AMENDMENT TO H.R. 1309, AS REPORTED
OFFERED BY MS. WATERS OF CALIFORNIA

Page 23, line 17, strike “section 1361A(b)” and insert “section 1366(j)”.

Strike line 10 on page 47 and all that follows through page 48, line 15.

Strike line 16 on page 48 and all that follows through page 49, line 19 and insert the following new section:

1 SEC. 12. MITIGATION ASSISTANCE.

(a) MITIGATION ASSISTANCE GRANTS.—Section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) is amended—

(1) in subsection (a), by striking the last sentence and inserting the following: “Such financial assistance shall be made available—

“(1) to States and communities in the form of grants under this section for carrying out mitigation activities;

“(2) to States and communities in the form of grants under this section for carrying out mitigation
activities that reduce flood damage to severe repetitive loss structures; and

“(3) to property owners in the form of direct grants under this section for carrying out mitigation activities that reduce flood damage to individual structures for which 2 or more claim payments for losses have been made under flood insurance coverage under this title if the Administrator, after consultation with the State and community, determines that neither the State nor community in which such a structure is located has the capacity to manage such grants.”.

(2) by striking subsection (b);

(3) in subsection (e)—

(A) by striking “flood risk” and inserting “multi-hazard”;

(B) by striking “provides protection against” and inserting “examines reduction of”;

and

(C) by redesignating such subsection as subsection (b);

(4) by striking subsection (d);

(5) in subsection (e)—

(A) in paragraph (1), by striking the paragraph designation and all that follows through
the end of the first sentence and inserting the following:

“(1) Requirement of consistency with approved mitigation plan.—Amounts provided under this section may be used only for mitigation activities that are consistent with mitigation plans that are approved by the Administrator and identified under subparagraph (4).”;

(B) by striking paragraphs (2), (3), and (4) and inserting the following new paragraphs:

“(2) Requirements of technical feasibility, cost effectiveness, and interest of NFIF.—The Administrator may approve only mitigation activities that the Administrator determines are technically feasible and cost-effective and in the interest of, and represent savings to, the National Flood Insurance Fund. In making such determinations, the Administrator shall take into consideration recognized benefits that are difficult to quantify.

“(3) Priority for mitigation assistance.—In providing grants under this section for mitigation activities, the Administrator shall give priority for funding to activities that the Administrator determines will result in the greatest savings to the Na-
tional Flood Insurance Fund, including activities for—

“(A) severe repetitive loss structures;
“(B) repetitive loss structures; and
“(C) other subsets of structures as the Administrator may establish.”;

(C) in paragraph (5)—

(i) by striking all of the matter that precedes subparagraph (A) and inserting the following:

“(4) ELIGIBLE ACTIVITIES.—Eligible activities may include—”;

(ii) by striking subparagraphs (E) and (H);

(iii) by redesignating subparagraphs (D), (F), and (G) as subparagraphs (F), (H), and (I);

(iv) by inserting after subparagraph (C) the following new subparagraphs:

“(D) demolition and rebuilding of properties to at least base flood elevation or greater, if required by the Administrator or if required by any State regulation or local ordinance, and in accordance with criteria established by the Administrator;
“(E) elevation, relocation, and floodproofing of utilities (including equipment that serve structures);’’;

(v) by inserting after subparagraph (F), as so redesignated by clause (iii) of this subparagraph, the following new sub-
paragraph:

“(G) the development or update of State, local, or Indian tribal mitigation plans which meet the planning criteria established by the Administrator, except that the amount from grants under this section that may be used under this subparagraph may not exceed $50,000 for any mitigation plan of a State or $25,000 for any mitigation plan of a local gov-
ernment or Indian tribe;’’;

(vi) in subparagraph (I); as so redes-
ignated by clause (iii) of this subpara-
graph, by striking “and” at the end; and

(vii) by adding at the end the fol-
lowing new subparagraphs:

“(J) other mitigation activities not de-
scribed in subparagraphs (A) through (H) or the regulations issued under subparagraph (I),
that are described in the mitigation plan of a
State, community, or Indian tribe; and

“(K) personnel costs for State staff that
provide technical assistance to communities to
identify eligible activities, to develop grant ap-
lications, and to implement grants awarded
under this section, not to exceed $50,000 per
State in any Federal fiscal year, so long as the
State applied for and was awarded at least
$1,000,000 in grants available under this sec-
tion in the prior Federal fiscal year; the re-
quirements of subsections (d)(1) and (d)(2)
shall not apply to the activity under this sub-
paragraph.”; and

(D) by redesignating such subsection as
subsection (e);

(6) by striking subsections (f), (g), and (h) and
inserting the following new subsection:

“(d) MATCHING REQUIREMENT.—The Administrator
may provide grants for eligible mitigation activities as fol-

(1) SEVERE REPETITIVE LOSS STRUCTURES.—
In the case of mitigation activities to severe repet-
itive loss structures, in an amount up to 100 percent
of all eligible costs.
“(2) REPEITIVE LOSS STRUCTURES.—In the case of mitigation activities to repetitive loss structures, in an amount up to 90 percent of all eligible costs.

“(3) OTHER MITIGATION ACTIVITIES.— In the case of all other mitigation activities, in an amount up to 75 percent of all eligible costs.”;

(7) in subsection (i)—

(A) in paragraph (2)—

(i) by striking “certified under subsection (g)” and inserting “required under subsection (d)”; and

(ii) by striking “3 times the amount” and inserting “the amount”; and

(B) by redesignating such subsection as subsection (e);

(8) in subsection (j)—

(A) in paragraph (1), by striking “Riegle Community Development and Regulatory Improvement Act of 1994” and inserting “Flood Insurance Reform Act of 2011”; 

(B) by redesignating such subsection as subsection (f); and

(9) by striking subsections (k) and (m) and inserting the following new subsections:
“(g) Failure to Make Grant Award Within 5 Years.—For any application for a grant under this section for which the Administrator fails to make a grant award within 5 years of the date of application, the grant application shall be considered to be denied and any funding amounts allocated for such grant applications shall remain in the National Flood Mitigation Fund under section 1367 of this title and shall be made available for grants under this section.

“(h) Limitation on Funding for Mitigation Activities for Severe Repetitive Loss Structures.—The amount used pursuant to section 1310(a)(8) in any fiscal year may not exceed $40,000,000 and shall remain available until expended.

“(i) Definitions.—For purposes of this section, the following definitions shall apply:

“(1) Community.—The term ‘community’ means—

“(A) a political subdivision that—

“(i) has zoning and building code jurisdiction over a particular area having special flood hazards, and

“(ii) is participating in the national flood insurance program; or
“(B) a political subdivision of a State, or other authority, that is designated by political subdivisions, all of which meet the requirements of subparagraph (A), to administer grants for mitigation activities for such political subdivisions.

“(2) Repetitive loss structure.—The term ‘repetitive loss structure’ has the meaning given such term in section 1370.

“(3) Severe repetitive loss structure.—The term ‘severe repetitive loss structure’ means a structure that—

“(A) is covered under a contract for flood insurance made available under this title; and

“(B) has incurred flood-related damage—

“(i) for which 4 or more separate claims payments have been made under flood insurance coverage under this title, with the amount of each such claim exceeding $15,000, and with the cumulative amount of such claims payments exceeding $60,000; or

“(ii) for which at least 2 separate claims payments have been made under such coverage, with the cumulative amount
of such claims exceeding the value of the
insured structure.”.

(b) **Elimination of Grants Program for Repetitive Insurance Claims Properties.**—Chapter I of
the National Flood Insurance Act of 1968 is amended by
striking section 1323 (42 U.S.C. 4030).

(c) **Elimination of Pilot Program for Mitigation of Severe Repetitive Loss Properties.**—Chapter
III of the National Flood Insurance Act of 1968 is
amended by striking section 1361A (42 U.S.C. 4102a).

(d) **National Flood Insurance Fund.**—Section
1310(a) of the National Flood Insurance Act of 1968 (42
U.S.C. 4017(a)) is amended—

(1) in paragraph (6), by inserting “and” after
the semicolon;

(2) in paragraph (7), by striking the semicolon
and inserting a period; and

(3) by striking paragraphs (8) and (9).

(e) **National Flood Mitigation Fund.**—Section
1367 of the National Flood Insurance Act of 1968 (42
U.S.C. 4104d) is amended—

(1) in subsection (b)—

(A) by striking paragraph (1) and insert-
ing the following new paragraph:
“(1) in each fiscal year, from the National Flood Insurance Fund in amounts not exceeding $90,000,000 to remain available until expended, of which—

“(A) not more than $40,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(1);

“(B) not more than $40,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(2); and

“(C) not more than $10,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(3).”.

(B) in paragraph (3), by striking “section 1366(i)” and inserting “section 1366(e)”;

(2) in subsection (e), by striking “sections 1366 and 1323” and inserting “section 1366”;

(3) by redesignating subsections (d) and (e) as subsections (f) and (g), respectively; and

(4) by inserting after subsection (e) the following new subsections:
“(d) Prohibition on Offsetting Collections.—
Notwithstanding any other provision of this title, amounts
made available pursuant to this section shall not be sub-
ject to offsetting collections through premium rates for
flood insurance coverage under this title.

“(e) Continued Availability and Reallocation.—Any amounts made available pursuant to subpara-
graph (A), (B), or (C) of subsection (b)(1) that are not
used in any fiscal year shall continue to be available for
the purposes specified in such subparagraph of subsection
(b)(1) pursuant to which such amounts were made avail-
able, unless the Administrator determines that realloca-
tion of such unused amounts to meet demonstrated need
for other mitigation activities under section 1366 is in the
best interest of the National Flood Insurance Fund.”.

(f) Increased Cost of Compliance Coverage.—
Section 1304(b)(4) of the National Flood Insurance Act
of 1968 (42 U.S.C. 4011(b)(4)) is amended—

(1) by striking subparagraph (B); and

(2) by redesignating subparagraphs (C), (D),
and (E) as subparagraphs (B), (C), and (D), respec-
tively.