

118TH CONGRESS
1ST SESSION

H. R. 1307

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

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2023

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

A BILL

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

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. OPT-OUT OF MANDATORY COVERAGE REQUIRE-**
4 **MENT FOR COMMERCIAL PROPERTIES.**

5 (a) AMENDMENTS TO FLOOD DISASTER PROTECTION
6 ACT OF 1973.—The Flood Disaster Protection Act of
7 1973 is amended—

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

9 (A) in paragraph (10), by striking “and”

10 at the end;

1 (B) in paragraph (11), by striking the pe-
2 riod at the end and inserting “; and”; and

3 (C) by adding at the end the following new
4 paragraph:

5 “(12) ‘residential improved real estate’ means
6 improved real estate that—

7 “(A) is primarily used for residential pur-
8 poses, as defined by the Federal entities for
9 lending regulation; and

10 “(B) secures financing or financial assist-
11 ance provided through a federally related single
12 family loan program, as defined by the Federal
13 entities for lending regulation.”; and

14 (2) in section 102 (42 U.S.C. 4012a)—

15 (A) in subsection (b)—

16 (i) in paragraph (1)(A)—

17 (I) by inserting “residential” be-
18 fore “improved real estate”; and

19 (II) by inserting “residential” be-
20 fore “building or mobile home”;

21 (ii) in paragraph (2)—

22 (I) by inserting “residential” be-
23 fore “improved real estate”; and

24 (II) by inserting “residential” be-
25 fore “building or mobile home”; and

1 (iii) in paragraph (3)—

2 (I) in subparagraph (A), by in-
3 serting “residential” before “improved
4 real estate”; and

5 (II) in the matter after and
6 below subparagraph (B), by inserting
7 “residential” before “building or mo-
8 bile home”;

9 (B) in subsection (c)(3), by striking “, in
10 the case of any residential property, for any
11 structure that is a part of such property” and
12 inserting “for any structure that is part of a
13 residential property”;

14 (C) in subsection (e)—

15 (i) in paragraph (1)—

16 (I) by inserting “residential” be-
17 fore “improved real estate”; and

18 (II) by inserting “residential” be-
19 fore “building or mobile home” each
20 place such term appears; and

21 (ii) in paragraph (5)—

22 (I) in subparagraph (A)—

23 (aa) by inserting “residen-
24 tial” before “improved real es-

1 tate” each place such term ap-
2 pears; and

3 (bb) by inserting “residen-
4 tial” before “building or mobile
5 home” each place such term ap-
6 pears;

7 (II) in subparagraph (B), by in-
8 serting “residential” before “building
9 or mobile home” each place such term
10 appears; and

11 (III) in subparagraph (C), by in-
12 serting “residential” before “building
13 or mobile home”; and

14 (D) in subsection (h)—

15 (i) by inserting “residential” before
16 “improved real estate” each place such
17 term appears; and

18 (ii) in the matter preceding paragraph
19 (1), by inserting “residential” before
20 “building or mobile home”.

21 (b) AMENDMENTS TO NATIONAL FLOOD INSURANCE
22 ACT OF 1968.—The National Flood Insurance Act of
23 1968 is amended—

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

1 (A) in paragraph (1), by inserting “resi-
2 dential” before “improved real estate”;

3 (B) in paragraph (2), by inserting “resi-
4 dential” before “improved real estate”; and

5 (C) in paragraph (3)(A), by inserting “res-
6 idential” before “building”;

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

8 (A) in subsection (a)—

9 (i) by inserting “residential” before
10 “improved real estate”; and

11 (ii) by inserting “residential” before
12 “building”;

13 (B) in subsection (b)(2)—

14 (i) by inserting “residential” before
15 “building” each place such term appears;

16 and

17 (ii) by inserting “residential” before
18 “improved real estate” each place such
19 term appears;

20 (C) in subsection (d), by inserting “resi-
21 dential” before “improved real estate” each
22 place such term appears; and

23 (D) in subsection (e)—

24 (i) by inserting “residential” before
25 “improved real estate”; and

1 (ii) by inserting “residential” before
2 “building” each place such term appears;
3 and

4 (3) in section 1370 (42 U.S.C. 4121)—

5 (A) in paragraph (8), by inserting “resi-
6 dential” before “improved real estate”;

7 (B) by redesignating paragraphs (14) and
8 (15) as paragraphs (15) and (16), respectively;
9 and

10 (C) by inserting after paragraph (13) the
11 following new paragraph:

12 “(14) the term ‘residential improved real estate’
13 means improved real estate that—

14 “(A) is primarily used for residential pur-
15 poses, as defined by the Federal entities for
16 lending regulation; and

17 “(B) secures financing or financial assist-
18 ance provided through a federally related single
19 family loan program, as defined by the Federal
20 entities for lending regulation;”.

21 (c) RULE OF CONSTRUCTION.—This section and the
22 amendments made by this section may not be construed
23 to prohibit the Administrator of the Federal Emergency
24 Management Agency from offering flood insurance cov-
25 erage under the National Flood Insurance Program for

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

