

S 1813

Earthquake Insurance Affordability Act of 2013

**Congress:** 113 (2013–2015, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Dec 12, 2013

**Current Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

**Latest Action:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Dec 12, 2013)

**Official Text:** <https://www.congress.gov/bill/113th-congress/senate-bill/1813>

Sponsor

**Name:** Sen. Feinstein, Dianne [D-CA]

**Party:** Democratic • **State:** CA • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Boxer, Barbara [D-CA]	D · CA		Dec 12, 2013

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Dec 12, 2013

Subjects & Policy Tags

**Policy Area:**

Finance and Financial Sector

Related Bills

No related bills are listed.

Earthquake Insurance Affordability Act of 2013 - Authorizes the Secretary of the Treasury to guarantee holders of debt against loss of principal or interest, or both, on debt issued by eligible state programs designed to: (1) promote the availability of private capital to provide liquidity and capacity to state earthquake (specifically, residential property) insurance programs, and (2) expedite the payment of claims under such programs and better assist financial recovery from significant earthquakes.

Prescribes operational requirements for eligible state programs which include an established earthquake insurance program that: (1) offers residential property insurance coverage for insured losses to property, contents, and additional living expenses; (2) is prohibited from requiring insurers to pool resources to provide property insurance coverage for earthquakes; (3) is based upon the best available scientific information for assessing the risk of earthquake frequency, severity, and loss; and (4) incorporates the sum of the modeled expected loss, risk financing costs, loss adjustment expense, and any other expenses necessary to operate the state program.

Includes among such operational requirements that the state: (1) has in effect and enforces, or the appropriate local governments within the state have in effect and enforce, nationally recognized building, seismic-design, and safety codes and consensus-based standards; and (2) has taken actions to establish an insurance rate structure that takes into account measures to mitigate insured losses.

Directs the Secretary to establish procedures for annual certification of an eligible state program.

Restricts to \$3 billion, including interest, the aggregate principal amount of outstanding debt obligations guaranteed by the Secretary.

Makes appropriations to satisfy debt guarantee commitments.

Requires the Secretary, upon request of an eligible state program, to provide such debt guarantees.

Restricts to \$1.5 billion the amount of a debt guarantee that an eligible state program receives to secure or provide claim-payment capacity for paying the insured losses and loss adjustment expenses from all events relating to a single earthquake.

Pledges the full faith and credit of the United States to the payment of all guarantees issued under this Act.

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## **Actions Timeline**

- **Dec 12, 2013:** Introduced in Senate
- **Dec 12, 2013:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.