AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3111
OFFERED BY MS. VELÁZQUEZ OF NEW YORK

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the “National Flood Insurance Program Administrative Re-

form Act of 2019”.

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

Sec. 1. Short title; table of contents.
Sec. 2. Pilot program for properties with preexisting conditions.
Sec. 3. Penalties for fraud and false statements in the National Flood Insur-

ance Program.
Sec. 4. Enhanced policyholder appeals process rights.
Sec. 5. Deadline for approval of claims.
Sec. 6. Litigation process oversight and reform.
Sec. 7. Prohibition on hiring disbarred attorneys.
Sec. 8. Technical assistance reports.
Sec. 9. Improved disclosure requirement for standard flood insurance policies.
Sec. 10. Reserve Fund amounts.
Sec. 11. Sufficient staffing for Office of Flood Insurance Advocate.
Sec. 13. Interagency guidance on compliance.
Sec. 14. GAO study of claims adjustment practices.
Sec. 15. GAO study of flood insurance coverage treatment of earth movement.
Sec. 16. Definitions.
SEC. 2. PILOT PROGRAM FOR PROPERTIES WITH PRE-EXISTING CONDITIONS.

Section 1311 of the National Flood Insurance Act of 1968 (42 U.S.C. 4018) is amended by adding at the end the following new subsection:

“(c) Pilot Program for Investigation of Pre-Existing Structural Conditions.—

“(1) Voluntary Program.—The Administrator shall carry out a pilot program under this subsection to provide for companies participating in the Write Your Own program (as such term is defined in section 1370(a) (42 U.S.C. 4121(a))) to investigate preexisting structural conditions of insured properties and potentially insured properties that could result in the denial of a claim under a policy for flood insurance coverage under this title in the event of a flood loss to such property. Participation in the pilot program shall be voluntary on the part of Write Your Own companies.

“(2) Investigation of Properties.—Under the pilot program under this subsection, a Write Your Own company participating in the program shall—

“(A) provide in policies for flood insurance coverage under this title covered by the pro-
gram that, upon the request of the policyholder,
the company shall provide for—

“(i) an investigation of the property
covered by such policy, using common
methods, to determine whether preexisting
structural conditions are present that could
result in the denial of a claim under such
policy for flood losses; and

“(ii) if such investigation is not deter-
minative, an on-site inspection of the prop-
erty to determine whether such preexisting
structural conditions are present;

“(B) upon completion of an investigation
or inspection pursuant to subparagraph (A)
that determines that such a preexisting struc-
tural condition is present or absent, submit a
report to the policyholder and Administrator de-
scribing the condition; and

“(C) impose a surcharge on each policy de-
scribed in subparagraph (A) in such amount
that the Administrator determines is appro-
priate to cover the costs of investigations and
inspections performed pursuant to such policies
and reimburse Write Your Own companies par-
participating in the program under this subsection for such costs.

“(3) INTERIM REPORT.—Not later than December 31, 2023, the Administrator shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate describing the operation of the pilot program to that date.

“(4) SUNSET.—The Administrator may not provide any policy for flood insurance described in paragraph (2)(A) after December 31, 2024.

“(5) FINAL REPORT.—Not later than March 31, 2025, the Administrator shall submit a final report regarding the pilot program under this section to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate. The report shall include any findings and recommendations of the Administrator regarding the pilot program.”.
SEC. 3. PENALTIES FOR FRAUD AND FALSE STATEMENTS IN THE NATIONAL FLOOD INSURANCE PROGRAM.

Part C of chapter 2 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081 et seq.) is amended by adding at the end the following new section:

“SEC. 1349. PENALTIES FOR FRAUD AND FALSE STATEMENTS IN THE NATIONAL FLOOD INSURANCE PROGRAM.

“(a) PROHIBITED ACTS.—A person shall not knowingly make a false, fictitious, or fraudulent statement, production, or submission in connection with the proving or adjusting of a claim for flood insurance coverage made available under this Act. Such prohibited acts include—

“(1) knowingly forging an engineering report, claims adjustment report or technical assistance report used to support a claim determination;

“(2) knowingly making any materially false, fictitious, or fraudulent statement or representation in an engineering report, claims adjustment report, or technical assistance report to support a claim determination that results in a wrongful denial or substantial payment error of flood insurance coverage;

“(3) knowingly submitting a materially false, fictitious, or fraudulent claim that results in wrongful payment of flood insurance coverage.
“(b) DEFINITION.—For purposes of this section, the term ‘knowingly’ means having actual awareness of the prohibitions under this part and acting deliberately in violation of such prohibitions.

“(c) ADMINISTRATIVE REMEDY.—Prior to any legal action being taken related to this section, all administrative remedies shall be exhausted.

“(d) RULE OF CONSTRUCTION.—This section shall not be construed—

“(1) to prevent the Federal Government from bringing action against a company or individual under applicable statutes, including the False Claims Act; and

“(2) as creating any action, private right of action, or remedy not otherwise provided by this title or under Federal law.

“(3) STATE ACTION.—Any person found to have violated subsection (a) shall be referred to the appropriate and relevant State licensing agency by the Attorney General.”.

SEC. 4. ENHANCED POLICYHOLDER APPEALS PROCESS RIGHTS.

(a) ESTABLISHMENT.—Part C of chapter II of the National Flood Insurance Act of 1968 (42 U.S.C. 4081 et seq.), as amended by the preceding provisions of this
Act, is further amended by adding at the end the following new section:

“SEC. 1350. APPROVAL OF DECISIONS RELATING TO FLOOD INSURANCE COVERAGE.

“(a) IN GENERAL.—The Administrator shall establish an appeals process to enable holders of a flood insurance policy provided under this title to appeal decisions, with respect to the disallowance, in whole or in part, of any claims for losses covered by flood insurance. Such appeals shall be limited to the claim or portion of the claim disallowed.

“(b) APPEAL DECISION.—Upon a decision in an appeal under subsection (a), the Administrator shall provide the policyholder with a written appeal decision. The appeal decision shall explain the Administrator’s determination to uphold, modify, or overturn the decision. The Administrator may direct the Write Your Own company to take action necessary to resolve the appeal, to include re-inspection, re-adjustment, or payment, as appropriate.

“(c) DEADLINE FOR APPEALS DECISION.—The Administrator shall issue an appeals decision pursuant to subsection (b) not later than the expiration of the 120-day period beginning upon the day on which the Administrator acknowledges receipt of a request by the policyholder to pursue an appeal of the initial determination re-
garding approval, disapproval, or amount of payment by the Administrator. In cases where extraordinary circumstances, as established by regulation, are demonstrated, the 120-day period may be extended by additional successive periods of 30 days.

“(d) ADMINISTRATIVE REMEDY.—A policyholder shall exhaust all administrative remedies, including submission of disputed claims to appeal under subsection (a), prior to commencing legal action on a disputed claim.

“(e) RULES OF CONSTRUCTION.—This section shall not be construed as—

“(1) making the Federal Emergency Management Agency or the Administrator a party to the flood insurance contract; or

“(2) creating any action or remedy not otherwise provided by this title.

“(f) POLICYHOLDER LITIGATION.—This section shall not be construed to prevent a policyholder from bringing legal action against the Federal Emergency Management Agency or a Write Your Own company following the exhaustion of all administrative remedies and pursuant to applicable statute.”.

(b) MAINTENANCE OF LITIGATION RIGHTS.—Section 1341 of the National Flood Insurance Act of 1968 (42 U.S.C. 4072) is amended by adding after the period at
the end the following: “For purposes of this section, the
time from which the Administrator has acknowledged re-
cipt of a request by the policyholder to pursue an appeal
of the initial determination regarding approval, dis-
approval, or amount of payment by the Administrator
until the Administrator mails a final determination of such
appeal shall not be considered towards the one year stat-
ute of limitation under this Act. However, this section
shall not be construed as creating any action or remedy
not otherwise provided by this title.”

c) REPEAL.—Section 205 of the Bunning-Blu-
menauer-Bereuter Flood Insurance Reform Act of 2004
(42 U.S.C. 4011 note) is hereby repealed.

SEC. 5. DEADLINE FOR APPROVAL OF CLAIMS.

(a) IN GENERAL.—Section 1312 of the National
Flood Insurance Act of 1968 (42 U.S.C. 4019) is amend-
ed—

(1) in subsection (a), by striking “The Adminis-
trator” and inserting “Subject to other provisions of
this section, the Administrator”; and

(2) by adding at the end the following new sub-
section:

“(d) DEADLINE FOR APPROVAL OF CLAIMS.—

“(1) IN GENERAL.—The Administrator shall
provide that, in the case of any claim for damage to
or loss of property under flood insurance coverage made available under this title, an initial determination regarding approval of a claim for payment or disapproval of the claim be made, and notification of such determination be provided to the insured making such claim, not later than the expiration of the 120-day period (as such period may be extended pursuant to paragraph (2)) beginning upon the day on which the policyholder submits a signed proof of loss detailing the damage and amount of the loss. Payment of approved claims shall be made as soon as possible after such approval.

“(2) EXTENSION OF DEADLINE.—The Administrator shall—

“(A) provide that the period referred to in paragraph (1) may be extended by additional successive periods of 30 days in cases where extraordinary circumstances are demonstrated; and

“(B) establish, by regulation, criteria for demonstrating such extraordinary circumstances.”.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to any claim under flood insurance coverage made available under the National Flood Insur-
ance Act of 1968 (42 U.S.C. 4001 et seq.) pending on
the date of the enactment of this Act and any claims made
after such date of enactment.

SEC. 6. LITIGATION PROCESS OVERSIGHT AND REFORM.

(a) In General.—Part C of chapter II of the Na-
tional Flood Insurance Act of 1968 (42 U.S.C. 4081 et
seq.), as amended by the preceding provisions of this Act,
is further amended by adding at the end the following new
section:

“SEC. 1351. OVERSIGHT OF LITIGATION.

“(a) Oversight.—The Administrator shall monitor
and oversee litigation conducted by Write Your Own com-
panies arising under contracts for flood insurance sold
pursuant to this title, to ensure that—

“(1) litigation expenses are reasonable, appro-
priate, and cost-effective; and

“(2) Write Your Own companies comply with
guidance and procedures established by the Adminis-
trator regarding the conduct of litigation.

“(b) Denial of Reimbursement for Ex-
penses.—The Administrator may deny reimbursement
for litigation expenses that are determined to be unreason-
able, excessive, contrary to guidance issued by the Admin-
istrator, or outside the scope of any arrangement entered
into with a Write Your Own company.
“(c) JOINT DEFENSE.—

“(1) AUTHORITY.—The Administrator and the Write Your Own companies may enter into, and operate under, a joint defense agreement for any claim or lawsuit, or multiple claims or lawsuits, arising under a contract of flood insurance.

“(2) FREE FLOW OF INFORMATION.—Under such joint defense agreement, there may be the free flow of information between the Write Your Own companies, the Administrator, the United States Department of Justice, and legal counsel for the Write Your Own companies for the purpose of litigation coordination and to allow the Administrator to perform oversight responsibility of such litigation.

“(3) ARRANGEMENT.— Such joint defense agreement may be included in the Arrangement between the Administrator and the Write Your Own companies.

“(4) REGULATIONS.—The Administrator may issue rules or regulations or provide such formal guidance as the Administrator considers necessary and appropriate in order to further such joint defense agreement with the Write Your Own companies.”.
(b) IMPLEMENTATION.—The Administrator of the Federal Emergency Management Agency shall initiate compliance with section 1351(c) of the National Flood Insurance Act of 1968, as added by the amendment made by subsection (a) of this section, not later than the expiration of the 12-month period beginning on the date of the enactment of this Act.

SEC. 7. PROHIBITION ON HIRING DISBARRED ATTORNEYS.

Part C of chapter II of the National Flood Insurance Act of 1968 (42 U.S.C. 4081 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

“SEC. 1352. PROHIBITION ON HIRING DISBARRED ATTORNEYS.

“The Administrator may not at any time newly employ in connection with the flood insurance program under this title any attorney who has been suspended or disbarred by any court, bar, or Federal or State agency to which the individual was previously admitted to practice.”.

SEC. 8. TECHNICAL ASSISTANCE REPORTS.

(a) USE.—Section 1312 of the National Flood Insurance Act of 1968 (42 U.S.C. 4019), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:
“(e) USE OF TECHNICAL ASSISTANCE REPORTS.—

When adjusting claims for any damage to or loss of property which is covered by flood insurance made available under this title, the Administrator may rely upon technical assistance reports, as such term is defined in section 1312A, only if such reports are final and are prepared in compliance with applicable State and Federal laws regarding professional licensure and conduct.”.

(b) DISCLOSURE.—The National Flood Insurance Act of 1968 is amended by inserting after section 1312 (42 U.S.C. 4019) the following new section:

“SEC. 1312A. DISCLOSURE OF TECHNICAL ASSISTANCE REPORTS.

“(a) IN GENERAL.—Notwithstanding section 552a of title 5, United States Code, upon request by a policyholder, the Administrator shall provide a true, complete, and unredacted copy of any technical assistance report that the Administrator relied upon in adjusting and paying for any damage to or loss of property insured by the policyholder and covered by flood insurance made available under this title. Such disclosures shall be in addition to any other right of disclosure otherwise made available pursuant such section 552a or any other provision of law.

“(b) DIRECT DISCLOSURE BY WRITE YOUR OWN COMPANIES AND DIRECT SERVICING AGENTS.—A Write
Your Own company or direct servicing agent in possession of a technical assistance report subject to disclosure under subsection (a) may disclose such technical assistance report without further review or approval by the Administrator.

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

“(1) POLICYHOLDER.—The term ‘policyholder’ means a person or persons shown as an insured on the declarations page of a policy for flood insurance coverage sold pursuant to this title.

“(2) TECHNICAL ASSISTANCE REPORT.—The term ‘technical assistance report’ means a report created for the purpose of furnishing technical assistance to an insurance claims adjuster assigned by the National Flood Insurance Program, including by engineers, surveyors, salvors, architects, and certified public accounts.”.

SEC. 9. IMPROVED DISCLOSURE REQUIREMENT FOR STANDARD FLOOD INSURANCE POLICIES.

(a) IN GENERAL.—Section 100234 of the Biggert-Waters Flood Insurance Reform Act of 2012 (42 U.S.C. 4013a) is amended by adding at the end the following new subsections:

“(c) DISCLOSURE OF COVERAGE.—
“(1) DISCLOSURE SHEET.—Each policy under the National Flood Insurance Program shall include a standard disclosure sheet that is produced by the Administrator that sets forth, in plain language—

“(A) the definition of the term ‘flood’ for purposes of coverage under the policy;

“(B) a description of what type of flood forces are necessary so that losses from an event are covered under the policy, including overflow of inland or tidal waves, unusual and rapid accumulation or runoff of a surface any source, and mudflow;

“(C) a statement acknowledging that a standard flood insurance policy does not cover basement improvements, such as finished walls, floors, and ceilings, or personal property kept in a basement;

“(D) a statement acknowledging a standard flood insurance policy does not include coverage for personal property, but such coverage may be purchased, for some personal property contained in a basement, as well as personal belongings contained elsewhere in the dwelling;
“(E) a statement of the other types and characteristics of losses that are not covered under the policy;

“(F) a statement that the disclosure sheet provides general information about the policyholder’s standard flood insurance policy;

“(G) a statement that the standard flood insurance policy, together with the endorsements and declarations page, make up the official contract and are controlling in the event that there is any difference between the information on the disclosure sheet and the information in the policy;

“(H) a statement that, if the policyholder has any questions regarding information in the disclosure sheet or policy, the policyholder should contact the entity selling the policy on behalf of the Program, together with contact information sufficient to allow the policyholder to contact such entity; and

“(I) any other information that the Administrator determines will be helpful to policyholder in understanding flood insurance coverage.
“(2) ACKNOWLEDGMENT SHEET.—Each policy application under the National Flood Insurance Program shall include an acknowledgment sheet on which the policyholder shall affirmatively—

“(A) acknowledge that the policyholder received the disclosure sheet required under paragraph (1);

“(B) accept or decline coverage for personal property;

“(C) accept or decline other optional coverage that may be available;

“(D) acknowledge the policyholder’s understanding that the standard flood insurance policy, together with the endorsements and declarations page, make up the official contract and are controlling in the event that there is any difference between the information on the acknowledgment sheet and the information in the policy; and

“(E) acknowledge that the policyholder has been provided and has reviewed a summary, which may be the policy declarations page, of the total cost, amount and extent of insurance coverage provided under the policy.
“(d) Rule of Construction.—This section shall not be construed to void or alter the coverage terms of the underlying standard flood insurance policy and the corresponding endorsements. In the event that the customer does not affirmatively acknowledge the requirements under subsection (c)(2), a Write Your Own company may still issue the policy on behalf of the National Flood Insurance Program under such terms.”.

(b) Repeals.—Sections 202 and 203 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note) is hereby repealed.


Section 1310 of the National Flood Insurance Act of 1968 (42 U.S.C. 4017) is amended by adding at the end the following new subsection:

“(g) Crediting of Reserve Fund Amounts.—Funds collected pursuant to section 1310A may be credited to the Fund under this section to be available for the purpose described in subsection (d)(1).”.


(a) In General.—Section 24 of the Homeowner Flood Insurance Affordability Act of 2014 (42 U.S.C. 4033) is amended by adding at the end the following new subsection:
“(c) STAFF.—The Administrator shall ensure that the Flood Insurance Advocate has sufficient staff to carry out all of the duties and responsibilities of the Advocate under this section.”.

(b) TIMING.—The Administrator of the Federal Emergency Management Agency shall take such actions as may be necessary to provide for full compliance with section 24(c) of the Homeowner Flood Insurance Affordability Act of 2014, as added by the amendment made by subsection (a) of this section, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act.

SEC. 12. FEDERAL FLOOD INSURANCE ADVISORY COMMITTEE.

Section 1318 of the National Flood Insurance Act of 1968 (42 U.S.C. 4025) is amended to read as follows:

“SEC. 1318. FEDERAL FLOOD INSURANCE ADVISORY COMMITTEE.

“(a) ESTABLISHMENT.—There is established an advisory committee to be known as the Federal Flood Insurance Advisory Committee (in this section referred to as the ‘Committee’).

“(b) MEMBERSHIP.—

“(1) MEMBERS.—The Committee shall consist of—
“(A) the Administrator of the Federal Emergency Management Agency (in this section referred to as the ‘Administrator’), or the designee thereof; and

“(B) additional members appointed by the Administrator or the designee of the Administrator, who shall include—

“(i) three representatives of Write Your Own companies;

“(ii) one individual who served in the past, or is currently serving, as an insurance regulator of a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, or any federally-recognized Indian tribe;

“(iii) one representative of the financial or insurance sectors who is involved in risk transfers, including reinsurance, resilience bonds, and other insurance-linked securities;

“(iv) one actuary with demonstrated high-level knowledge of catastrophic risk insurance;
“(v) two insurance agents or brokers with demonstrated experience with the sale of flood insurance under the National Flood Insurance Program, one of whom shall have demonstrated expertise in the challenges in insuring low-income communities;

“(vi) one insurance claims specialist;

“(vii) one representative of a recognized consumer advocacy organization; and

“(viii) one representative from an academic institution who has demonstrated expertise in insurance.

“(2) QUALIFICATIONS.—In appointing members under paragraph (1)(C), the Administrator shall, to the maximum extent practicable, ensure the membership of the Committee has a balance of members reflecting geographic diversity, including representation from areas inland or with coastline identified by the Administrator as at high risk for flooding or as areas having special flood hazards.

“(c) DUTIES.—The Administrator shall submit, and the Committee shall review and make recommendations on, matters related to the insurance aspects of the National Flood Insurance Program, including ratemaking,
technology to administer insurance, risk assessment, actuarial practices, claims practices, sales and insurance delivery, compensation and allowances, the public-private partnership under the Write Your Own arrangement, general best insurance practices, and any significant changes proposed to be made regarding the operation of the National Flood Insurance Program.

“(d) CHAIRPERSON.—The members of the Committee shall elect one member to serve as the chairperson of the Committee (in this section referred to as the ‘Chairperson’).

“(e) COMPENSATION.—Members of the Committee shall receive no additional compensation by reason of their service on the Committee. Members may be reimbursed by the Federal Government for travel expenses, including per diem in lieu of subsistence, at rates consistent with rates authorized for employees of Federal agencies under subchapter 1 of chapter 57 of title 5, United States Code, while away from home or regular places of business in performance of service for the Committee.

“(f) MEETINGS AND ACTIONS.—

“(1) IN GENERAL.—The Committee shall meet not less frequently than twice each year at the request of the Chairperson or a majority of its members, and may take action by a vote of the majority
of the members in accordance with the Committee’s charter.

“(2) INITIAL MEETING.—The Administrator, or a person designated by the Administrator, shall request and coordinate the initial meeting of the Committee.

“(g) TRANSPARENCY; FACA.—To the greatest extent possible, the Committee shall operate in a transparent manner that adheres to the requirements of the Federal Advisory Committee Act, with the exception that the Committee shall be permitted to freely communicate both during and between meetings under paragraph (f) in a confidential manner to discuss non-public information regarding the operations of the National Flood Insurance Program and other sensitive and non-public issues. If such communication occurs, the Committee shall, to the greatest extent possible, report a summary of such discussions in an appropriate public manner.

“(h) STAFF OF FEMA.—Upon the request of the Chairperson, the Administrator may detail, on a nonreimbursable basis, personnel of the Federal Emergency Management Agency to assist the Committee in carrying out its duties.

“(i) POWERS.—In carrying out this section, the Committee may hold hearings, receive evidence and assistance,
provide information, and conduct research, as it considers appropriate.

“(j) REPORTS TO CONGRESS.—The Administrator, on an annual basis, shall report to the Committee on Financial Services of the House of Representatives, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Office of Management and Budget on—

“(1) the recommendations made by the Committee;

“(2) actions taken by the Federal Emergency Management Agency to address such recommendations to improve the insurance aspects of the national flood insurance program; and

“(3) any recommendations made by the Committee that have been deferred or not acted upon, together with an explanatory statement.

“(k) RULE OF CONSTRUCTION.—This section shall not be construed to eliminate or alter any requirement on the Administrator associated with the notification or consultation of specified individuals or groups of individuals as required elsewhere by statute.”.

SEC. 13. INTERAGENCY GUIDANCE ON COMPLIANCE.

The Federal entities for lending regulation (as such term is defined in section 3(a) of the Flood Disaster Pro-
tection Act of 1973 (42 U.S.C. 4003(a)), in consultation with the Administrator of the Federal Emergency Management Agency, shall update and reissue the document entitled “Interagency Questions and Answers Regarding Flood Insurance” not later than the expiration of the 12-month period beginning on the date of the enactment of this Act and not less frequently than biennially thereafter.

SEC. 14. GAO STUDY OF CLAIMS ADJUSTMENT PRACTICES.

The Comptroller General of the United States shall conduct a study of the policies and practices for adjustment of claims for losses under flood insurance coverage made available under the National Flood Insurance Act, which shall include—

(1) a comparison of such policies and practices with the policies and practices for adjustment of claims for losses under other insurance coverage;

(2) an assessment of the quality of the adjustments conducted and the effects of such policies and practices on such quality;

(3) identification of any incentives under such policies and practices that affect the speed with which such adjustments are conducted; and

(4) identification of the affects of such policies and practices on insureds submitting such claims for losses.
Not later than the expiration of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding the findings and conclusions of the study conducted pursuant to this section.

SEC. 15. GAO STUDY OF FLOOD INSURANCE COVERAGE TREATMENT OF EARTH MOVEMENT.

The Comptroller General of the United States shall conduct a study of the treatment, under flood insurance coverage made available under the National Flood Insurance Act, of earth movement and subsidence, including earth movement and subsidence caused by flooding, which shall include—

(1) identification and analysis of the effects of such treatment on the National Flood Insurance Program and insureds under the program;

(2) an assessment of the availability and affordability of coverage in the private insurance market for earth movement and subsidence caused by flooding;

(3) an assessment of the effects on the National Flood Insurance Program of covering earth movement and subsidence caused by flooding; and
(4) a projection of the increased premiums that would be required to make coverage for earth movement losses actuarially sound and not fiscally detrimental to the continuation of the National Flood Insurance Program.

Not later than the expiration of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding the findings and conclusions of the study conducted pursuant to this section.

SEC. 16. DEFINITIONS.

(a) NATIONAL FLOOD INSURANCE ACT OF 1968.—Subsection (a) of section 1370 of the National Flood Insurance Act of 1968 (42 U.S.C. 4121(a)) is amended—

(1) in paragraph (14), by striking “and” at the end;

(2) in paragraph (15), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

“(16) the term ‘Write Your Own Program’ means the program under which the Federal Emergency Management Agency enters into a standard
arrangement with private property insurance companies to sell contracts for flood insurance coverage under this title under their own business lines of insurance, and to adjust and pay claims arising under such contracts; and

“(17) the term ‘Write Your Own company’ means a private property insurance company that participates in the Write Your Own Program.”.

(b) BIGGERT-WATERS FLOOD INSURANCE REFORM ACT OF 2012.—Subsection (a) of section 100202 of the Biggert-Waters Flood Insurance Reform Act of 2012 (42 U.S.C. 4004(a)) is amended by striking paragraph (5) and inserting the following new paragraph:

“(5) WRITE YOUR OWN.—The terms ‘Write Your Own Program’ and ‘Write Your Own company’ have the meanings given such terms in section 1370(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4121(a)).”.