

117TH CONGRESS
2D SESSION

H. R. 7364

To permit policyholders under the National Flood Insurance Program to elect to have previous premium rates remain in effect until the Administrator of the Federal Emergency Management Agency satisfies certain conditions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2022

Mr. GRAVES of Louisiana (for himself, Mr. PASCRELL, Mr. WEBER of Texas, Mr. CARTER of Louisiana, Mr. PALLONE, and Mr. ROUZER) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To permit policyholders under the National Flood Insurance Program to elect to have previous premium rates remain in effect until the Administrator of the Federal Emergency Management Agency satisfies certain conditions, 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 “Stop Flood Insurance
5 Rate Hikes Act”.

1 **SEC. 2. CHARGEABLE PREMIUM RATES.**

2 (a) DEFINITIONS.—In this section—

3 (1) the term “Administrator” means the Ad-
4 ministrator of the Federal Emergency Management
5 Agency; and

6 (2) the term “National Flood Insurance Pro-
7 gram” means the program established under the Na-
8 tional Flood Insurance Act of 1968 (42 U.S.C. 4001
9 et seq.).

10 (b) OPTION FOR POLICYHOLDERS.—

11 (1) IN GENERAL.—Notwithstanding section
12 1308 of the National Flood Insurance Act of 1968
13 (42 U.S.C. 4015), a policyholder under the National
14 Flood Insurance Program may elect to have the
15 chargeable premium rate for the applicable property
16 of the policyholder, as in effect on April 1, 2020,
17 apply and remain in effect during the period begin-
18 ning on the date of enactment of this Act and end-
19 ing on the date on which the Administrator com-
20 pletes all of the actions described in subsection (c),
21 without regard to the chargeable premium rate that
22 is in effect for that property, as of the day before
23 the date of enactment of this Act.

24 (2) NOTIFICATION REQUIREMENT.—The Ad-
25 ministrator shall provide each policyholder under the
26 National Flood Insurance Program a notification re-

1 regarding the right of the policyholder under para-
2 graph (1).

3 (3) REFUND.—The Administrator shall provide
4 for a refund to each policyholder making the election
5 pursuant to paragraph (1) in the amount of any
6 chargeable premiums paid in excess of the charge-
7 able premium rate for the property as in effect on
8 April 1, 2020, and attributable to coverage during
9 the period beginning on such date and ending upon
10 the date that such election takes effect.

11 (c) REQUIRED ACTIONS.—The actions of the Admin-
12 istrator described in this subsection are as follows:

13 (1) Makes available to the public all data and
14 methods used to prescribe chargeable premium rates
15 for types and classes of properties for which insur-
16 ance coverage is available under the National Flood
17 Insurance Act of 1968 (42 U.S.C. 4001 et seq.) (re-
18 ferred to in this subsection as “chargeable premium
19 rates”) under Risk Rating 2.0, or any substantially
20 similar methodology.

21 (2) Creates an online database that is available
22 to policyholders under the National Flood Insurance
23 Program that provides each such policyholder with
24 information regarding what the chargeable premium

1 rate for the applicable property of the policyholder
2 would be—

3 (A) under Risk Rating 2.0, or any sub-
4 stantially similar methodology; and

5 (B) assuming that the limitation under
6 section 1308(e) of the National Flood Insur-
7 ance Act of 1968 (42 U.S.C. 4015(e)) were not
8 in effect.

9 (3) Completes and publishes a comprehensive
10 assessment of the economic, social, and environ-
11 mental impacts of implementing Risk Rating 2.0 (or
12 any substantially similar methodology) during the
13 20-year period beginning in the year in which the
14 assessment is made, which shall include an evalua-
15 tion of the effect that such implementation will have,
16 during that 20-year period, on—

17 (A) the affordability and availability of
18 flood insurance under the National Flood Insur-
19 ance Program;

20 (B) property values;

21 (C) non-Federal Government revenues;

22 (D) the expected cost increases and exacer-
23 bation of inequality for low- and moderate-in-
24 come policy holders, particularly year-over-year
25 policy rate changes under the 18 percent limita-

1 tion under section 1308(e)(1) of the National
2 Flood Insurance Act of 1968 (42 U.S.C.
3 4015(e)(1));

4 (E) how modifications to the National
5 Flood Insurance Program on implementing
6 Risk Rating 2.0, or any substantially similar
7 methodology, including any modifications under
8 the Administrator’s notice of availability of the
9 record of decision for the final nationwide pro-
10 grammatic environmental impact statement (83
11 Fed. Reg. 24328), will impact climate resiliency
12 of policy holders and communities; and

13 (F) how specific premium savings can be
14 accessed by mitigation measures, including how
15 home builders can determine the offset of in-
16 creased cost of construction imposed by imple-
17 menting such measures, the regional develop-
18 ment of community flood risk measures, and
19 updating building codes.

20 (4) Supplements (and revises, as appropriate)
21 the Record of Decision for the final nationwide pro-
22 grammatic environmental impact statement evalu-
23 ating the environmental impacts of proposed modi-
24 fications to the National Flood Insurance Program
25 (83 Fed. Reg. 24328) to include the impacts of im-

1 plementing Risk Rating 2.0, or any substantially
2 similar methodology.

3 (5) Demonstrates that the data and methods
4 used to prescribe chargeable premium rates under
5 Risk Rating 2.0, or any substantially similar meth-
6 odology, satisfy the requirements under section 515
7 of the Consolidated Appropriations Act, 2001 (Pub-
8 lic Law 106–554; 114 Stat. 2763A–153), including
9 that, in implementing that methodology, the Admin-
10 istrator ensures and maximizes the quality, objec-
11 tivity, utility, and integrity of information dissemi-
12 nated by the Administrator.

13 (6) Conducts public notice and comment rule-
14 making under chapter 5 of title 5, United States
15 Code, regarding Risk Rating 2.0, or any substan-
16 tially similar methodology, which shall include the
17 development of a fair, transparent, and streamlined
18 process to manage—

19 (A) disputes over chargeable premium
20 rates; and

21 (B) other factors with respect to the imple-
22 mentation of that methodology.

23 (7) For each county in the United States, pub-
24 lishes the distribution of chargeable premium rates
25 showing the median, mean, lower and upper quar-

1 tiles, maximum amount, and minimum amount of
2 chargeable premium rates under each of the fol-
3 lowing:

4 (A) The method used to prescribe charge-
5 able premium rates, as of September 30, 2021.

6 (B) The methodology projected to be used
7 to prescribe chargeable premium rates, as of
8 April 1, 2022, assuming that the limitations
9 under section 1308(e) of the National Flood In-
10 surance Act of 1968 (42 U.S.C. 4015(e)) are
11 applied.

12 (C) The methodology described in subpara-
13 graph (B), assuming that the limitations de-
14 scribed in that subparagraph are not applied.

15 (D) The methodology described in sub-
16 paragraph (B), assuming that—

17 (i) the limitations described in that
18 subparagraph are applied; and

19 (ii) the administrative costs of the Na-
20 tional Flood Insurance Program are allo-
21 cated on a uniform, per contract basis
22 rather than as allocated under Risk Rating
23 2.0, or any substantially similar method-
24 ology.

1 (E) The methodology described in subpara-
2 graph (B), assuming that—

3 (i) the limitations described in that
4 subparagraph are not applied; and

5 (ii) the administrative costs of the Na-
6 tional Flood Insurance Program are allo-
7 cated on a uniform, per contract basis
8 rather than as allocated under Risk Rating
9 2.0, or any substantially similar method-
10 ology.

11 (8) Submits to the Committee on Banking,
12 Housing, and Urban Affairs of the Senate and the
13 Committee on Financial Services of the House of
14 Representatives a report detailing the satisfaction of
15 the requirements under paragraphs (1) through (7).

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