

118TH CONGRESS
1ST SESSION

H. R. 6304

To increase coverage under the National Flood Insurance Program for costs of compliance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 8, 2023

Mr. LALOTA (for himself and Mr. VICENTE GONZALEZ of Texas) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To increase coverage under the National Flood Insurance Program for costs of compliance, 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 “Increased Cost of Com-
5 pliance Modernization Act of 2023”.

6 **SEC. 2. INCREASED COST OF COMPLIANCE COVERAGE.**

7 Section 1304(b) of the National Flood Insurance Act
8 of 1968 (42 U.S.C. 4011(b)) is amended—

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

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

7 (3) by striking “(b) ADDITIONAL COVERAGE
8 FOR COMPLIANCE WITH LAND USE AND CONTROL
9 MEASURES.—The national” and inserting the fol-
10 lowing:

11 “(b) ADDITIONAL COVERAGE FOR COMPLIANCE
12 WITH LAND USE AND CONTROL MEASURES.—

13 “(1) IN GENERAL.—The national”;

14 (4) by striking the last sentence (relating to
15 surcharge); and

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

17 “(2) COVERAGE AMOUNTS.—

18 “(A) BASIC COVERAGE.—Unless a policyholder
19 chooses additional coverage pursuant to subpara-
20 graph (B), the Administrator shall make available
21 coverage provided under paragraph (1) in an
22 amount equal to 20 percent of the maximum amount
23 of flood insurance coverage allowable under section
24 1306(b)(2) (42 U.S.C. 4013(b)(2)) with respect to a
25 residential building described in such section.

1 “(B) ADDITIONAL COVERAGE.—The Adminis-
2 trator may offer, and a policyholder may choose to
3 purchase for an additional premium, coverage pro-
4 vided under paragraph (1) in an amount greater
5 than that offered pursuant to subparagraph (A), but
6 not exceeding an amount equal to 40 percent of the
7 maximum amount of flood insurance coverage allow-
8 able under section 1306(b)(2) (42 U.S.C.
9 4013(b)(2)) with respect to a residential building de-
10 scribed in such section.

11 “(C) TREATMENT OF COVERAGE LIMITS.—Any
12 amount of coverage for a property provided pursuant
13 to this subsection shall not be considered or counted
14 for purposes of any limitation on coverage applicable
15 to such property under section 1306(b) and any
16 claim on such coverage shall not be considered a
17 claim for purposes of identifying properties with
18 multiple losses.

19 “(3) PREMIUMS.—The Administrator shall charge
20 risk premium rates for coverage made available pursuant
21 to this subsection in accordance with section 1307(a)(1).

22 “(4) ASSIGNMENT OF COVERAGE FOR MITIGATION
23 GRANT COST SHARE REQUIREMENT.—

24 “(A) IN GENERAL.—A policyholder may assign
25 the rights or benefits of the coverage made available

1 under this subsection to a governmental entity for
2 the purposes of using payments made for a claim
3 against coverage made available under this sub-
4 section to satisfy a required non-Federal contribu-
5 tion for a flood-related mitigation project funded by
6 a mitigation assistance program described in clause
7 (i), (ii), or (iii) of paragraph (1)(D).

8 “(B) ELIGIBLE EXPENSES.—If a policyholder
9 assigns rights or benefits of coverage pursuant to
10 subparagraph (A), a required non-Federal contribu-
11 tion for a flood-related mitigation project funded by
12 a mitigation assistance program described in clause
13 (i), (ii), or (iii) of paragraph (1)(D) shall be an eligi-
14 ble expense for coverage made available under this
15 subsection.

16 “(C) TERMS AND CONDITIONS.—The Adminis-
17 trator may adopt procedures for assigning rights or
18 benefits of coverage pursuant to subparagraph (A).

19 “(5) IMPLEMENTATION.—Notwithstanding any other
20 provision of law, the Administrator may implement this
21 subsection by adopting one or more standard endorse-
22 ments to the Standard Flood Insurance Policy by publica-
23 tion of such standards endorsement in the Federal Reg-
24 ister or by comparable means.”

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