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**AMENDMENT TO H.R. 5114, AS REPORTED  
OFFERED BY MR. TAYLOR OF MISSISSIPPI AND  
MR. SCALISE OF LOUISIANA**

Page 41, after line 15, insert the following new section:

1 **SEC. 24. MULTIPERIL COVERAGE FOR DAMAGE FROM**  
2 **FLOOD OR WINDSTORM AND SEPARATE COV-**  
3 **ERAGE FOR WINDSTORM.**

4 (a) COVERAGE FOR WINDSTORMS.—Section 1304 of  
5 the National Flood Insurance Act of 1968 (42 U.S.C.  
6 4011) is amended—

7 (1) by redesignating subsection (c) as sub-  
8 section (d); and

9 (2) by inserting after subsection (b) the fol-  
10 lowing new subsection:

11 “(c) MULTIPERIL COVERAGE FOR DAMAGE FROM  
12 FLOOD OR WINDSTORM AND SEPARATE COVERAGE FOR  
13 WINDSTORM.—

14 “(1) IN GENERAL.—The national flood insur-  
15 ance program established pursuant to subsection (a)  
16 shall enable the purchase of the following coverages:

17 “(A) MULTIPERIL COVERAGE.—Optional  
18 insurance against loss resulting from physical

1 damage to or loss of real property or personal  
2 property related thereto located in the United  
3 States arising from any flood or windstorm,  
4 subject to the limitations in this subsection and  
5 section 1306(b); and

6 “(B) SEPARATE WINDSTORM COVERAGE.—  
7 Optional insurance against loss resulting from  
8 physical damage to or loss of real property or  
9 personal property related thereto located in the  
10 United States arising from any windstorm, sub-  
11 ject to the limitations in this subsection and  
12 section 1306(b).

13 “(2) COMMUNITY PARTICIPATION REQUIRE-  
14 MENT.—Multiperil coverage pursuant to paragraph  
15 (1)(A) and windstorm coverage pursuant to para-  
16 graph (1)(B) may not be provided in any area (or  
17 subdivision thereof) unless an appropriate public  
18 body shall have adopted adequate mitigation meas-  
19 ures (with effective enforcement provisions) which  
20 the Director finds are consistent with the criteria for  
21 construction described in the International Code  
22 Council building codes relating to wind mitigation.

23 “(3) RELATIONSHIP TO FLOOD INSURANCE  
24 COVERAGE.—

1           “(A) PROHIBITION AGAINST DUPLICATIVE  
2           COVERAGE.—Multiperil coverage pursuant to  
3           paragraph (1)(A) may not be provided with re-  
4           spect to any structure (or the personal property  
5           related thereto) for any period during which  
6           such structure is covered, at any time, by flood  
7           insurance coverage made available under this  
8           title.

9           “(B) REQUIREMENT TO MAINTAIN FLOOD  
10          INSURANCE COVERAGE.—Windstorm coverage  
11          pursuant to paragraph (1)(B) may be provided  
12          only with respect to a structure (and the per-  
13          sonal property related thereto) that is covered  
14          by flood insurance coverage made available  
15          under this title and only during the period that  
16          such structure (and personal property) are so  
17          covered.

18          “(4) NATURE OF COVERAGE.—

19                 “(A) MULTIPERIL COVERAGE.—Multiperil  
20                 coverage pursuant to paragraph (1)(A) shall—

21                         “(i) cover losses only from physical  
22                         damage resulting from flooding or wind-  
23                         storm; and

24                         “(ii) provide for approval and pay-  
25                         ment of claims under such coverage upon

1 proof that such loss must have resulted  
2 from either windstorm or flooding, but  
3 shall not require for approval and payment  
4 of a claim that the specific cause of the  
5 loss, whether windstorm or flooding, be  
6 distinguished or identified.

7 “(B) SEPARATE WINDSTORM COVERAGE.—  
8 Windstorm coverage pursuant to paragraph  
9 (1)(B) shall—

10 “(i) cover losses only from physical  
11 damage resulting from windstorm; and

12 “(ii) provide for approval and pay-  
13 ment of claims under such coverage or  
14 under the flood insurance coverage re-  
15 quired to be maintained under paragraph  
16 (3)(B) upon a determination that such loss  
17 from windstorm or flooding, respectively,  
18 but shall not require for approval and pay-  
19 ment of a claim that the insured distin-  
20 guish or identify the specific cause of the  
21 loss, whether windstorm or flooding.

22 “(5) ACTUARIAL RATES.—Multiperil coverage  
23 pursuant to paragraph (1)(A) and windstorm cov-  
24 erage pursuant to paragraph (1)(B) shall be made  
25 available for purchase for a property only at charge-

1       able risk premium rates that, based on consideration  
2       of the risks involved and accepted actuarial prin-  
3       ciples, and including operating costs and allowance  
4       and administrative expenses, are required in order to  
5       make such coverage available on an actuarial basis  
6       for the type and class of properties covered.

7           “(6) TERMS OF COVERAGE.—The Director  
8       shall, after consultation with persons and entities re-  
9       ferred to in section 1306(a), provide by regulation  
10      for the general terms and conditions of insurability  
11      applicable to properties eligible for multiperil cov-  
12      erage pursuant to paragraph (1)(A) and such terms  
13      and conditions applicable to properties eligible for  
14      windstorm coverage pursuant to paragraph (1)(B),  
15      subject to the provisions of this subsection, includ-  
16      ing—

17           “(A) the types, classes, and locations of  
18      any such properties which shall be eligible for  
19      such coverages, which shall include residential  
20      and nonresidential properties;

21           “(B) subject to paragraph (7), the nature  
22      and limits of loss or damage in any areas (or  
23      subdivisions thereof) which may be covered by  
24      such coverages;

1           “(C) the classification, limitation, and re-  
2           jection of any risks which may be advisable;

3           “(D) appropriate minimum premiums;

4           “(E) appropriate loss deductibles; and

5           “(F) any other terms and conditions relat-  
6           ing to insurance coverage or exclusion that may  
7           be necessary to carry out this subsection.

8           “(7) LIMITATIONS ON AMOUNT OF COV-  
9           ERAGE.—

10           “(A) MULTIPERIL COVERAGE.—The regu-  
11           lations issued pursuant to paragraph (6) shall  
12           provide that the aggregate liability under  
13           multiperil coverage made available under this  
14           subsection shall not exceed the lesser of the re-  
15           placement cost for covered losses or the fol-  
16           lowing amounts, as applicable:

17           “(i) RESIDENTIAL STRUCTURES.—In  
18           the case of residential properties, which  
19           shall include structures containing multiple  
20           dwelling units that are made available for  
21           occupancy by rental (notwithstanding any  
22           treatment or classification of such prop-  
23           erties for purposes of section 1306(b))—

24           “(I) for any single-family dwell-  
25           ing, \$500,000;

1                   “(II) for any structure containing  
2                   more than one dwelling unit,  
3                   \$500,000 for each separate dwelling  
4                   unit in the structure, which limit, in  
5                   the case of such a structure con-  
6                   taining multiple dwelling units that  
7                   are made available for occupancy by  
8                   rental, shall be applied so as to enable  
9                   any insured or applicant for insurance  
10                  to receive coverage for the structure  
11                  up to a total amount that is equal to  
12                  the product of the total number of  
13                  such rental dwelling units in such  
14                  property and the maximum coverage  
15                  limit per dwelling unit specified in  
16                  this clause; and

17                  “(III) \$150,000 per dwelling unit  
18                  for—

19                         “(aa) any contents related  
20                         to such unit; and

21                         “(bb) any necessary in-  
22                         creases in living expenses in-  
23                         curred by the insured when losses  
24                         from flooding or windstorm make  
25                         the residence unfit to live in.

1                   “(ii)       NONRESIDENTIAL       PROP-  
2                   ERTIES.—In the case of nonresidential  
3                   properties (including church properties)—

4                               “(I) \$1,000,000 for any single  
5                               structure; and

6                               “(II) \$750,000 for—

7                                       “(aa) any contents related  
8                                       to such structure; and

9                                       “(bb) in the case of any  
10                                      nonresidential property that is a  
11                                      business property, any losses re-  
12                                      sulting from any partial or total  
13                                      interruption of the insured’s  
14                                      business caused by damage to, or  
15                                      loss of, such property from flood-  
16                                      ing or windstorm, except that for  
17                                      purposes of such coverage, losses  
18                                      shall be determined based on the  
19                                      profits the covered business  
20                                      would have earned, based on pre-  
21                                      vious financial records, had the  
22                                      flood or windstorm not occurred.

23                               “(B) SEPARATE WINDSTORM COVERAGE.—

24                               The regulations issued pursuant to paragraph  
25                               (6) shall provide that windstorm coverage pur-

1           suant to paragraph (1)(B) for a property shall  
2           not exceed the amount such that the aggregate  
3           liability under flood insurance coverage required  
4           to be maintained under paragraph (3)(B) for  
5           the property and such windstorm coverage for  
6           the property does not exceed the applicable cov-  
7           erage limit for the property set forth in sub-  
8           paragraph (A) of this paragraph.

9           “(8) EFFECTIVE DATE.—This subsection shall  
10          take effect on, and shall apply beginning on, the ex-  
11          piration of the 6-month period that begins on the  
12          date of the enactment of the Flood Insurance Re-  
13          form Priorities Act of 2010.”.

14          (b) PROHIBITION AGAINST DUPLICATIVE COV-  
15          ERAGE.—The National Flood Insurance Act of 1968 is  
16          amended by inserting after section 1313 (42 U.S.C. 4020)  
17          the following new section:

18                 “PROHIBITION AGAINST DUPLICATIVE COVERAGE  
19                 “SEC. 1314. Flood insurance under this title may not  
20                 be provided with respect to any structure (or the personal  
21                 property related thereto) for any period during which such  
22                 structure is covered, at any time, by multiperil insurance  
23                 coverage made available pursuant to section  
24                 1304(c)(1)(A).”.

1 (e) COMPLIANCE WITH STATE AND LOCAL LAW.—  
2 Section 1316 of the National Flood Insurance Act of 1968  
3 (42 U.S.C. 4023) is amended—

4 (1) by inserting “(a) FLOOD PROTECTION  
5 MEASURES.—” before “No new”; and

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

8 “(b) WINDSTORM PROTECTION MEASURES.—No new  
9 multiperil coverage shall be provided under section  
10 1304(c) for any property that the Director finds has been  
11 declared by a duly constituted State or local zoning au-  
12 thority, or other authorized public body to be in violation  
13 of State or local laws, regulations, or ordinances, which  
14 are intended to reduce damage caused by windstorms.”.

15 (d) CRITERIA FOR LAND MANAGEMENT AND USE.—  
16 Section 1361 of the National Flood Insurance Act of 1968  
17 (42 U.S.C. 4102) is amended by adding at the end the  
18 following new subsection:

19 “(d) WINDSTORMS.—

20 “(1) STUDIES AND INVESTIGATIONS.—The Di-  
21 rector shall carry out studies and investigations  
22 under this section to determine appropriate meas-  
23 ures in wind events as to wind hazard prevention,  
24 and may enter into contracts, agreements, and other  
25 appropriate arrangements to carry out such activi-

1 ties. Such studies and investigations shall include  
2 laws, regulations, and ordinance relating to the or-  
3 derly development and use of areas subject to dam-  
4 age from windstorm risks, and zoning building  
5 codes, building permits, and subdivision and other  
6 building restrictions for such areas.

7 “(2) COORDINATION WITH STATE AND LOCAL  
8 GOVERNMENTS.—The Director shall work closely  
9 with and provide any necessary technical assistance  
10 to State, interstate, and local governmental agencies,  
11 to encourage the application of measures identified  
12 pursuant to paragraph (1) and the adoption and en-  
13 forcement of such measures.”.

14 (e) DEFINITIONS.—Section 1370 of the National  
15 Flood Insurance Act of 1968 (42 U.S.C. 4121) is amend-  
16 ed—

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

19 (2) in paragraph (15) by striking the period at  
20 the end and inserting “; and”; and

21 (3) by adding at the end the following new  
22 paragraph:

1           “(16) the term ‘windstorm’ means any hurri-  
2           cane, tornado, cyclone, typhoon, or other wind  
3           event.”.

