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(Original Signature of Member)

117TH CONGRESS  
2D SESSION

# H. R. 7842

To amend the National Flood Insurance Act of 1968 to expand opportunities for families living in areas of high flood risk to access Federal assistance for voluntary relocation, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. CASTEN of Illinois introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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## A BILL

To amend the National Flood Insurance Act of 1968 to expand opportunities for families living in areas of high flood risk to access Federal assistance for voluntary relocation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Families  
5 and the Solvency of the National Flood Insurance Pro-  
6 gram Act of 2022”.

1 **SEC. 2. VOLUNTARY BUYOUTS IN LIEU OF FLOOD CLAIMS.**

2 Section 1312 of the National Flood Insurance Act of  
3 1968 (42 U.S.C. 4019) is amended by adding at the end  
4 the following new subsection:

5 “(d) EXPEDITED VOLUNTARY BUYOUTS.—

6 “(1) EXPEDITED ASSISTANCE IN LIEU OF  
7 CLAIMS.—The Administrator may provide for expe-  
8 dited mitigation assistance for cases in which a pol-  
9 icyholder making a claim with respect to a property  
10 expresses interest in a voluntary buyout in lieu of a  
11 claims payment. Such determinations shall apply re-  
12 gardless of location of a property in relation to an  
13 area designated as an area having special flood haz-  
14 ards.

15 “(2) ELIGIBILITY.—The Administration may  
16 provide expedited assistance under this subsection  
17 with respect to a property only if both of the fol-  
18 lowing requirements have been met:

19 “(A) PROPERTY ELIGIBILITY.—The in-  
20 sured property—

21 “(i) has been identified as a repetitive  
22 loss or severe repetitive loss property;

23 “(ii) has been designated by the par-  
24 ticipating community as substantially dam-  
25 aged; or

1 “(iii) would otherwise be filing a claim  
2 for the maximum level of coverage.

3 “(B) COMMUNITY ELIGIBILITY.—The rel-  
4 evant community participating in the national  
5 flood insurance program agrees to take title to  
6 the property in accordance with the terms  
7 under section 404(b) of the Robert T. Stafford  
8 Disaster Relief and Emergency Assistance Act  
9 (42 U.S.C. 5170c(b)) and has prioritized miti-  
10 gation to such property or to the area in which  
11 such property is located through an appropriate  
12 action or plan, as determined by the Adminis-  
13 trator, including—

14 “(i) a repetitive loss area analysis  
15 plan conducted for and consistent with cri-  
16 teria for the community rating system au-  
17 thorized under section 1315(b) (42 U.S.C.  
18 4022(b));

19 “(ii) a locally adopted plan completed  
20 in compliance with requirements of section  
21 1361(e) (42 U.S.C. 4102(e));

22 “(iii) a locally adopted flood risk miti-  
23 gation plan consistent with the require-  
24 ments of section 1366(b) (42 U.S.C.  
25 4104c(b));

1           “(iv) an ongoing local or State pro-  
2           gram for property buyouts to address  
3           flooding problems that conforms with such  
4           requirement as the Administrator may es-  
5           tablish; or

6           “(v) such other action or plan as the  
7           Administrator may provide.

8           “(3) LONG-TERM BENEFITS TO FUND.—When-  
9           ever claims are filed and the conditions under para-  
10          graph (2) exist, the Administrator shall expeditiously  
11          determine, considering current and future risks, if a  
12          property buyout would result in long-term benefits  
13          to the National Flood Insurance Fund. For buyouts  
14          determined to be beneficial, amounts in the National  
15          Flood Insurance Fund may be used immediately to  
16          make acquisition offers under this subsection in lieu  
17          of full claims payments. Such offers may exceed the  
18          amount of the claim and shall comply with require-  
19          ments for buyout offers authorized under section  
20          404 of the Robert T. Stafford Disaster Relief and  
21          Emergency Assistance Act (42 U.S.C. 5170e). In no  
22          case shall such expedited buyout offers delay or re-  
23          duce the amount of claims due to a policyholder for  
24          contents coverage or necessary clean-up costs.”.

1 **SEC. 3. COMMUNITY ACTION TO ADDRESS REPETITIVELY**  
2 **FLOODED AREAS.**

3 Section 1361 of the National Flood Insurance Act of  
4 1968 (42 U.S.C. 4102) is amended by adding at the end  
5 the following new subsection:

6 “(e) **COMMUNITY ACTION FOR REPEATEDLY FLOOD-**  
7 **ED AREAS.**—

8 “(1) **DEFINITIONS.**—For purposes of this sub-  
9 section, the following definitions shall apply:

10 “(A) **COVERED COMMUNITY.**—The term  
11 ‘covered community’ means a community—

12 “(i) that is participating in the na-  
13 tional flood insurance program under sec-  
14 tion 1315 (42 U.S.C. 4022);

15 “(ii) within which are located—

16 “(I) not fewer than 50 repetitive  
17 loss structures; or

18 “(II) not fewer than 5 severe re-  
19 petitive loss structures for which miti-  
20 gation activities meeting the stand-  
21 ards for approval under section  
22 1366(e)(2)(A) (42 U.S.C.  
23 4101e(c)(2)(A)) have not been con-  
24 ducted; and

25 “(iii) which has been identified by the  
26 Administrator as a priority for assessment

1 and mitigation in accordance with the reg-  
2 ulations authorized by this section.

3 “(B) REPETITIVE LOSS STRUCTURE.—The  
4 term ‘repetitive loss structure’ has the meaning  
5 given such term in section 1370 (42 U.S.C.  
6 4121).

7 “(C) SEVERE REPETITIVE LOSS STRUC-  
8 TURE.—The term ‘severe repetitive loss struc-  
9 ture’ has the meaning given such term in sec-  
10 tion 1366(h) (42 U.S.C. 4101e(h)).

11 “(2) REQUIREMENTS FOR COVERED COMMU-  
12 NITIES.—The Administrator shall, by regulation, re-  
13 quire a covered community to—

14 “(A) determine, with assistance from the  
15 Administrator, the areas within the covered  
16 community in which properties described in  
17 paragraph (1)(A)(ii) are located in order to  
18 identify areas that are repeatedly damaged by  
19 floods;

20 “(B) assess, with assistance from the Ad-  
21 ministrator, future conditions which may rep-  
22 resent continuing risks to the repeatedly dam-  
23 aged areas identified pursuant to subparagraph  
24 (A);

1           “(C) develop a community-specific plan for  
2 mitigating continuing flood risks to the repeat-  
3 edly damaged areas identified pursuant to sub-  
4 paragraph (A);

5           “(D) submit the plan described in subpara-  
6 graph (C) and any plan updates to the Admin-  
7 istrator at appropriate intervals;

8           “(E) implement the plan described in sub-  
9 paragraph (C); and

10           “(F) subject to section 552a of title 5,  
11 United States Code, make the plan described in  
12 subparagraph (C), any updates to the plan, and  
13 reports on progress in reducing flood risk avail-  
14 able to the public.

15           “(3) COORDINATION WITH EXISTING PLANNING  
16 EFFORTS.—As determined by the Administrator, a  
17 covered community may address the planning re-  
18 quirements of this subsection in coordination with  
19 other planning efforts, including—

20           “(A) a plan developed under section 1366  
21 of this title (42 U.S.C. 4104c);

22           “(B) a plan developed under section 322 of  
23 the Robert T. Stafford Disaster Relief and  
24 Emergency Assistance Act (42 U.S.C. 5165); or

1           “(C) a plan completed for, conducted for,  
2           and consistent with criteria for the community  
3           rating system authorized under section 1315(b)  
4           of this title (42 U.S.C. 4022(b)).

5           “(4) AUTHORIZATION AND ASSISTANCE.—

6           “(A) IN GENERAL.—The Administrator  
7           may issue appropriate policies and regulations  
8           to assist covered communities in identification  
9           of repeatedly flooded areas and in implementing  
10          practical plans for addressing the identified  
11          flooding problems.

12          “(B) TYPES OF ASSISTANCE.—Assistance  
13          authorized under this section may include—

14               “(i) sharing of information in accord-  
15               ance with the requirements of section 552a  
16               of title 5, United States Code, and the sub-  
17               chapter II of chapter 35 of title 44, United  
18               States Code;

19               “(ii) consideration of possible sources  
20               of financial assistance to communities, in-  
21               cluding—

22                       “(I) potential waiver or lowering  
23                       of non-Federal cost shares for mitiga-  
24                       tion of properties; and



1                   “(II) potential priority for appli-  
2                   cable grant mitigation funding man-  
3                   aged by the Administrator;

4                   “(iii) additional technical assistance to  
5                   communities the Administrator may deem  
6                   most at-risk for repeated flooding events.

7                   “(iv) reasonable considerations and  
8                   targeted assistance for communities de-  
9                   fined as small and impoverished or high-  
10                  risk under section 203(a) of the Robert T.  
11                  Stafford Disaster Relief and Emergency  
12                  Assistance Act (42 U.S.C 5133(a)); and

13                  “(v) special assistance aimed at imple-  
14                  menting Executive Order 13985 (January  
15                  20, 2021) on Advancing Racial Equity and  
16                  Support for Underserved Communities  
17                  Through the Federal Government, as de-  
18                  fined by the Administrator.

19                  “(C) SPECIAL CONSIDERATIONS.—In de-  
20                  termining an appropriate level of assistance for  
21                  a covered community, as provided in subpara-  
22                  graph (B), the Administrator shall consider the  
23                  extent to which the community is working to  
24                  remedy problems associated with repeated

1 flooding and the resources available to the cov-  
2 ered community, including—

3 “(i) any Federal or State funding re-  
4 ceived by the covered community;

5 “(ii) the portion of the covered com-  
6 munity that is located within areas having  
7 special flood hazards; and

8 “(iii) any other factor that makes it  
9 difficult for the covered community to con-  
10 duct mitigation activities for flood-prone  
11 structures.

12 “(5) REPORTS TO CONGRESS.—Not later than  
13 3 years after the date of enactment of this sub-  
14 section, and not less frequently than once every 2  
15 years thereafter, the Administrator shall submit to  
16 the Congress a report regarding the progress made  
17 by covered communities with respect to imple-  
18 menting plans developed under paragraph (2)(C)  
19 and, to the extent possible, the trends in numbers of  
20 repetitive loss and severe repetitive loss properties.”.

21 **SEC. 4. FLOOD MITIGATION ASSISTANCE.**

22 (a) AUTHORITY.—Paragraph (2) of section 1366(a)  
23 of the National Flood Insurance Act of 1968 (42 U.S.C.  
24 4104c(a)(2)) is amended—

1 (1) by inserting “repetitive loss structures,”  
2 after “damage to”; and

3 (2) by inserting before “; and” the following: “,  
4 and other structures within an area that has been  
5 identified by the State or community as a repetitive  
6 loss area or has been determined by the Adminis-  
7 trator to pose a significant risk of recurrent flood-  
8 ing”.

9 (b) ELIGIBLE MITIGATION ACTIVITIES.—Subsection  
10 (c) of section 1366 of the National Flood Insurance Act  
11 of 1968 (42 U.S.C. 4104c) is amended—

12 (1) in paragraph (2)—

13 (A) in the paragraph heading, by inserting  
14 “FAIRNESS,” after “COST-EFFECTIVENESS” ;

15 (i) in subparagraph (A)—

16 (I) in clause (i)—

17 (aa) by inserting “, equi-  
18 table,” after “feasible”; and

19 (bb) by inserting “over the  
20 long term” after “cost-effective”;  
21 and

22 (II) in clause (ii), by inserting  
23 “repetitive loss or” before “severe”;  
24 and

1 (ii) in subparagraph (B) by inserting  
2 “, including benefits that provide needed  
3 assistance to vulnerable populations” be-  
4 fore the period at the end;

5 (2) in paragraph (3)—

6 (A) in subparagraph (C)—

7 (i) by striking “for public use,”; and

8 (ii) by inserting “, considering current  
9 and future risks” before the period at the  
10 end;

11 (B) in subparagraph (H) by inserting  
12 “and” after the semicolon at the end;

13 (C) in subparagraph (I) by striking “;  
14 and” and inserting a period; and

15 (D) by striking subparagraph (J); and

16 (3) in paragraph (4), by adding after the pe-  
17 riod, the following: “In any case in which elevation  
18 or rebuilding is authorized by the Administrator, the  
19 appropriate level of elevation shall incorporate ap-  
20 propriate freeboard or other safety factor based on  
21 an assessment using the best scientific information  
22 to determine risk levels over the expected lifetime of  
23 the structure.”.

1 (c) MATCHING REQUIREMENT.—Subsection (d) of  
2 section 1366 of the National Flood Insurance Act of 1968  
3 (42 U.S.C. 4104c(d)) is amended—

4 (1) in paragraph (2), by inserting before the pe-  
5 riod at the end the following: “, except in cases in  
6 which the repetitive loss structure lies within an area  
7 identified under a local plan adopted pursuant to  
8 section 1361(e) (42 U.S.C. 4102(e)). In such cases,  
9 mitigation activities, including acquisitions, shall be  
10 funded in an amount up to 100 percent of all eligi-  
11 ble costs”.

12 (2) by redesignating paragraph (3) as para-  
13 graph (4);

14 (3) by inserting after paragraph (2) the fol-  
15 lowing new paragraph:

16 “(3) WAIVER OF MATCHING REQUIREMENTS  
17 FOR PROPERTIES WITHIN UNDERSERVED COMMU-  
18 NITIES.—The matching requirement under this sub-  
19 section shall be waived for the following properties:

20 “(A) Properties located within a census  
21 tract with a Centers for Disease Control and  
22 Prevention Social Vulnerability Index score of  
23 not less than 0.5001.

24 “(B) Properties serving as the primary  
25 residence for a household having a household

1 income of not more than 100 percent of the ap-  
2 plicable area median income.”.

3 **SEC. 5. PREDISASTER MITIGATION.**

4 (a) DEFINITIONS.—Subsection (a) of section 203 of  
5 the Robert T. Stafford Disaster Relief and Emergency As-  
6 sistance Act (42 U.S.C 5133) is amended to read as fol-  
7 lows:

8 “(a) DEFINITION OF SMALL IMPOVERISHED COMMU-  
9 NITY AND HIGH-RISK COMMUNITY.—In this section—

10 “(1) the term ‘small impoverished community’  
11 means a community of 3,000 or fewer individuals  
12 that is economically disadvantaged, as determined by  
13 the State in which the community is located and  
14 based on criteria established by the President; and

15 “(2) the term ‘high-risk community’ means a  
16 community that has significant risk to health, safe-  
17 ty, or economic stability from natural disasters and  
18 also has limited resources to plan for and mitigate  
19 against such risks, as determined by the Adminis-  
20 trator. In making such determination, the Adminis-  
21 trator may consider information on past natural dis-  
22 asters, claims against the National Flood Insurance  
23 Fund, and other federal expenditures for disaster re-  
24 sponse and recovery as well as data related to size  
25 of the community, social vulnerability, poverty levels,

1 unemployment, housing shortages, or other factors  
2 that affect the community's capacity to prepare for  
3 and recover from natural disasters.”.

4 (b) STATE RECOMMENDATIONS.—Subparagraph (B)  
5 of section 203(d)(2) of the Robert T. Stafford Disaster  
6 Relief and Emergency Assistance Act (42 U.S.C 5133) is  
7 amended to read as follows:

8 “(B) EXCEPTIONS.—In providing assist-  
9 ance to local governments under this section,  
10 the President may select a local government has  
11 been identified as a small impoverished commu-  
12 nity or a high-risk community, or, if the Presi-  
13 dent determines that extraordinary cir-  
14 cumstances justify the selection and that mak-  
15 ing the selection will further the purpose of this  
16 section, another community that has not been  
17 recommended by a Governor under this sub-  
18 section.”.

19 (c) CRITERIA FOR ASSISTANCE AWARDS.—Sub-  
20 section (g) of section 203 of the Robert T. Stafford Dis-  
21 aster Relief and Emergency Assistance Act (42 U.S.C  
22 5133(g)) is amended—

23 (1) in paragraph (1) by inserting “, including  
24 the likelihood that identified hazards will increase in

1 severity, frequency, or impact in the future” before  
2 the semicolon at the end;

3 (2) in paragraph (8) by inserting “, including  
4 securing improved protections for vulnerable popu-  
5 lations” before the semicolon at the end; and

6 (3) in paragraph (9) by inserting “and high-  
7 risk communities” before the semicolon at the end.

8 (d) FEDERAL SHARE.—Paragraph (2) of section  
9 203(h) of the Robert T. Stafford Disaster Relief and  
10 Emergency Assistance Act (42 U.S.C. 5133(h)(2)) is  
11 amended to read as follows:

12 “(2) SMALL IMPOVERISHED AND HIGH-RISK  
13 COMMUNITIES.—Notwithstanding paragraph (1), the  
14 President may contribute up to 100 percent of the  
15 total cost of a mitigation activity carried out in a  
16 small impoverished community or in a high-risk  
17 community.”.

18 **SEC. 6. HAZARD MITIGATION GRANT PROGRAM.**

19 Subsection (b) of section 404 of the Robert T. Staf-  
20 ford Disaster Relief and Emergency Assistance Act (42  
21 U.S.C. 5170c(b)) is amended—

22 (1) in paragraph (1)—

23 (A) by striking “section” and replacing  
24 with “Act or under the National Flood Insur-  
25 ance Act (42 U.S.C. 4001 et. seq.)”; and



1 (B) by inserting after the period at the end  
2 the following: “ In providing such assistance,  
3 the Administrator shall allow for participating  
4 property owners, as well as any affected ten-  
5 ants, to be treated as displaced persons under  
6 the Uniform Relocation Assistance and Real  
7 property Acquisition Policies Act of 1970 (42  
8 U.S.C. 4601 et seq.)”; and

9 (2) by adding at the end the following new  
10 paragraph:

11 “(4) SPECIAL CONSIDERATIONS.—In the case of  
12 an acquisition or relocation project undertaken in co-  
13 operation with a community which meets the criteria  
14 set forth under subsection 1312(d) of the National  
15 Flood Insurance Act (42 U.S.C. 4019(d)), the Ad-  
16 ministrator may recognize for credit toward nec-  
17 essary local cost shares any properly documented ex-  
18 penditures related to such project which may have  
19 been made before the date of the grant award. Such  
20 expenditures may include costs related to structure  
21 inspections and appraisals, title searches, outreach  
22 to potentially affected property owners, real estate  
23 counseling and other necessary assistance, and plan-  
24 ning for reuse of the properties in compliance with  
25 this subsection.”.