

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE WATERS, MAXINE OF CALIFORNIA OR HER DESIGNEE, DEBATABLE FOR 20 MINUTES

*2nd Revised #55*

**AMENDMENT TO H.R. 5114, AS REPORTED  
OFFERED BY MS. WATERS OF CALIFORNIA  
[REVISED]**

Page 9, strike lines 1 through 3 and insert the following:

1 **SEC. 5. PHASE-IN OF ACTUARIAL RATES FOR CERTAIN PRE-**  
2 **FIRM PROPERTIES, SEVERE REPETITIVE**  
3 **LOSS PROPERTIES, AND PROPERTIES SUB-**  
4 **STANTIALLY DAMAGED OR SUBSTANTIALLY**  
5 **IMPROVED.**

Page 9, lines 7 and 8, strike "paragraph (5)" and insert "paragraph (7)".

Page 9, lines 21 and 22, strike "USED AS PRINCIPAL RESIDENCES".

Page 10, lines 5 and 6, strike "date of enactment" and insert "effective date of this paragraph, pursuant to section 5(c)(1)".

Page 10, line 7, strike the quotation marks and the last period.

Page 10, after line 7, insert the following:

1           “(5) SEVERE REPETITIVE LOSS PROPERTIES.—

2           Any severe repetitive loss property, as such term is  
3           defined in section 1361A(b), that is so designated as  
4           such as a result of losses occurring on or after the  
5           date of the enactment of the Flood Insurance Re-  
6           form Priorities Act of 2010.

7           “(6) PROPERTIES SUBSTANTIALLY DAMAGED  
8           OR SUBSTANTIALLY IMPROVED.—Any property that,  
9           on or after the date of the enactment of the Flood  
10          Insurance Reform and Priorities Act of 2010, has  
11          experienced or sustained—

12                 “(A) substantial damage exceeding 50 per-  
13                 cent of the fair market value of such property;  
14                 or

15                 “(B) substantial improvement exceeding  
16                 30 percent of the fair market value of such  
17                 property.”.

Page 10, line 20, strike “paragraph (5)” and insert  
“paragraph (7)”.

Page 11, line 7, strike “or (4)” and insert “(4), (5),  
or (6)”.

Page 12, line 21, strike “and (4)” and insert “(4),  
(5), and (6)”.

Page 13, line 6, strike "subsection" and insert "subsections".

Page 13, line 13, strike "September 30, 2008" and insert "September 30, 2007".

Page 14, line 22, strike the quotation marks and the last period.

Page 14, after line 22, insert the following:

1       “(j) AVAILABILITY OF PREFERRED RISK RATING  
2 METHOD PREMIUMS.—The preferred risk rate method  
3 premium shall be available for flood insurance coverage  
4 for properties located in areas referred to in subsection  
5 (i)(1) and during the time period referred to in subsection  
6 (i)(1).”.

Page 15, line 13, before "Section" insert "(a) IN GENERAL.—”.

Page 17, after line 3, insert the following:

7       (b) REGULATION OR NOTICE.—The Administrator of  
8 the Federal Emergency Management Agency shall issue  
9 an interim final rule or notice to implement this section  
10 and the amendments made by this section as soon as prac-  
11 ticable after the date of the enactment of this Act.

Strike line 20 on page 18 and all that follows through page 19, line 2, and insert the following:

1 (b) REGULATIONS.—The Administrator of the Fed-  
2 eral Emergency Management Agency shall promulgate  
3 regulations to implement this section and the amendments  
4 made by this section as soon as practicable, but not more  
5 than 18 months after the date of the enactment of this  
6 Act. Section 5 may not be construed to annul, alter, affect,  
7 authorize any waiver of, or establish any exception to, the  
8 requirement under the preceding sentence.

Page 21, after line 21, insert the following new section:

9 **SEC. 11. PROHIBITION OF EXTENSION OF SUBSIDIZED**  
10 **RATES TO LAPSED POLICIES.**

11 Section 1308 of the National Flood Insurance Act of  
12 1968 (42 U.S.C. 4015), as amended by the preceding pro-  
13 visions of this Act, is further amended by adding at the  
14 end the following new subsection:

15 “(i) PROHIBITION OF EXTENSION OF SUBSIDIZED  
16 RATES TO LAPSED POLICIES.—The Director shall not  
17 provide flood insurance coverage under this title to any  
18 prospective insured at a rate less than the applicable esti-  
19 mated risk premium rates for the area (or subdivision  
20 thereof) for any policy under the flood insurance program

1 that has lapsed in coverage, as a result of the deliberate  
2 choice of the holder of such policy.”

Page 22, line 25, strike the semicolon and insert a  
period.

Page 22, after line 25, insert the following new sec-  
tions:

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

6 The Administrator of the Federal Emergency Man-  
7 agement Agency shall, not later than the expiration of the  
8 60-day period beginning upon the date of the enactment  
9 of this Act, submit to the Congress a community outreach  
10 plan for the updating of floodplain areas and flood-risk  
11 zones under section 1360(f) of the National Flood Insur-  
12 ance Act of 1968 (42 U.S.C. 4101(f)).

13 **SEC. 14. NOTIFICATION OF ESTABLISHMENT OF FLOOD**  
14 **ELEVATIONS.**

15 Section 1360 of the National Flood Insurance Act of  
16 1968 (42 U.S.C. 4101) is amended by adding at the end  
17 the following new subsection:

18 “(I) NOTIFICATION TO MEMBERS OF CONGRESS OF  
19 MAP MODERNIZATION.—Upon any revision or update of  
20 any floodplain area or flood-risk zone pursuant to sub-

1 section (f), any decision pursuant to subsection (f)(1) that  
2 such revision or update is necessary, any issuance of pre-  
3 liminary maps for such revision or updating, or any other  
4 significant action relating to any such revision or update,  
5 the Director shall notify the Senators for each State af-  
6 fected, and each Member of the House of Representatives  
7 for each congressional district affected, by such revision  
8 or update in writing of the action taken.”.

Page 27, line 8, strike “**LOW-INCOME POLICY-  
HOLDERS**” and insert “**RESIDENTIAL PROPERTIES**”.

Page 27, line 13, strike “**LOW-INCOME POLICY-  
HOLDERS**” and insert “**RESIDENTIAL PROPERTIES**”.

Page 27, strike line 16 and all that follows through  
“is employed” in line 22.

Page 27, line 23, strike “monthly”.

Page 27, after line 23, insert the following new sec-  
tion:

9 **SEC. 19. TERMINATION OF FORCE-PLACED INSURANCE.**

10 Section 102(e) of the Flood Disaster Protection Act  
11 of 1973 (42 U.S.C. 4012a(e)) is amended—

12 (1) by redesignating paragraphs (3) and (4) as  
13 paragraphs (5) and (6), respectively; and

1           (2) by adding inserting after paragraph (2) the  
2 following new paragraphs:

3           “(3) TERMINATION OF FORCE-PLACED INSUR-  
4 ANCE.—Within 15 days of receipt by the lender or  
5 servicer of a confirmation of a borrower’s existing  
6 flood insurance coverage, the lender or servicer  
7 shall—

8                   “(A) terminate the force-placed insurance;  
9 and

10                   “(B) refund to the borrower all force-  
11 placed insurance premiums paid by the bor-  
12 rower during any period during which the bor-  
13 rower’s flood insurance coverage and the force-  
14 placed flood insurance coverage were each in ef-  
15 fect, and any related fees charged to the bor-  
16 rower with respect to the force-placed insurance  
17 during such period.

18           “(4) SUFFICIENCY OF DEMONSTRATION.—A  
19 lender or servicer for a loan shall accept any reason-  
20 able form of written confirmation from a borrower  
21 of existing flood insurance coverage, which shall in-  
22 clude the existing flood insurance policy number  
23 along with the identity of, and contact information  
24 for, the insurance company or agent.”.



Page 30, after line 20, insert the following new section:

1 **SEC. 21. GRANTS FOR DIRECT FUNDING OF MITIGATION**  
2 **ACTIVITIES FOR INDIVIDUAL REPETITIVE**  
3 **CLAIMS PROPERTIES.**

4 (a) **DIRECT GRANTS TO OWNERS.**—Section 1323 of  
5 the National Flood Insurance Act of 1968 (42 U.S.C.  
6 4030) is amended—

7 (1) in the section heading, by inserting “**DI-**  
8 **RECT**” before “**GRANTS**”; and

9 (2) in the matter in subsection (a) that pre-  
10 cedes paragraph (1)—

11 (A) by inserting “, to owners of such prop-  
12 erties,” before “for mitigation actions”; and

13 (B) by striking “1” and inserting “two”.

14 (b) **AVAILABILITY OF FUNDS.**—Paragraph (9) of sec-  
15 tion 1310(a) of the National Flood Insurance Act of 1968  
16 (42 U.S.C. 4017(a)) is amended by inserting “which shall  
17 remain available until expended,” after “any fiscal year,”.

Page 31, line 4, strike “(h)” and insert “(i)”.

Page 33, line 14, strike “(g)” and insert “(i)”.

Page 34, line 19, strike “and”.

Page 34, line 22, strike the period and insert “;  
and”.

Page 34, after line 22 insert the following:

1                   “(F) the number of flood-related major  
2                   disaster or emergency declarations made by the  
3                   President with respect to the relevant area  
4                   under the Robert T. Stafford Disaster Relief  
5                   and Emergency Assistance Act (42 U.S.C. 5121  
6                   et seq.) during the preceding five years.

Page 34, line 25, strike “(h)” and insert “(i)”.

Page 35, after line 4, insert the following new sub-  
section:

7                   “(g) COORDINATION WITH OTHER AGENCIES.—A  
8                   local governmental agency that receives a grant under this  
9                   section, and an entity that receives amounts pursuant to  
10                  subsection (f), may coordinate or contract with other  
11                  agencies and entities having particular capacities, special-  
12                  ties, or experience with respect to certain populations or  
13                  constituencies, including elderly or disabled families or  
14                  persons, to carry out activities described in subsection (b)  
15                  with respect to such populations or constituencies.”.

Page 35, line 5, strike “(g)” and insert “(h)”.

Page 35, line 14, strike “(h)” and insert “(i)”.

Page 35, after line 16, insert the following new sec-  
tion:

1 **SEC. 24. TREATMENT OF SWIMMING POOL ENCLOSURES**  
2 **OUTSIDE OF HURRICANE SEASON.**

3 Chapter I of the National Flood Insurance Act of  
4 1968 (42 U.S.C. 4001 et seq.), as amended by the pre-  
5 ceding provisions of this Act, is further amended by add-  
6 ing at the end the following new section:

7 **"SEC. 1327. TREATMENT OF SWIMMING POOL ENCLOSURES**  
8 **OUTSIDE OF HURRICANE SEASON.**

9 "In the case of any property that is otherwise in com-  
10 pliance with the coverage and building requirements of the  
11 national flood insurance program, the presence of an en-  
12 closed swimming pool located at ground level or in the  
13 space below the lowest floor of a building after November  
14 30 and before June 1 of any year shall have no effect on  
15 the terms of coverage or the ability to receive coverage  
16 for such building under the national flood insurance pro-  
17 gram established pursuant to this title, if the pool is en-  
18 closed with non-supporting breakaway walls."

Page 36, line 17, strike "and" and insert a comma.

Page 36, line 17, before the period insert ", and the  
national flood insurance program".

Page 39, line 6, strike "and".

Page 39, line 10, strike the period and insert a  
semicolon.

Page 39, after line 10 insert the following:

1           “(E) facilitate the sharing of the best-prac-  
2           tices of the Federal Emergency Management  
3           Agency amongst all offices of the Agency with  
4           respect to the creation and updating of flood-  
5           plain maps;

6           “(F) not less than one year after receipt of  
7           a request from a community, perform an eco-  
8           nomic impact analysis for such community on  
9           the economic impact of floodplain maps and  
10          floodplain map determinations on small busi-  
11          nesses, lending, real estate development, and  
12          other economic indicators within such commu-  
13          nity;

14          “(G) establish a national arbitration panel  
15          regarding flood map modernization, with panel  
16          members consisting of experts in flood insur-  
17          ance, flood map determination, real estate de-  
18          velopment, structural engineering, and other  
19          such experts, including a representative from  
20          the Federal Emergency Management Adminis-  
21          tration, to allow individuals or communities im-  
22          pacted by a flood map revision to challenge  
23          such a revision; such panel may, under such  
24          terms and conditions it may establish, tempo-

1 rarely suspend implementation of a floodplain  
2 map pending such panel's review of evidence  
3 submitted by such individuals or communities  
4 as part of such challenge;

5 “(H) establish a process under which sci-  
6 entific and engineering data, including maps  
7 and an explanation of how the Director makes  
8 a determination regarding a map revision, will  
9 be made publicly available to any interested in-  
10 dividuals to be impacted by a flood map revi-  
11 sion; and

12 “(I) establish a process under which each  
13 community to be impacted by a flood map revi-  
14 sion will be provided an open community forum  
15 to consult with and ask questions of representa-  
16 tives of the Federal Emergency Management  
17 Administration.

Page 41, after line 8, insert the following new sec-  
tions:

18 **SEC. 29. TREATMENT OF PREVIOUSLY MAPPED AREAS.**

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

22 “(k) **TREATMENT OF PREVIOUSLY MAPPED**  
23 **AREAS.**—If the Director issues a letter of map revision

1 for an area or a portion of an area to correct an error  
2 in a recently issued flood insurance rate map and such  
3 letter results in the designation of such area as not having  
4 special flood hazards, the Director shall reexamine the  
5 designation of any areas bordering or abutting the area  
6 that was the subject of such letter if such areas are located  
7 within a special flood hazard area. The Director shall in-  
8 form the community and residents within such area of the  
9 results of such examination no later than one year after  
10 the date of the initial letter of map revision.

11 **“SEC. 30. REMAPPING OF AREAS WITH IMPROVED LEVEES.**

12 “Section 1360 of the National Flood Insurance Act  
13 of 1968 (42 U.S.C. 4101) is amended by adding at the  
14 end the following new subsection:

15 ““(a) REMAPPING OF AREAS WITH IMPROVED LEV-  
16 EES.—If at any time any community, any State, the Army  
17 Corps of Engineers, or any other entity improves any levee  
18 system that protects any area that is located in an area  
19 having special flood hazards and the Director determines  
20 that such improvement mitigates flood risk in a manner  
21 that eliminates the risk of flooding in the area, the Direc-  
22 tor shall—

23 ““(1) revise and update the floodplain areas  
24 and flood risk zones, and the flood insurance maps  
25 reflecting such areas and zones, for the areas pro-

1 tected by such levee system so that any requirement  
2 under the Flood Disaster Protection Act of 1973 for  
3 mandatory purchase of flood insurance does not  
4 apply to such area; and

5 ““(2) make the updated maps and any informa-  
6 tion regarding such updating available to the af-  
7 fected communities.’”.

Page 41, line 12, strike “Section” and insert the fol-  
lowing:

8 (a) FLOOD MITIGATION ASSISTANCE PROGRAM.—

9 Section

Page 41, line 15, before the quotation marks insert  
“of properties to at least base flood elevation or greater,  
if required by any local ordinance”.

Page 41, after line 15, insert the following:

10 (b) SENSE OF CONGRESS.—It is the sense of Con-  
11 gress that section 1366 of the Flood Insurance Act of  
12 1968 (42 U.S.C. 4104c), as in effect on the day before  
13 the date of enactment of this Act, authorized the Adminis-  
14 trator of the Federal Emergency Management Agency to  
15 consider property demolition and rebuilding as eligible ac-  
16 tivities under the Flood Mitigation Assistance Program.  
17 The purpose of the amendment made by subsection (a)  
18 is to clarify that such authority exists.

Page 42, line 15, before the period insert “**AND FAMILIES IN RURAL COMMUNITIES AND ON INDIAN RESERVATIONS**”.

Page 42, line 21, after “(42 U.S.C. 1437a(b))” insert “, families residing in rural communities, and families who reside on Indian reservations,”.

Page 44, line 14, strike “and”.

Page 44, line 20, strike the period and insert a semicolon.

Page 44, after line 20, insert the following new paragraphs:

- 1           (7) the impact of such a building code require-
- 2           ment on rural communities with different building
- 3           code challenges than more urban environments; and
- 4           (8) the impact of such a building code require-
- 5           ment on Indian reservations.

Page 45, after line 5, insert the following new sections:

6 **SEC. 36. STUDY REGARDING CERTAIN HARBOR AREAS.**

- 7           (a) **STUDY.**—The Administrator of the Federal
- 8           Emergency Management Agency shall carry out a study
- 9           to identify the impacts of the National Flood Insurance



1 Program on harbor areas that are working waterfronts,  
2 which shall—

3 (1) identify the models and assumptions used  
4 under such program with respect to wave action in  
5 working waterfronts and harbors;

6 (2) determine whether these are the same mod-  
7 els and assumptions used for open or unprotected  
8 coast lines;

9 (3) identify the assumptions used under such  
10 program in modeling V-zones;

11 (4) identify the underlying basis for projected  
12 impact of waves on working waterfronts,

13 (5) identify the frequency with which individual  
14 working waterfronts receive revised flood-risk based  
15 on the data they provide;

16 (6) determine the feasibility of basing flood  
17 maps for such working waterfronts on actual histor-  
18 ical flood and damage data;

19 (7) identify the standards for construction and  
20 design of working waterfront infrastructure that  
21 would be needed to safely develop commercial build-  
22 ings in the V-zone;

23 (8) determine the economic impacts of the Na-  
24 tional Flood Insurance Program on working water-  
25 fronts and working waterfront dependant businesses;

1           (9) identify any new or alternative models that  
2           may be used to more accurately reflect the risk of  
3           flooding in working waterfronts and harbor environ-  
4           ments;

5           (10) review the current coastal flood insurance  
6           study guidelines and recommended methodologies;

7           (11) determine whether methodologies other  
8           than those referred to in paragraph (10) should be  
9           applied with respect to complicated harbors and  
10          open shorelines;

11          (12) review where 2-D ST Wave methodology  
12          should be applied and where other methodologies  
13          should be applied;

14          (13) review available data on wave attenuation  
15          through pilings and piers and determine whether a  
16          physical model for the attenuation of waves in that  
17          environment can be undertaken to derive such data;  
18          and

19          (14) include any other information the Adminis-  
20          trator considers relevant to evaluating the flood risk  
21          and insurance challenges facing working waterfronts.

22          (b) REPORT.—Not later than 180 days after the date  
23          of the enactment of this Act, the Administrator shall sub-  
24          mit to the Congress a report setting forth the results and  
25          conclusions of the study, including—

1 (1) a description of all of the matters identified  
2 and determined pursuant to subsection (a); and

3 (2) an analysis of the feasibility of developing  
4 a sheltered harbor flood zone for purposes of the  
5 National Flood Insurance Program that specifically  
6 recognizes the unique challenges faced by working  
7 waterfronts and built-up harbors.

8 (c) DEFINITION.—In this section, the term “working  
9 waterfront” means real property (including support struc-  
10 tures over water and other facilities) that provides access  
11 to coastal waters to persons engaged in commercial fish-  
12 ing, recreational fishing business, boatbuilding, aqua-  
13 culture, or other water-dependent coastal-related business  
14 and is used for, or that supports, commercial fishing, rec-  
15 reational fishing, boatbuilding, aquaculture, or other  
16 water-dependent coastal-related business.

17 **SEC. 37. STUDY REGARDING HAZARD MODELING.**

18 The Administrator of the Federal Emergency Man-  
19 agement Agency shall conduct a study to identify and as-  
20 sess the impacts, including short-term and long-term im-  
21 pacts, of significant flooding events and subsequent revi-  
22 sions of hazard modeling and mapping since January 1,  
23 2000, on the financial soundness of the national flood in-  
24 surance program. The Administrator may enter into an  
25 agreement with Water Resources Research Institutes to

1 conduct the study under this section. The Administrator  
2 shall provide for a final report regarding the study to be  
3 submitted to the Congress not later than the expiration  
4 of the 16-month period beginning on the date of the enact-  
5 ment of this Act. The report may include recommenda-  
6 tions of the Administrator with respect to revising hazard  
7 modeling and mapping.

Strike line 16 on page 46 and all that follows  
through page 47, line 7, and insert the following:

8 **SEC. 40. INTERIM FINAL RULEMAKING.**

9 The Administrator of the Federal Emergency Man-  
10 agement Agency shall issue an interim final rule to imple-  
11 ment the amendments made by this Act as soon as prac-  
12 ticable, but not more than 18 months after the date of  
13 the enactment of this Act. The Administrator of the Fed-  
14 eral Emergency Management Agency shall issue a final  
15 rule within one year after the effective date of the interim  
16 final rule. In the event that the deadlines in this section  
17 are not met, the Administrator shall report to the Con-  
18 gress monthly on the status of the rulemakings and the  
19 reasons for the failure to comply with the statutory dead-  
20 lines.

~~o~~

Page 19, after line 8, insert the following new section:

1 **SEC. 10. DISCOUNTED FLOOD INSURANCE RATES FOR**  
2 **PROPERTIES PROTECTED BY A FLOOD-PRO-**  
3 **TECTION SYSTEM FROM LESS THAN A 100-**  
4 **YEAR FREQUENCY FLOOD.**

5 Section 1307 of the National Flood Insurance Act of  
6 1968 (42 U.S.C. 4014) is amended by adding at the end  
7 the following new subsection:

8 “(g) Except as provided in subsection (f) and not-  
9 withstanding any other provision of law, flood insurance  
10 coverage shall be made available for a property that the  
11 Director determines is protected by a flood-protection sys-  
12 tem that does not provide protection against a 100-year  
13 frequency flood at premium rates that reflect a discount  
14 for the actual protection against flood risk afforded by  
15 such flood-protection system.”.

