

S. 2238. This Member would encourage the House to pass, S. 2238, the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, as it is very necessary reform legislation that is long overdue.

Mr. OSBORNE. Mr. Speaker, I rise in support of S. 2238, the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004.

S. 2238 was originally H.R. 253 which was authored by my dear colleague and fellow Nebraskan, Mr. BEREUTER of Nebraska, and co-sponsored by Mr. BLUMENAUER of Oregon. Both Members have been strong advocates for reforming the National Flood Insurance program, administered by the Federal Emergency Management Agency, since the 106th Congress. Mr. BEREUTER has been a champion of this legislation for the last 14 years.

The legislation will extend the authorization of the National Flood Insurance Program (NFIP) through September 30, 2008, and create a temporary pilot program to address severe repetitive loss properties (SRLPs).

The authorization of the NFIP is set to expire on June 30, 2004.

I support the temporary pilot program included in this important legislation because it will address the problem of severe repetitive loss properties for which many communities in my district are paying increased premiums.

I have numerous communities in my district paying substantial premiums on properties that have not been affected by flooding since the beginning of the program.

One example is North Platte, Nebraska. The community sits between the North and South Platte Rivers. The North and South Platte Rivers merge east of North Platte. While the National Flood Insurance Program has been in place since 1968, North Platte has paid over \$1 million in premiums each year, but has not received more than \$26 thousand in flood insurance claims during that time. The community has been working diligently with FEMA and the Nebraska Department of Natural Resources to reduce the cost of the National Flood Insurance premiums, but premiums continue to remain high.

That is why I support S. 2238.

S. 2238 authorizes up to \$40 million a year to be transferred from the National Flood Insurance Fund for mitigation assistance to reduce the problem of SRLPs. The money in the National Flood Insurance Fund comes from flood insurance premiums from policyholders and would not need an appropriation.

This pilot program, which would expire on September 30, 2009, addresses these properties in a simple, straightforward manner; the owner of a SRLP will be charged a rate closer to the actuarial, risk-based rates for their national flood insurance policy if two conditions prevail.

The first condition is that it is indeed by definition a SRLP. Under this legislation, a severe repetitive loss property must at least meet one of the following two definitions: Four or more separate claims have been made, with the amount of each claim exceeding \$5,000, and with the cumulative amount exceeding \$20,000; at least two claims have been made which exceed the value of the property.

The second condition which would cause the applicability of closer to actuarial rates to be applied is that the owner of the real property must have refused a mitigation measure from a state or locality, such as the elevation

of the structure or a buy-out of the property. If both of these conditions have been met, rates for SRLPs will be increased by 50 percent.

Properties will be subject to additional 50 percent increases for each subsequent flood event where claims payments exceed \$1,500. However, flood insurance rates applied cannot be higher than the actuarial based NFIP rates.

I would again like to thank Mr. BEREUTER and Mr. BLUMENAUER for their tireless determination to improve the National Flood Insurance Program to assist those communities that have not had repetitive losses.

Mr. GREEN of Texas. Mr. Speaker, the National Flood Insurance Program is literally a lifeline to thousands of my constituents, restoring their homes and properties after devastating floods that have become too common for Houston and Harris County, Texas, residents. I support S. 2238 on the suspension calendar today.

There are over 172,000 homes and businesses with National Flood Insurance Program (NFIP) policies in Houston and Harris County, over 37 percent of the 461,000 statewide in Texas. These federally backed NFIP policies are vital to our area because private insurers would not make flood insurance available at any kind of affordable price. H.R. 2238 reassures residents, realtors, insurers, and lending institutions that this Federal backing of the NFIP will be extended by 4 more years until September 2008.

The reform included in this legislation will mean major changes for the Houston area, which has many homes with repeat flood insurance claims. It is important to treat NFIP policy holders fairly because they may now receive FEMA buyout and mitigation offers once they have 4 separate claims of \$5,000 each (or 2 claims exceeding the value of the home), and if they refuse, their premiums will increase by 50 percent, and an addition 50 percent after each following claim of \$1,500, until the premium equals the "market" premium.

These reform provisions have a noble goal of reducing flood premiums for most policy holders and assisting residents who repeatedly flood. But asking someone to leave their home through a government buyout offer can be a traumatic process, especially if the buyout offer does not allow for a smooth relocation of the flood victim.

After Tropical Storm Allison in Harris County in 2001, we had "fair market" buyout FEMA offers so low that people would have been unable to purchase another home outside of the floodplain. So after Allison, we had to scramble to find additional Federal, State, and local sources of funding to assist these people, since FEMA's policy would not allow for purchase offers greater than "fair market value." That kind of uncertainty for a homeowner facing 50 percent higher insurance premiums for refusing a government buyout is just not fair.

In response to these experiences, I authored a provision included in this bill to require FEMA to offer additional funds if "a purchase offer made under [this law] is less than the cost of the homeowner-occupant to purchase a comparable replacement dwelling outside the flood hazard area in the same community, the Director [of FEMA] shall make available an additional relocation payment to the homeowner-occupant to apply to the difference." [S. 2238 Section 102(g)(4)].

I wish to extend my thanks to my colleagues who assisted me in this effort, Chairman

OXLEY, Ranking Member FRANK, and Congressman BEREUTER. Their willingness to listen to the concerns of my constituents over this legislation is much appreciated. Because of the efforts of Chairman OXLEY, Ranking Member FRANK, and Congressman BEREUTER to ensure that homeowners receive a fair price for their homes, I support this legislation and look forward to working with them on a fair and efficient implementation of a reformed, National Flood Insurance Program.

Mr. BLUMENAUER. Mr. Speaker, I yield back the balance of my time.

Mr. GREEN of Wisconsin. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the Senate bill, S. 2238.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

CORRECTING ENROLLMENT OF S. 2238, BUNNING-BEREUTER-BLUMENAUER FLOOD INSURANCE REFORM ACT OF 2004

Mr. GREEN of Wisconsin. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 458) directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 2238, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 458

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (S. 2238) to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made, the Secretary of the Senate shall strike "Blumenaur" each place such term appears and insert "Blumenauer".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 458, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.