

Proposal 8: Multi-Year Reauthorization – Extends the NFIP through September 30, 2035 – ensures that this reauthorization is backdated to the date of the lapse, if there is a lapse, and ensures that FEMA is able to sell and service policies, even during a lapse of appropriations.

Legislative text:

SEC. __. PROGRAM EXTENSION.

(a) FINANCING.— Section 1309(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)) is amended by striking “September 30, 2023” and inserting “September 30, 2035[2033]”.

(b) PROGRAM EXTENSION.—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026) is amended by striking “September 30, 2023 and inserting “September 30, 2035[2033]”.

(c) RETROACTIVE EFFECTIVE DATE.—If this Act is enacted after September 30, 2023, the amendments made by subsections (a) and (b) shall take effect as if enacted on September 30, 2023.

Analysis:

This legislative proposal would extend the National Flood Insurance Program (NFIP) through September 30, 2035 and ensure that this reauthorization is backdated to the date of the lapse, if there is a lapse, and also ensure that FEMA is able to sell and service policies, even during a lapse of appropriations. A 10-year reauthorization would allow Congress and the public to evaluate many of the program reforms. Many of the reforms will require time to implement, and once implemented, will require additional time to evaluate the effectiveness of achieving the intended goals. Congress can enact reform at any time should the need arise sooner than at the end of the 10-year period.

Comparative type:

NATIONAL FLOOD INSURANCE ACT OF 1968

* * * * *

SUBCHAPTER I—THE NATIONAL FLOOD INSURANCE PROGRAM

* * * * *

SEC. 1309. FINANCING. (42 U.S.C. 4016)

(a) AUTHORITY TO ISSUE NOTES AND OTHER OBLIGATIONS.— All authority which was vested in the Housing and Home Financing Administrator by virtue of section 2414(e) of this title (pertaining to the issue of notes or other obligations to the Secretary of the Treasury), as amended by subsections (a) and (b) of section 1303 of this Act, shall be available to the Administrator for the purpose of carrying out the flood insurance program under this chapter; except that the total amount of notes and obligations which may be issued by the Administrator

pursuant to such authority (1) without the approval of the President, may not exceed \$500,000,000, and (2) with the approval of the President, may not exceed \$1,500,000,000 through the date specified in section 4026 of this title, and \$1,000,000,000 thereafter; except that, through September 30, 2025 [2021] [2023], clause (2) of this sentence shall be applied by substituting "\$30,425,000,000" for "\$1,500,000,000". The Administrator shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at any time when he requests the approval of the President in accordance with the previous sentence.

(b)-(d) * * * * *

* * * * *

SEC. 1319. EXPIRATION OF PROGRAM. (42 U.S.C. 4026)

No new contract for flood insurance under this chapter shall be entered into after September 30, 2035[2023].

* * * * *