

of Title 31, Money and Finance, and item 2 on page 182 of House Document No. 103-7.

§ 3939. Applicability of antitrust laws

Nothing contained herein shall affect the applicability of the Federal antitrust laws to the activities of the corporation and the partnership created under this chapter and of the persons participating therein or in partnerships, limited partnerships, or joint ventures with either of them.

(Pub. L. 90-448, title IX, §909, Aug. 1, 1968, 82 Stat. 550.)

§ 3940. Reservation of right to repeal, alter, or amend chapter

The right to repeal, alter, or amend this chapter at any time is expressly reserved.

(Pub. L. 90-448, title IX, §910, Aug. 1, 1968, 82 Stat. 550.)

§ 3941. State or local taxation or regulation; access to judicial process

Nothing contained in this chapter shall preclude a State or other local jurisdiction from imposing, in accordance with the laws of such State or other local jurisdiction, any valid non-discriminatory tax, obligation, or regulation on the partnership as a taxable and or legal entity, but no limited partner of the partnership not otherwise subject to taxation or regulation by or judicial process of a State or other local jurisdiction shall be subject to taxation or regulation by or subject to or denied access to judicial process of such State or other local jurisdiction, or be subject or denied access to any greater extent, because of activities of the corporation or partnership within such State or other local jurisdiction.

(Pub. L. 90-448, title IX, §912, as added Pub. L. 91-351, title VIII, §711, July 24, 1970, 84 Stat. 463.)

CHAPTER 50—NATIONAL FLOOD INSURANCE

- Sec. 4001. Congressional findings and declaration of purpose.
- 4002. Additional Congressional findings and declaration of purpose.
- 4003. Additional definitions.
- SUBCHAPTER I—THE NATIONAL FLOOD INSURANCE PROGRAM
- 4011. Authorization to establish and carry out program.
- 4012. Scope of program and priorities.
- 4012a. Flood insurance purchase and compliance requirements and escrow accounts.
- 4013. Nature and limitation of insurance coverage.
- 4014. Estimates of premium rates.
- 4015. Chargeable premium rates.
- 4016. Financing provisions; issuance of notes or other obligations; limitation; report to Congressional committees; deposits in Fund.
- 4017. National Flood Insurance Fund.
- 4018. Operating costs and allowances; definitions.
- 4019. Payment of claims.
- 4020. Dissemination of flood insurance information.
- 4021. Repealed.
- 4022. State and local land use controls.
- 4023. Properties in violation of State and local law.
- 4024. Coordination with other programs.

- Sec. 4025. Flood insurance advisory committee.
- 4026. Expiration of program.
- 4027. Biennial report to President.
- 4028. John H. Chafee Coastal Barrier Resources System.
- 4029. Colorado River Floodway.
- 4030. Grants for repetitive insurance claims properties.
- 4031. Treatment of certain payments.

SUBCHAPTER II—ORGANIZATION AND ADMINISTRATION OF FLOOD INSURANCE PROGRAM

- 4041. Implementation of program.
- PART A—INDUSTRY PROGRAM WITH FEDERAL FINANCIAL ASSISTANCE
- 4051. Industry flood insurance pool; requirements for participation.
- 4052. Agreements with flood insurance pool.
- 4053. Adjustment and payment of claims; judicial review; limitations; jurisdiction.
- 4054. Premium equalization payments; basis; aggregate amount; establishment of designated periods.
- 4055. Reinsurance coverage.
- 4056. Emergency implementation of flood insurance program; applicability of other provisions of law.

PART B—GOVERNMENT PROGRAM WITH INDUSTRY ASSISTANCE

- 4071. Federal operation of program; determination by Director; fiscal agents; report to Congress.
- 4072. Adjustment and payment of claims; judicial review; limitations; jurisdiction.

PART C—GENERAL PROVISIONS

- 4081. Services by insurance industry; contracts, agreements, or other arrangements.
- 4082. Use of insurance pool, companies, or other private organizations for certain payments.
- 4083. Settlement of claims; arbitration.
- 4084. Records and audits.

SUBCHAPTER III—COORDINATION OF FLOOD INSURANCE WITH LAND-MANAGEMENT PROGRAMS IN FLOOD-PRONE AREAS

- 4101. Identification of flood-prone areas.
- 4102. Criteria for land management and use.
- 4102a. Pilot program for mitigation of severe repetitive loss properties.
- 4103. Repealed.
- 4104. Flood elevation determinations.
- 4104a. Notice requirements.
- 4104b. Standard hazard determination forms.
- 4104c. Mitigation assistance.
- 4104d. National Flood Mitigation Fund.
- 4105. Disaster mitigation requirements; notification to flood-prone areas.
- 4106. Nonparticipation in flood insurance program.
- 4107. Consultation with local officials; scope.

SUBCHAPTER IV—GENERAL PROVISIONS

- 4121. Definitions.
- 4122. Studies of other natural disasters; cooperation and consultation with other departments and agencies.
- 4123. Advance payments.
- 4124. Applicability of fiscal controls.
- 4125. Finality of certain financial transactions.
- 4126. Administrative expenses.
- 4127. Authorization of appropriations; availability.
- 4128. Rules and regulations.
- 4129. Federal Insurance Administrator; establishment of position.

§ 4001. Congressional findings and declaration of purpose

(a) Necessity and reasons for flood insurance program

The Congress finds that (1) from time to time flood disasters have created personal hardships and economic distress which have required unforeseen disaster relief measures and have placed an increasing burden on the Nation's resources; (2) despite the installation of preventive and protective works and the adoption of other public programs designed to reduce losses caused by flood damage, these methods have not been sufficient to protect adequately against growing exposure to future flood losses; (3) as a matter of national policy, a reasonable method of sharing the risk of flood losses is through a program of flood insurance which can complement and encourage preventive and protective measures; and (4) if such a program is initiated and carried out gradually, it can be expanded as knowledge is gained and experience is appraised, thus eventually making flood insurance coverage available on reasonable terms and conditions to persons who have need for such protection.

(b) Participation of Federal Government in flood insurance program carried out by private insurance industry

The Congress also finds that (1) many factors have made it uneconomic for the private insurance industry alone to make flood insurance available to those in need of such protection on reasonable terms and conditions; but (2) a program of flood insurance with large-scale participation of the Federal Government and carried out to the maximum extent practicable by the private insurance industry is feasible and can be initiated.

(c) Unified national program for flood plain management

The Congress further finds that (1) a program of flood insurance can promote the public interest by providing appropriate protection against the perils of flood losses and encouraging sound land use by minimizing exposure of property to flood losses; and (2) the objectives of a flood insurance program should be integrally related to a unified national program for flood plain management and, to this end, it is the sense of Congress that within two years following the effective date of this chapter the President should transmit to the Congress for its consideration any further proposals necessary for such a unified program, including proposals for the allocation of costs among beneficiaries of flood protection.

(d) Authorization of flood insurance program; flexibility in program

It is therefore the purpose of this chapter to (1) authorize a flood insurance program by means of which flood insurance, over a period of time, can be made available on a nationwide basis through the cooperative efforts of the Federal Government and the private insurance industry, and (2) provide flexibility in the program so that such flood insurance may be based on workable methods of pooling risks, minimizing

costs, and distributing burdens equitably among those who will be protected by flood insurance and the general public.

(e) Land use adjustments by State and local governments; development of proposed future construction; assistance of lending and credit institutions; relation of Federal assistance to all flood-related programs; continuing studies

It is the further purpose of this chapter to (1) encourage State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses, (2) guide the development of proposed future construction, where practicable, away from locations which are threatened by flood hazards, (3) encourage lending and credit institutions, as a matter of national policy, to assist in furthering the objectives of the flood insurance program, (4) assure that any Federal assistance provided under the program will be related closely to all flood-related programs and activities of the Federal Government, and (5) authorize continuing studies of flood hazards in order to provide for a constant reappraisal of the flood insurance program and its effect on land use requirements.

(f) Mudslides

The Congress also finds that (1) the damage and loss which results from mudslides is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this chapter to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this chapter for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground.

(Pub. L. 90-448, title XIII, §1302, Aug. 1, 1968, 82 Stat. 572; Pub. L. 91-152, title IV, §409(a), Dec. 24, 1969, 83 Stat. 397; Pub. L. 93-234, title I, §108(a), Dec. 31, 1973, 87 Stat. 979; Pub. L. 103-325, title V, §552(d), Sept. 23, 1994, 108 Stat. 2269.)

REFERENCES IN TEXT

For effective date of this chapter, referred to in subsec. (c), see section 1377 of Pub. L. 90-448, set out as an Effective Date note below.

This chapter, referred to in subsecs. (d) to (f), was in the original a reference to "this title" meaning title XIII of Pub. L. 90-448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS

1994—Subsec. (g). Pub. L. 103-325 struck out subsec. (g) which read as follows: "The Congress also finds that