

112TH CONGRESS  
1ST SESSION

# H. R. 1453

To revise the National Flood Insurance Program to more fairly treat homeowners who purchase insurance under the program.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 2011

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

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## A BILL

To revise the National Flood Insurance Program to more fairly treat homeowners who purchase insurance under the program.

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 “Flood Insurance Fair-  
5 ness Act of 2011”.

1 **SEC. 2. 5-YEAR DELAY IN EFFECTIVE DATE OF MANDATORY**  
2 **PURCHASE REQUIREMENT FOR NEW FLOOD**  
3 **HAZARD AREAS.**

4 (a) IN GENERAL.—Section 102 of the Flood Disaster  
5 Protection Act of 1973 (42 U.S.C. 4012a) is amended by  
6 adding at the end the following new subsection:

7 “(i) DELAYED EFFECTIVE DATE OF MANDATORY  
8 PURCHASE REQUIREMENT FOR NEW FLOOD HAZARD  
9 AREAS.—

10 “(1) IN GENERAL.—In the case of any area  
11 that was not previously designated as an area having  
12 special flood hazards and that, pursuant to any  
13 issuance, revision, updating, or other change in flood  
14 insurance maps that takes effect on or after Sep-  
15 tember 1, 2008, becomes designated as an area hav-  
16 ing special flood hazards, such designation shall not  
17 take effect for purposes of subsection (a), (b), or (e)  
18 of this section, or section 202(a) of this Act, until  
19 the expiration of the 5-year period beginning upon  
20 the date that such maps, as issued, revised, update,  
21 or otherwise changed, become effective.

22 “(2) RULE OF CONSTRUCTION.—Nothing in  
23 paragraph (1) may be construed to affect the appli-  
24 cability of a designation of any area as an area hav-  
25 ing special flood hazards for purposes of the avail-  
26 ability of flood insurance coverage, criteria for land

1 management and use, notification of flood hazards,  
2 eligibility for mitigation assistance, or any other pur-  
3 pose or provision not specifically referred to in para-  
4 graph (1).”.

5 (b) CONFORMING AMENDMENT.—The second sen-  
6 tence of subsection (h) of section 1360 of the National  
7 Flood Insurance Act of 1968 (42 U.S.C. 4101(h)) is  
8 amended by striking “Such” and inserting “Except for no-  
9 tice regarding a change described in section 102(i)(1) of  
10 the Flood Disaster Protection Act of 1973 (42 U.S.C.  
11 4012a(i)(1)), such”.

12 (c) NO REFUNDS.—Nothing in this section or the  
13 amendments made by this section may be construed to au-  
14 thorize or require any payment or refund for flood insur-  
15 ance coverage purchased for any property that covered any  
16 period during which such coverage is not required for the  
17 property pursuant to the applicability of the amendment  
18 made by subsection (a).

19 **SEC. 3. 5-YEAR PHASE-IN OF FLOOD INSURANCE RATES**  
20 **FOR NEWLY MAPPED AREAS.**

21 Section 1308 of the National Flood Insurance Act of  
22 1968 (42 U.S.C. 4015) is amended—

23 (1) in subsection (a), in the matter preceding  
24 paragraph (1), by inserting “or notice” after “pre-  
25 scribe by regulation”;

1           (2) in subsection (c), by inserting “and sub-  
2           section (g)” before the first comma; and

3           (3) by adding at the end the following new sub-  
4           section:

5           “(g) 5-YEAR PHASE-IN OF FLOOD INSURANCE  
6 RATES FOR NEWLY MAPPED AREAS.—Notwithstanding  
7 any other provision of law relating to chargeable risk pre-  
8 mium rates for flood insurance coverage under this title,  
9 in the case of any property that is located within any area  
10 that was not previously designated as an area having spe-  
11 cial flood hazards and that, pursuant to any issuance, revi-  
12 sion, updating, or other change in flood insurance maps,  
13 becomes designated as such an area, during the 5-year pe-  
14 riod that begins upon the earlier of (A) the expiration of  
15 the period referred to in section 102(i)(1) of the Flood  
16 Disaster Protection Act of 1973 with respect to such area,  
17 or (B) the first date during such period referred to in such  
18 section 102(i)(1) with respect to such area that flood in-  
19 surance coverage under this title is in effect for such prop-  
20 erty, the chargeable premium rate for flood insurance  
21 under this title with respect to such shall be—

22           “(1) for the first year of such 5-year period, 20  
23           percent of the chargeable risk premium rate other-  
24           wise applicable under this title to the property;

1           “(2) for the second year of such 5-year period,  
2           40 percent of the chargeable risk premium rate oth-  
3           erwise applicable under this title to the property;

4           “(3) for the third year of such 5-year period, 60  
5           percent of the chargeable risk premium rate other-  
6           wise applicable under this title to the property;

7           “(4) for the fourth year of such 5-year period,  
8           80 percent of the chargeable risk premium rate oth-  
9           erwise applicable under this title to the property;  
10          and

11          “(5) for the fifth year of such 5-year period,  
12          100 percent of the chargeable risk premium rate  
13          otherwise applicable under this title to the prop-  
14          erty.”.

15 **SEC. 4. REIMBURSEMENT OF PROPERTY OWNERS FOR**  
16 **COSTS INCURRED IN REQUESTS TO REMOVE**  
17 **PROPERTY FROM BASE FLOOD ELEVATIONS.**

18          Section 1360 of the National Flood Insurance Act of  
19 1968 (42 U.S.C. 4101) is amended by adding at the end  
20 the following new subsection:

21          “(k) REIMBURSEMENT OF PROPERTY OWNERS FOR  
22 COSTS INCURRED IN REQUESTS TO REMOVE PROPERTY  
23 FROM BASE FLOOD ELEVATIONS.—If an owner of a real  
24 property incurs expense in connection with the services of  
25 surveyors, engineers, or similar services, but not including

1 legal services, in effecting any request to the Director to  
2 remove the property from inclusion within the base flood  
3 elevations established under flood insurance map panels,  
4 and the Director grants such request in whole or in part,  
5 the Director shall reimburse such individual for such ex-  
6 pense. The amount of such reimbursement shall be deter-  
7 mined by the Director, based on the ratio of the successful  
8 portion of the request as compared to the entire request.  
9 The Director shall apply such ratio to the average cost  
10 of such services in the community for jobs of a similar  
11 size.”.

12 **SEC. 5. COMMUNITY OUTREACH PLAN FOR UPDATING**  
13 **FLOODPLAIN AREAS AND FLOOD-RISK**  
14 **ZONES.**

15 The Administrator of the Federal Emergency Man-  
16 agement Agency—

17 (1) shall, not later than the expiration of the  
18 60-day period beginning upon the date of the enact-  
19 ment of this Act, submit to the Congress a commu-  
20 nity outreach plan for the updating of floodplain  
21 areas and flood-risk zones under section 1360(f) of  
22 the National Flood Insurance Act of 1968 (42  
23 U.S.C. 4101(f)); and

24 (2) may not revise and update any floodplain  
25 area or flood-risk zone under such section 1360(f) of

1 the National Flood Insurance Act of 1968 until the  
2 date on which the Administrator submits such com-  
3 munity outreach plan.

4 **SEC. 6. NOTIFICATION OF ESTABLISHMENT OF FLOOD ELE-**  
5 **VATIONS.**

6 Section 1360 of the National Flood Insurance Act of  
7 1968 (42 U.S.C. 4101), as amended by the preceding pro-  
8 visions of this Act, is further amended by adding at the  
9 end the following new subsection:

10 “(1) NOTIFICATION TO MEMBERS OF CONGRESS OF  
11 MAP MODERNIZATION.—Upon any revision or update of  
12 any floodplain area or flood-risk zone pursuant to sub-  
13 section (f), any decision pursuant to subsection (f)(1) that  
14 such revision or update is necessary, any issuance of pre-  
15 liminary maps for such revision or updating, or any other  
16 significant action relating to any such revision or update,  
17 the Director shall notify the Senators for each State af-  
18 fected, and each Member of the House of Representatives  
19 for each congressional district affected, by such revision  
20 or update in writing of the action taken.”.

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