

HR 4973

Flood Insurance Reform and Modernization Act of 2006

Congress: 109 (2005–2007, Ended)

Chamber: House

Policy Area: Emergency Management

Introduced: Mar 16, 2006

Current Status: Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Cale

Latest Action: Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 501. (Jun 28, 2006)

Official Text: <https://www.congress.gov/bill/109th-congress/house-bill/4973>

Sponsor

Name: Rep. Baker, Richard H. [R-LA-6]

Party: Republican • State: LA • Chamber: House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Frank, Barney [D-MA-4]	D · MA		Mar 16, 2006

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Reported By	Apr 6, 2006

Subjects & Policy Tags

Policy Area:

Emergency Management

Related Bills

Bill	Relationship	Last Action
109 S 3589	Companion bill	Jun 28, 2006: Placed on Senate Legislative Calendar under General Orders. Calendar No. 498.
109 HRES 891	Procedurally related	Jun 27, 2006: Motion to reconsider laid on the table Agreed to without objection.

Flood Insurance Reform and Modernization Act of 2006 - (Sec. 3) Instructs the Comptroller General to study and report to Congress on the status of the national flood insurance program for certain pre-FIRM properties (properties not constructed or improved after specified dates).

Prescribes study contents, including extension of mandatory flood insurance coverage purchase requirements to: (1) properties located in any area that would be designated as having special flood hazards but for the existence of a structural flood protection system; and (2) property located in any area having special flood hazards which secures the repayment of specified loans.

(Sec. 4) Amends the National Flood Insurance Act of 1968, with respect to the chargeable premium rate for actuarial rate properties in an area (or area subdivision), to include: (1) nonresidential properties; (2) non-primary residences; and (3) certain pre-FIRM properties constructed or substantially improved before December 31, 1974, (or before the effective date of the initial rate map for the area) and purchased after the enactment of this Act. Sets forth a phase-in period for increased actuarial rates for premiums for such properties and residences covered under the national flood insurance program.

(Sec. 5) Reduces from 30 days to 15 days the waiting period before the effective date of flood insurance policies.

Excepts from the waiting period requirement the initial purchase of flood insurance coverage in connection with the purchase or other transfer of the property for which the coverage is provided (regardless of whether a loan is involved in the purchase or transfer transaction).

(Sec. 6) Amends the Flood Disaster Protection Act of 1973 to increase civil monetary penalties: (1) from \$350 to \$2,000 for each regulated lender violation; and (2) from \$100,000 to \$1 million the total amount of penalties that may be assessed against any single regulated lending institution or enterprise during any calendar year.

(Sec. 7) Amends the National Flood Insurance Act of 1968 to increase maximum flood insurance coverage for residential property: (1) from \$250,000 to \$335,000 for any single-family dwelling; (2) from \$100,000 to \$135,000 for contents per dwelling unit; and (3) from \$500,000 to \$670,000 the structure and related contents of a nonresidential property, including churches.

(Sec. 8) Prescribes coverage for necessary increases in living expenses, basement improvements, business interruption, and replacement cost of contents.

(Sec. 9) Increases from 10% to 15% the annual limitation on premium increases.

(Sec. 10) Increases from \$18.5 billion to \$25 billion the borrowing authority of the Director of the Federal Emergency Management Agency (FEMA) for the flood insurance program.

(Sec. 11) Requires FEMA, upon request of the state insurance regulator, to participate in state flood disaster claims nonbinding mediation programs. Prescribes implementation guidelines.

Declares that participation of representatives of the Director in state-sponsored mediation shall not: (1) affect or expand the liability of any party in contract or in tort, nor shall it affect the rights or obligations of the parties as provided in the Standard Flood Insurance Policy under the national flood insurance program, FEMA regulations, this Act, or federal common law; or (2) alter, change, or modify the original exclusive jurisdiction of U.S. courts.

Declares further that nothing in this Act shall be construed to require the Director or his or her representatives to pay additional mediation fees relating to flood claims associated with a state-sponsored mediation program in which they participate.

Requires the Standard Flood Insurance Policy as well as the appeals process established under the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, and related regulations, to apply exclusively, instead of this section, in the case of a natural catastrophe that results in flood damage claims under the national flood insurance program but does not result in any loss covered by a personal lines residential property insurance policy.

(Sec. 12) Requires the Director of FEMA to report semiannually to Congress on the financial status of the national flood insurance program.

(Sec. 13) Extends funding through FY2011 for the pilot program for mitigation of severe repetitive loss properties.

(Sec. 14) Amends the Real Estate Settlement Procedures Act of 1974 to require good faith estimates to state that flood insurance coverage for residential real estate is generally available (including mandatory escrowing of flood insurance payments for many loans), whether or not the real estate is located in an area having special flood hazards.

(Sec. 15) Instructs the FEMA Director to: (1) establish a decisions appeals process for flood insurance policyholders; (2) implement specified minimum training and education standards for insurance agents selling flood insurance; and (3) report to Congress regarding implementation of each provision of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, and identify each regulation, order, notice, and other material issued by the Director in implementing that Act.

(Sec. 16) Amends the National Flood Insurance Act of 1968 to require the FEMA Director to establish and report to Congress on a program to: (1) review, update, and maintain flood insurance program maps; and (2) review and revise floodplain and flood risk zones. Authorizes appropriations for FY2007-FY2012 for flood insurance program maps.

Requires the FEMA Director to conduct a program to educate a community after each update to a flood insurance program rate map about the effects of such update.

Reestablishes the Technical Mapping Advisory Council.

Authorizes the Director to establish interim flood elevation requirements after any flood-related disaster, which may remain in effect until the Director establishes new flood elevations for the area.

Directs the Comptroller General to study and report to Congress on potential methods, practices, and incentives that would increase the extent to which low-income families that own residential properties within having special flood hazards areas may purchase coverage under the national flood insurance program.

(Sec. 17) Revises requirements governing notification and establishment of flood elevation determinations. Requires the FEMA Director to notify in writing, by first class mail, each owner of real property affected by proposed flood elevations of the process for appealing a flood elevation determination.

(Sec. 18) Requires the FEMA Director to: (1) maintain a national levee inventory; and (2) clarify the applicability of replacement cost coverage.

(Sec. 20) Authorizes additional FEMA staff.

(Sec. 21) Directs the Inspector General of the Department of Homeland Security to investigate and report to Congress on insurers making flood insurance coverage available under the Write-Your-Own program.

(Sec. 22) Includes among activities eligible for the mitigation assistance program demolition and rebuilding of structures located in certain areas to at least Base Flood Elevation or any greater elevation required by any local ordinance.

(Sec. 23) Instructs the FEMA Director, in selecting the cases and claims for operational reviews and claims re-inspections, to use a statistically valid probability sample whose results can be generalized to the entire population of reviews and claims from which the sample is drawn and whose sampling error can be quantified.

(Sec. 24) Prohibits the FEMA Director, in establishing any requirements regarding notification, proof, or approval of claims for damage to or loss of property, from requiring an insured to notify the Director of such damage or loss, submit a claim for it, or certify to or submit proof of such damage or loss, before the expiration of the 180-day period that begins on the date that such damage or loss occurred.

Prohibits the Director, also, from denying a claim solely for failure to meet a deadline if the insured demonstrates any good cause for such failure.

Actions Timeline

- **Jun 28, 2006:** Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 501.
- **Jun 27, 2006:** Rule H. Res. 891 passed House.
- **Jun 27, 2006:** Considered under the provisions of rule H. Res. 891. (consideration: CR H4589-4604; text as reported in House: CR H4595-4598)
- **Jun 27, 2006:** Rule provides for consideration of H.R. 4973 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order.
- **Jun 27, 2006:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 891 and Rule XVIII.
- **Jun 27, 2006:** The Speaker designated the Honorable Jeff Miller to act as Chairman of the Committee.
- **Jun 27, 2006:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 4973.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Oxley amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Burton (IN) amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Garrett (NJ) amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Taylor (MS) amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Pickering amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Matsui amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the E.B. Johnson (TX) amendment.
- **Jun 27, 2006:** Committee of the Whole House on the state of the Union rises leaving H.R. 4973 as unfinished business.
- **Jun 27, 2006:** ORDER OF PROCEDURE - Ms. Jackson-Lee asked unanimous consent that she be allowed to offer amendment numbered 5 printed in House Report 109-530, out of sequence. Agreed to without objection.
- **Jun 27, 2006:** Considered as unfinished business. (consideration: CR H4604-4617)
- **Jun 27, 2006:** The House resolved into Committee of the Whole House on the state of the Union for further consideration.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Jackson-Lee amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Matsui amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Ruppersberger amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Jindal amendment.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Jo Ann Davis (VA) amendment.
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- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Rohrabacher amendment.
- **Jun 27, 2006:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Rohrabacher amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. Rohrabacher demanded a recorded vote pending the absence of a quorum and the Chair postponed further proceedings on the adoption of the amendment until later in the legislative day. The point of no quorum was considered as withdrawn.

- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Pearce amendment.
- **Jun 27, 2006:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Pearce amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Mr. Frank (MA) demanded a recorded vote and the Chair postponed further proceedings on the adoption of the amendment until later in the legislative day.
- **Jun 27, 2006:** DEBATE - Pursuant to the provisions of H. Res. 891, the Committee of the Whole proceeded with 10 minutes of debate on the Miller (MI) amendment.
- **Jun 27, 2006:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Miller (MI) amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mrs. Miller (MI) demanded a recorded vote and the Chair postponed further proceedings on the adoption of the amendment until later in the legislative day.
- **Jun 27, 2006:** UNFINISHED BUSINESS - The Chair announced that the unfinished business was the question of adoption of specified amendments which were debated earlier and on which further proceedings had been postponed.
- **Jun 27, 2006:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 4973.
- **Jun 27, 2006:** The previous question was ordered pursuant to the rule.
- **Jun 27, 2006:** The House adopted the remaining amendments en gross as agreed to by the Committee of the Whole House on the state of the Union.
- **Jun 27, 2006:** Passed/agreed to in House: On passage Passed by the Yeas and Nays: 416 - 4 (Roll no. 325).
- **Jun 27, 2006:** On passage Passed by the Yeas and Nays: 416 - 4 (Roll no. 325).
- **Jun 27, 2006:** Motion to reconsider laid on the table Agreed to without objection.
- **Jun 27, 2006:** The Clerk was authorized to correct section numbers, punctuation, and cross references, and to make other necessary technical and conforming corrections in the engrossment of H.R. 4973.
- **Jun 26, 2006:** Rules Committee Resolution H. Res. 891 Reported to House. Rule provides for consideration of H.R. 4973 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order.
- **Apr 6, 2006:** Reported by the Committee on Financial Services. H. Rept. 109-410.
- **Apr 6, 2006:** Reported by the Committee on Financial Services. H. Rept. 109-410.
- **Apr 6, 2006:** Placed on the Union Calendar, Calendar No. 224.
- **Mar 16, 2006:** Introduced in House
- **Mar 16, 2006:** Introduced in House
- **Mar 16, 2006:** Referred to the House Committee on Financial Services.
- **Mar 16, 2006:** Ordered to be Reported (Amended) by Voice Vote.