assistance under, the National Flood
24 Insurance Program.

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

5 **SEC. 304. STUDY REGARDING COVERAGE FOR BUSINESS**
6 **INTERRUPTION.**

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

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

14 (1) evaluate insurance industry best practices
15 for offering business interruption coverage, including
16 the types of coverage provided and the utilization
17 rate;

18 (2) estimate the potential risk premium rates
19 for business interruption coverage based on the flood
20 risk reflected in the flood insurance rate map or
21 other risk metrics in effect at the time of purchase;

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

1 (4) identify potential obstacles that may prevent
2 the Administrator from offering business interrup-
3 tion coverage;

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

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

9 (7) develop a feasibility implementation plan
10 and projected timelines for offering business inter-
11 ruption coverage.

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

23 (d) DEADLINE.—The Administrator shall complete
24 the study required under subsection (a) not later than

- 1 September 30 of the second full fiscal year after the date
- 2 of enactment of this Act.

