

117TH CONGRESS
1ST SESSION

S. 2831

To require the National Flood Insurance Program to accept mid-term cancellations of flood insurance coverage if the insured acquires alternative coverage.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 23, 2021

Mr. LEE (for himself and Mr. SCOTT of Florida) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the National Flood Insurance Program to accept mid-term cancellations of flood insurance coverage if the insured acquires alternative coverage.

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 “Flood Insurance Flexi-
5 bility Act”.

6 **SEC. 2. REFUND OF PREMIUMS.**

7 Chapter I of the National Flood Insurance Act of
8 1968 (42 U.S.C. 4011 et seq.) is amended by inserting
9 after section 1307 (42 U.S.C. 4014) the following:

1 **“SEC. 1307A. REFUND OF PREMIUMS.**

2 “(a) DEFINITIONS.—In this section—

3 “(1) the term ‘new alternate policy’, with re-
4 spect to an NFIP policy, means another policy for
5 duplicate flood insurance coverage for the same
6 property obtained from a source other than the Na-
7 tional Flood Insurance Program under this title; and

8 “(2) the term ‘NFIP policy’ means a policy for
9 flood insurance coverage for a property that is made
10 available under this title.

11 “(b) REQUIRED REFUND.—Notwithstanding any
12 other provision of law, if at any time an insured under
13 an NFIP policy cancels the policy because a new alternate
14 policy has been obtained, the Administrator shall refund
15 to the former insured a portion of the premiums paid for
16 the coverage made available under this title, as determined
17 consistent with industry practice according to the portion
18 of the term of the NFIP policy for which coverage was
19 in effect, but only if a copy of the declarations page of
20 the new alternate policy is provided to the Administrator.

21 “(c) EFFECTIVE DATE OF CANCELLATION.—For
22 purposes of this section, a cancellation of an NFIP policy
23 for the reason specified in subsection (b) shall be effec-
24 tive—

25 “(1) on the effective date of the new alternate
26 policy, if the Administrator receives the request for

1 the cancellation during the 180-day period beginning
2 on the effective date of the new alternate policy; or
3 “(2) on the date of the receipt by the Adminis-
4 trator of the request for cancellation, if the Adminis-
5 trator receives the request after the 180-day period
6 beginning on the effective date of the new alternate
7 policy.”.

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