

Public Law 108-264  
108th Congress

An Act

June 30, 2004  
[S. 2238]

To amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.  
Sec. 2. Congressional findings.

**TITLE I—AMENDMENTS TO FLOOD INSURANCE ACT OF 1968**

- Sec. 101. Extension of program and consolidation of authorizations.  
Sec. 102. Establishment of pilot program for mitigation of severe repetitive loss properties.  
Sec. 103. Amendments to existing flood mitigation assistance program.  
Sec. 104. FEMA authority to fund mitigation activities for individual repetitive claims properties.  
Sec. 105. Amendments to additional coverage for compliance with land use and control measures.  
Sec. 106. Actuarial rate properties.  
Sec. 107. Geospatial digital flood hazard data.  
Sec. 108. Replacement of mobile homes on original sites.  
Sec. 109. Reiteration of FEMA responsibility to map mudslides.

**TITLE II—MISCELLANEOUS PROVISIONS**

- Sec. 201. Definitions.  
Sec. 202. Supplemental forms.  
Sec. 203. Acknowledgement form.  
Sec. 204. Flood insurance claims handbook.  
Sec. 205. Appeal of decisions relating to flood insurance coverage.  
Sec. 206. Study and report on use of cost compliance coverage.  
Sec. 207. Minimum training and education requirements.  
Sec. 208. GAO study and report.  
Sec. 209. Prospective payment of flood insurance premiums.  
Sec. 210. Report on changes to fee schedule or fee payment arrangements.

**SEC. 2. CONGRESSIONAL FINDINGS.**

The Congress finds that—

- (1) the national flood insurance program—  
(A) identifies the flood risk;  
(B) provides flood risk information to the public;  
(C) encourages State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses; and  
(D) makes flood insurance available on a nationwide basis that would otherwise not be available, to accelerate

Bunning-  
Bereuter-  
Blumenauer  
Flood Insurance  
Reform Act of  
2004.  
42 USC 4001  
note.

42 USC 4011  
note.

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting after subsection (b) the following:

“(c) ADMINISTRATIVE EXPENSES.—The Director may use not more than 5 percent of amounts made available under subsection (b) to cover salaries, expenses, and other administrative costs incurred by the Director to make grants and provide assistance under sections 1366 and 1323.”.

(e) REDUCED COMMUNITY MATCH.—Section 1366(g) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(g)), is amended—

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

“(2) REDUCED COMMUNITY MATCH.—With respect to any 1-year period in which assistance is made available under this section, the Director may adjust the contribution required under paragraph (1) by any State, and for the communities located in that State, to not less than 10 percent of the cost of the activities for each severe repetitive loss property for which grant amounts are provided if, for such year—

“(A) the State has an approved State mitigation plan meeting the requirements for hazard mitigation planning under section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165) that specifies how the State intends to reduce the number of severe repetitive loss properties; and

“(B) the Director determines, after consultation with the State, that the State has taken actions to reduce the number of such properties.”.

(f) NATIONAL FLOOD MITIGATION FUND.—Section 1366(b)(2) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(b)(2)), is amended by striking “\$1,500,000” and inserting “7.5 percent of the available funds under this section”.

**SEC. 104. FEMA AUTHORITY TO FUND MITIGATION ACTIVITIES FOR INDIVIDUAL REPETITIVE CLAIMS PROPERTIES.**

(a) IN GENERAL.—Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.) is amended by adding at the end the following:

42 USC 4030.

**“SEC. 1323. GRANTS FOR REPETITIVE INSURANCE CLAIMS PROPERTIES.**

“(a) IN GENERAL.—The Director may provide funding for mitigation actions that reduce flood damages to individual properties for which 1 or more claim payments for losses have been made under flood insurance coverage under this title, but only if the Director determines that—

“(1) such activities are in the best interest of the National Flood Insurance Fund; and

“(2) such activities cannot be funded under the program under section 1366 because—

“(A) the requirements of section 1366(g) are not being met by the State or community in which the property is located; or

“(B) the State or community does not have the capacity to manage such activities.

“(b) PRIORITY FOR WORST-CASE PROPERTIES.—In determining the properties for which funding is to be provided under this section,

the Director shall consult with the States in which such properties are located and provide assistance for properties in the order that will result in the greatest amount of savings to the National Flood Insurance Fund in the shortest period of time.”.

(b) AVAILABILITY OF NATIONAL FLOOD INSURANCE FUND AMOUNTS.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended by adding at the end the following:

“(9) for funding, not to exceed \$10,000,000 in any fiscal year, for mitigation actions under section 1323, except that, notwithstanding any other provision of this title, amounts made available pursuant to this paragraph shall not be subject to offsetting collections through premium rates for flood insurance coverage under this title.”.

**SEC. 105. AMENDMENTS TO ADDITIONAL COVERAGE FOR COMPLIANCE WITH LAND USE AND CONTROL MEASURES.**

(a) COMPLIANCE WITH LAND USE AND CONTROL MEASURES.—Section 1304(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking “compliance” and inserting “implementing measures that are consistent”; and

(B) by inserting “by the community” after “established”;

(2) in paragraph (2), by striking “have flood damage in which the cost of repairs equals or exceeds 50 percent of the value of the structure at the time of the flood event; and” and inserting “are substantially damaged structures;”

(3) in paragraph (3), by striking “compliance with land use and control measures.” and inserting “the implementation of such measures; and”; and

(4) by inserting after paragraph (3) and before the last undesignated paragraph the following:

“(4) properties for which an offer of mitigation assistance is made under—

“(A) section 1366 (Flood Mitigation Assistance Program);

“(B) section 1368 (Repetitive Loss Priority Program and Individual Priority Property Program);

“(C) the Hazard Mitigation Grant Program authorized under section 404 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5170c);

“(D) the Predisaster Hazard Mitigation Program under section 203 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5133); and

“(E) any programs authorized or for which funds are appropriated to address any unmet needs or for which supplemental funds are made available.”.

(b) DEFINITIONS.—Section 1370(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4121(a)) is amended—

(1) by striking paragraph (7) and inserting the following:

“(7) the term ‘repetitive loss structure’ means a structure covered by a contract for flood insurance that—

“(A) has incurred flood-related damage on 2 occasions, in which the cost of repair, on the average, equaled or exceeded 25 percent of the value of the structure at the time of each such flood event; and