

113TH CONGRESS  
1ST SESSION

# H. R. 1194

To terminate the National Flood Insurance Program and related mandatory purchase and compliance requirements, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 14, 2013

Mrs. MILLER of Michigan introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To terminate the National Flood Insurance Program and related mandatory purchase and compliance requirements, 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 Termination Act of 2013”.

1 **SEC. 2. TERMINATION OF NATIONAL FLOOD INSURANCE**  
2 **PROGRAM.**

3 (a) **TERMINATION OF AUTHORITY TO PROVIDE COV-**  
4 **ERAGE.**—Effective at the end of December 31, 2015, the  
5 Administrator of the Federal Emergency Management  
6 Agency (in this section referred to as the “Adminis-  
7 trator”) shall not provide any new flood insurance cov-  
8 erage, or renew any coverage provided before such date,  
9 under the National Flood Insurance Act of 1968 (42  
10 U.S.C. 4001 et seq.).

11 (b) **TREATMENT OF EXISTING COVERAGE.**—Sub-  
12 section (a) shall not—

13 (1) affect any flood insurance coverage provided  
14 under such Act under a contract or agreement en-  
15 tered into before the date specified in such sub-  
16 section and, notwithstanding the repeals under sec-  
17 tion 3, such provisions as in effect immediately be-  
18 fore such repeal shall continue to apply with respect  
19 to flood insurance coverage in force after such re-  
20 peal; or

21 (2) require the termination of any contract or  
22 other agreement for flood insurance coverage entered  
23 into before such date.

24 (c) **WIND-UP.**—After the date specified in subsection  
25 (a), the Administrator shall take such actions as may be

1 necessary steps to wind up the affairs of the National  
2 Flood Insurance Program.

3 (d) TREATMENT OF FUNDS.—Amounts in the Na-  
4 tional Flood Insurance Fund established under section  
5 1310 of the National Flood Insurance Act of 1968 (42  
6 U.S.C. 4017) and amounts in the National Flood Insur-  
7 ance Reserve Fund established under section 1310A of  
8 such Act (42 U.S.C. 4017a) shall be available to the Ad-  
9 ministrator for performing the functions of the Adminis-  
10 trator with respect to flood insurance coverage remaining  
11 in force after the date specified in subsection (a). Upon  
12 the expiration of the contracts and agreements for such  
13 coverage, any unexpended balances in such Funds shall  
14 be deposited in the Treasury as miscellaneous receipts.

15 (e) SAVINGS PROVISIONS.—

16 (1) TREATMENT OF PRIOR DETERMINATIONS.—

17 The repeals made by section 3 of the provisions of  
18 law specified in such section shall not affect any  
19 order, determination, regulation, or contract that  
20 has been issued, made, or allowed to become effec-  
21 tive under such provisions before the effective date  
22 of the repeal. All such orders, determinations, regu-  
23 lations, and contracts shall continue in effect until  
24 modified, superseded, terminated, set aside, or re-  
25 voked in accordance with law by the President, the

1 Administrator, or other authorized official, a court  
2 of competent jurisdiction, or by operation of law.

3 (2) PENDING PROCEEDINGS.—

4 (A) EFFECT ON PENDING PROCEEDINGS.—

5 The repeals made by section 3 shall not affect  
6 any proceedings relating to the National Flood  
7 Insurance Program, including notices of pro-  
8 posed rulemaking, pending on the effective date  
9 of the repeals, before the Federal Emergency  
10 Management Agency, except that no assistance  
11 or flood insurance coverage may be provided  
12 pursuant to any application pending on such ef-  
13 fective date. Such proceedings, to the extent  
14 that they relate to functions performed by the  
15 Administrator after such repeal, shall be contin-  
16 ued. Orders shall be issued in such proceedings,  
17 appeals shall be taken therefrom, and payments  
18 shall be made pursuant to such orders, as if  
19 this Act had not been enacted; and orders  
20 issued in any such proceedings shall continue in  
21 effect until modified, terminated, superseded, or  
22 revoked by the Administrator, by a court of  
23 competent jurisdiction, or by operation of law.

24 (B) CONSTRUCTION.—Nothing in this sub-  
25 section may be construed to prohibit the dis-

1           continuance or modification of any proceeding  
2           described in subparagraph (A) under the same  
3           terms and conditions and to the same extent  
4           that such proceeding could have been discon-  
5           tinued or modified if this section had not been  
6           enacted.

7           (3) ACTIONS.—This section shall not affect  
8           suits commenced before the effective date of the re-  
9           peals made by section 3, and in all such suits, pro-  
10          ceedings shall be had, appeals taken, and judgments  
11          rendered in the same manner and effect as if this  
12          section had not been enacted.

13          (4) LIABILITIES INCURRED.—No suit, action,  
14          or other proceeding commenced by or against an in-  
15          dividual in the official capacity of such individual as  
16          an officer of the Federal Emergency Management  
17          Agency having any responsibility for the National  
18          Flood Insurance Program shall abate by reason of  
19          the enactment of this section. No cause of action re-  
20          lating to such Program, by or against the Federal  
21          Emergency Management Agency, or by or against  
22          any officer thereof in the official capacity of such of-  
23          ficer having any responsibility for such program,  
24          shall abate by reason of the enactment of this sec-  
25          tion.

1 **SEC. 3. REPEALS AND CONTINUATION OF FEMA MAPPING**  
2 **RESPONSIBILITIES.**

3 (a) NATIONAL FLOOD INSURANCE ACT OF 1968.—

4 The National Flood Insurance Act of 1968 is amended—

5 (1) by striking section 1302 (42 U.S.C. 4001);

6 (2) by striking chapters I and II (42 U.S.C.

7 4011 et seq.);

8 (3) in section 1360 (42 U.S.C. 4101)—

9 (A) in subsection (a)(2), by striking “until  
10 the date specified in section 1319”;

11 (B) by striking subsection (d);

12 (C) in subsection (g)—

13 (i) by striking “To promote compli-  
14 ance with the requirements of this title,  
15 the” and inserting “The”;

16 (ii) by striking “directly responsible  
17 for coordinating the national flood insur-  
18 ance program”; and

19 (iii) in the last sentence, by striking  
20 “National Flood Insurance Fund, pursuant  
21 to section 1310(b)(6)” and inserting the  
22 following: “General Fund of the Treasury  
23 and shall be used only for reducing the  
24 debt of the Federal Government”; and

25 (D) in subsection (i)—

1 (i) by striking “free of charge” and  
2 inserting “at cost”;

3 (ii) by striking “and States and com-  
4 munities participating in the national flood  
5 insurance program pursuant to section  
6 1310 and at cost to all other” and insert-  
7 ing “, States and communities, and other  
8 interested”; and

9 (iii) in the last sentence, by striking  
10 “National Flood Insurance Fund, pursuant  
11 to section 1310(b)(6)” and inserting the  
12 following: “General Fund of the Treasury  
13 and shall be used only for reducing the  
14 debt of the Federal Government”;

15 (4) in section 1363 (42 U.S.C. 4104)—

16 (A) in subsection (e)—

17 (i) in the second sentence, by striking  
18 “the Scientific Resolution Panel provided  
19 for in section 1363A” and inserting “an  
20 independent scientific body or appropriate  
21 Federal agency for advice”; and

22 (ii) by striking the third and fifth sen-  
23 tences;

1 (B) in subsection (g), by striking “Except  
2 as provided in section 1363A, any” and insert-  
3 ing “Any”;

4 (5) by striking section 1363A (42 U.S.C. 4104-  
5 1);

6 (6) in section 1364 (42 U.S.C. 4104a)—

7 (A) in subsection (a)—

8 (i) in paragraphs (1) and (2), by  
9 striking “or the Flood Disaster Protection  
10 Act of 1973” each place such term ap-  
11 pears; and

12 (ii) in paragraph (3)—

13 (I) by striking subparagraphs  
14 (B) and (C) and inserting the fol-  
15 lowing:

16 “(B) a statement that flood insurance cov-  
17 erage may be available in the private market or  
18 through a State-sponsored program; and”;

19 (II) by redesignating subpara-  
20 graph (D) as subparagraph (C); and

21 (B) by striking subsections (b) and (c);

22 (7) in section 1365 (42 U.S.C. 4104b)—

23 (A) in subsection (a), by striking “and in  
24 which flood insurance under this title is avail-  
25 able”; and

1 (B) in subsection (b)—

2 (i) by striking paragraph (1); and

3 (ii) in paragraph (2)—

4 (I) in the first sentence, by strik-  
5 ing “the community identification  
6 number and community participation  
7 status (for purposes of the national  
8 flood insurance program) of the com-  
9 munity in which the improved real es-  
10 tate or such property is located,”; and

11 (II) in the third sentence, by  
12 striking “because the building or mo-  
13 bile home is not located in a commu-  
14 nity that is participating in the na-  
15 tional flood insurance program or”;

16 (8) by striking sections 1366 and 1367 (42  
17 U.S.C. 4104c, 4104d);

18 (9) in section 1370 (42 U.S.C. 4121)—

19 (A) by striking paragraphs (3), (4), (5),  
20 (7), (14), and (15);

21 (B) in paragraph (12)(B), by striking the  
22 semicolon at the end and inserting “; and”;

23 (C) in paragraph (13), by striking the  
24 semicolon at the end and inserting a period;

25 and

1 (D) by redesignating paragraphs (6), (8),  
2 (9), (10), (11), (12), and (13), as so amended,  
3 as paragraphs (3), (4), (5), (6), (7), (8), and  
4 (9), respectively;  
5 (10) by striking sections 1371 through 1375  
6 (42 U.S.C. 4122–26);

7 (11) in section 1376 (42 U.S.C. 4127)—

8 (A) in subsection (a), by striking “to carry  
9 out this title” and all that follows through the  
10 end of paragraph (3) and inserting “to carry  
11 out the mapping, studies, investigations, and  
12 other responsibilities of the Director under this  
13 title”; and

14 (B) by striking subsection (c); and

15 (12) by striking section 1377 (42 U.S.C. 4001  
16 note).

17 (b) FLOOD DISASTER PROTECTION ACT OF 1973.—

18 The Flood Disaster Protection Act of 1973 is amended—

19 (1) by striking section 2 (42 U.S.C. 4002);

20 (2) by striking section 102 (42 U.S.C. 4012a);

21 (3) in section 201 (42 U.S.C. 4105)—

22 (A) by striking subsection (a) and insert-  
23 ing the following new subsection:

24 “(a) As information becomes available to the Director  
25 concerning the existence of flood hazards, the Director

1 shall publish information in accordance with section  
2 1360(a)(1) of the National Flood Insurance Act of 1968  
3 and shall notify the chief executive officer of each known  
4 flood-prone community of its tentative identification as a  
5 community containing one or more areas having special  
6 flood hazards.”;

7 (B) in subsection (b), by striking “shall ei-  
8 ther (1) promptly make proper application to  
9 participate in the national flood insurance pro-  
10 gram or (2)” and inserting “may”;

11 (C) by striking subsections (e) and (d);  
12 and

13 (D) by redesignating subsection (e) as sub-  
14 section (e); and

15 (4) by striking section 202 (42 U.S.C. 4106).

16 (c) BIGGERT-WATERS FLOOD INSURANCE REFORM  
17 ACT OF 2012.—The Biggert-Waters Flood Insurance Re-  
18 form Act of 2012 is amended—

19 (1) in section 100215 (42 U.S.C. 4101a)—

20 (A) in subsection (b)(2), by striking “in-  
21 surance rate” and inserting “risk” ;

22 (B) in subsection (c), by striking “insur-  
23 ance rate” each place such term appears and  
24 inserting “risk”;

25 (C) in subsection (d)—

1 (i) in paragraph (1)(A)(i), by striking  
2 “insurance rate” and inserting “risk”; and

3 (ii) in paragraph (2), by striking “Na-  
4 tional Flood Insurance Program rate” and  
5 inserting “flood risk”; and

6 (D) in subsection (1)(2), by striking “insur-  
7 ance rate” and inserting “risk”;

8 (2) in section 100216 (42 U.S.C. 4101b)—

9 (A) in subsection (a), by striking “Na-  
10 tional Flood Insurance Program rate” and in-  
11 sserting “flood risk”;

12 (B) in subsection (b)—

13 (i) in paragraph (1), by striking “Na-  
14 tional Flood Insurance Program rate” each  
15 place such term appears in subparagraphs  
16 (A) and (C) and inserting “flood risk”;  
17 and

18 (ii) in paragraph (2)(B), by striking  
19 “National Flood Insurance Program”;

20 (C) in subsection (d)—

21 (i) in paragraph (1)—

22 (I) in subparagraph (A), by strik-  
23 ing “effects—” and all that follows  
24 and inserting “effects of any potential  
25 changes to flood risk maps that may

1 result from the mapping program re-  
2 quired under this section.”; and

3 (II) in subparagraph (B), by  
4 striking “(with regard to contents in-  
5 surance)”; and

6 (ii) in paragraph (2)—

7 (I) in subparagraph (A), by strik-  
8 ing “covered by the mandatory flood  
9 insurance purchase requirements  
10 under section 102 of the Flood Dis-  
11 aster Protection Act of 1973 (42  
12 U.S.C. 4012a)” and inserting “having  
13 special flood hazards”;

14 (II) in subparagraph (B), by  
15 striking “subject to the flood insur-  
16 ance mandatory purchase require-  
17 ment” and inserting “areas having  
18 special flood hazards”; and

19 (III) in subparagraph (C), by  
20 striking “, including” and all that fol-  
21 lows through “(42 U.S.C. 4011 et  
22 seq.)”; and

23 (D) in subsection (e)—

1 (i) by striking “National Flood Insur-  
2 ance Program rate” and inserting “flood  
3 risk”;

4 (ii) by striking “insurance rates” and  
5 inserting “risk designations”; and

6 (iii) by striking “its rate maps” and  
7 inserting “its risk maps”; and

8 (3) by striking—

9 (A) section 100224 (42 U.S.C. 4081 note;  
10 relating to oversight and expense reimburse-  
11 ments of insurance companies);

12 (B) section 100226 (42 U.S.C. 4101 note;  
13 relating to flood protection structure accredita-  
14 tion task force);

15 (C) section 100227 (42 U.S.C. 4011 note;  
16 relating to flood in progress determinations);

17 (D) section 100229 (126 Stat. 945; relat-  
18 ing to local data requirement);

19 (E) section 100230 (42 U.S.C. 4014 note;  
20 relating to eligibility for insurance);

21 (F) section 100231 (126 Stat. 949; relat-  
22 ing to studies and reports);

23 (G) subsections (a), (b), (c), and (e) of sec-  
24 tion 100232 (126 Stat. 953; relating to reinsur-  
25 ance);

1 (H) section 100233 (126 Stat. 955; relat-  
2 ing to GAO study on business interruption and  
3 additional living expenses coverages);

4 (I) section 100234 (42 U.S.C. 4013a; re-  
5 lating to policy disclosures);

6 (J) section 100236 (126 Stat. 957; relat-  
7 ing to study of participation and affordability  
8 for certain policyholders);

9 (K) section 100237 (126 Stat. 957; relat-  
10 ing to study and report concerning Indian tribe  
11 and member participation in flood insurance  
12 program);

13 (L) section 100240 (126 Stat. 961; relat-  
14 ing to levees constructed on certain properties);

15 (M) section 100247 (126 Stat. 967; relat-  
16 ing to FIO study on risks, hazards, and insur-  
17 ance); and

18 (N) section 100248 (126 Stat. 968; relat-  
19 ing to flood protection improvements con-  
20 structed on certain properties).

21 (d) BUNNING-BEREUTER-BLUMENAUER FLOOD IN-  
22 SURANCE REFORM ACT OF 2004.—The Bunning-Bereu-  
23 ter-Blumenauer Flood Insurance Reform Act of 2004 is  
24 amended by striking title II (118 Stat. 725).

1           (e) NATIONAL FLOOD INSURANCE REFORM ACT OF  
2 1994.—The National Flood Insurance Reform Act of  
3 1994 is amended by striking sections 561 (42 U.S.C. 4011  
4 note), 562 (42 U.S.C. 4102 note), 578 (42 U.S.C. 4014  
5 note), 579(b), and 582 (42 U.S.C. 5154a).

6           (f) FEDERAL FLOOD INSURANCE ACT OF 1956.—  
7 Section 15 of the Federal Flood Insurance Act of 1956  
8 (42 U.S.C. 2414) is amended by striking subsection (e).

9           (g) REAL ESTATE PROCEDURES ACT OF 1974.—  
10 Paragraph 14 of section 5(b) of the Real Estate Settle-  
11 ment Procedures Act of 1974 (12 U.S.C. 2604(b)(14)) is  
12 amended by striking “under the National Flood Insurance  
13 Program or”.

14           (h) HOUSING AND COMMUNITY DEVELOPMENT ACT  
15 OF 1974.—Paragraph (28) of section 105(a) of the Hous-  
16 ing and Community Development Act of 1974 (42 U.S.C.  
17 5305(a)(28)) is amended—

18                 (1) in the matter preceding subparagraph (A)—

19                         (A) by striking “participate in the national  
20 flood insurance program” and inserting “ have  
21 areas designated”;

22                         (B) by inserting “as having special flood  
23 hazards” after the first comma; and

24                         (C) by striking “under such Act”; and

25                 (2) in subparagraph (A)—

1 (A) in clause (i), by striking “participate  
2 in the national flood insurance program” and  
3 inserting “have areas designated as having spe-  
4 cial flood hazards”;

5 (B) in clause (ii), by striking “and the ef-  
6 fect of such inclusion” and all that follow  
7 through “to such property”;

8 (C) in clause (iii), by striking “the flood  
9 insurance mandatory purchase requirement”  
10 and inserting “special flood hazards”;

11 (D) in clause (iv), by striking “, including,  
12 where applicable, lower-cost preferred risk poli-  
13 cies under this title for such properties and the  
14 contents of such properties”;

15 (E) in clause (vi) by striking “, including  
16 a telephone number” and all that follows  
17 through “is available”; and

18 (F) in clause (vii)—

19 (i) by striking “participating in the  
20 national flood insurance program regard-  
21 ing the program and” and inserting “hav-  
22 ing areas designated as having special  
23 flood hazards regarding”; and

24 (ii) by striking “coverage under the  
25 National Flood Insurance Act of 1968”

1                   and inserting “private flood insurance cov-  
2                   erage”.

3           (i) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall take effect at the end of December 31,  
5 2015.

6 **SEC. 4. INTERSTATE COMPACTS FOR FLOOD INSURANCE**  
7                   **COVERAGE.**

8           (a) **CONGRESSIONAL CONSENT.**—The consent of the  
9 Congress is hereby given to any two or more States to  
10 enter into agreement or compacts, not in conflict with any  
11 law of the United States, for making available to inter-  
12 ested persons insurance coverage against loss resulting  
13 from physical damage to or loss of real property or per-  
14 sonal property related thereto arising from any flood oc-  
15 ccurring in the United States.

16           (b) **RIGHTS RESERVED.**—The right to alter, amend,  
17 or repeal this section, or consent granted by this section,  
18 is expressly reserved to the Congress.

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