

**AMENDMENT TO H.R. 5114, AS REPORTED  
OFFERED BY MR. SCHOCK OF ILLINOIS**

At the appropriate place in the bill, insert the following new section:

1 **SEC. \_\_\_\_ . EXEMPTION FROM MANDATORY PURCHASE RE-**  
2 **QUIREMENT AND CHARGEABLE RATES FOR**  
3 **PRE-FIRM PROPERTIES.**

4 (a) **EXEMPTION FROM MANDATORY PURCHASE RE-**  
5 **QUIREMENT.**—Section 102(c) of the Flood Disaster Pro-  
6 tection Act of 1973 (42 U.S.C. 4012a(c)) is amended by  
7 adding at the end the following new paragraph:

8 “(3) **PRE-FIRM PROPERTIES OWNED BY ORIGI-**  
9 **NAL OWNER.**—Notwithstanding any other provision  
10 of this Act, subsections (a), (b), and (e) of this sec-  
11 tion, and section 202(a) of this Act, shall not apply  
12 with respect to a property that—

13 “(A) has been constructed or substantially  
14 improved and for which such construction or  
15 improvement was started, as determined by the  
16 Director, before December 31, 1974, or before  
17 the effective date of the initial rate map pub-  
18 lished by the Director under paragraph (2) of

1 section 1360 for the area in which such prop-  
2 erty is located, whichever is later; and

3 “(B) is owned by the same person who  
4 owned such property on December 31, 1974, or  
5 on the effective date referred to in subpara-  
6 graph (A), whichever is later.”

7 (b) CHARGEABLE RATES.—Section 1308 of the Na-  
8 tional Flood Insurance Act of 1968 (42 U.S.C. 4015), as  
9 amended by section 10, is further amended by adding at  
10 the end the following new subsection:

11 “(i) PRE-FIRM PROPERTIES OWNED BY ORIGINAL  
12 OWNER.—Notwithstanding any other provision of law re-  
13 lating to chargeable risk premium rates for flood insur-  
14 ance coverage under this title, in the case of a property  
15 referred to in section 102(c)(3) of the Flood Disaster Pro-  
16 tection Act of 1973 (42 U.S.C. 4012a(c)(3)), the charge-  
17 able premium rate for flood insurance under this title with  
18 respect to such property shall be 40 percent of the charge-  
19 able risk premium rate otherwise applicable under this  
20 title to such property.”

