

§ 4019. Payment of claims**(a) In general**

The Administrator is authorized to prescribe regulations establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage to or loss of property which is covered by flood insurance made available under the provisions of this chapter.

(b) Minimum annual deductible**(1) Pre-firm properties**

For any structure which is covered by flood insurance under this chapter, and on which construction or substantial improvement occurred on or before December 31, 1974, or before the effective date of an initial flood insurance rate map published by the Administrator under section 4101 of this title for the area in which such structure is located, the minimum annual deductible for damage to such structure shall be—

(A) \$1,500, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than \$100,000; and

(B) \$2,000, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount greater than \$100,000.

(2) Post-firm properties

For any structure which is covered by flood insurance under this chapter, and on which construction or substantial improvement occurred after December 31, 1974, or after the effective date of an initial flood insurance rate map published by the Administrator under section 4101 of this title for the area in which such structure is located, the minimum annual deductible for damage to such structure shall be—

(A) \$1,000, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than \$100,000; and

(B) \$1,250, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount greater than \$100,000.

(c) Payment of claims to condominium owners

The Administrator may not deny payment for any damage to or loss of property which is covered by flood insurance to condominium owners who purchased such flood insurance separate and apart from the flood insurance purchased by the condominium association in which such owner is a member, based solely, or in any part, on the flood insurance coverage of the condominium association or others on the overall property owned by the condominium association.

(Pub. L. 90-448, title XIII, §1312, Aug. 1, 1968, 82 Stat. 579; Pub. L. 98-181, title I [title IV, §451(d)(1)], Nov. 30, 1983, 97 Stat. 1229; Pub. L. 112-141, div. F, title II, §§100210, 100214, July 6, 2012, 126 Stat. 920, 924.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), 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 under section 4001 of this title and Tables.

AMENDMENTS

2012—Pub. L. 112-141, §100210, designated existing provisions as subsec. (a) and inserted heading, substituted “The Administrator is” for “The Director is”, and added subsec. (b).

Subsec. (c), Pub. L. 112-141, §100214, added subsec. (c). 1983—Pub. L. 98-181 substituted “Director” for “Secretary”.

TRANSFER OF FUNCTIONS

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 6, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4020. Dissemination of flood insurance information

The Administrator shall from time to time take such action as may be necessary in order to make information and data available to the public, and to any State or local agency or official, with regard to—

(1) the flood insurance program, its coverage and objectives, and

(2) estimated and chargeable flood insurance premium rates, including the basis for and differences between such rates in accordance with the provisions of section 4015 of this title.

(Pub. L. 90-448, title XIII, §1313, Aug. 1, 1968, 82 Stat. 579; Pub. L. 98-181, title I [title IV, §451(d)(1)], Nov. 30, 1983, 97 Stat. 1229; Pub. L. 112-141, div. F, title II, §100238(b)(1), July 6, 2012, 126 Stat. 958.)

AMENDMENTS

2012—Pub. L. 112-141 substituted “Administrator” for “Director” in introductory provisions.

1983—Pub. L. 98-181 substituted “Director” for “Secretary” in introductory provisions.

TRANSFER OF FUNCTIONS

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 6, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4021. Participation in State disaster claims mediation programs

(a) Requirement to participate

In the case of the occurrence of a major disaster, as defined in section 5122 of this title, that may have resulted in flood damage covered under the national flood insurance program established under this chapter and other personal lines residential property insurance coverage offered by a State regulated insurer, upon a request made by the insurance commissioner of a State (or such other official responsible for regulating the business of insurance in the State) for the participation of representatives of the Administrator in a program sponsored by such State for nonbinding mediation of insurance claims resulting from a major disaster, the Administrator shall cause representatives of the national flood insurance program to participate in such a State program where claims under the national flood insurance program are involved to expedite settlement of flood damage claims resulting from such disaster.

(b) Extent of participation

In satisfying the requirements of subsection (a), the Administrator shall require that each representative of the Administrator—

- (1) be certified for purposes of the national flood insurance program to settle claims against such program resulting from such disaster in amounts up to the limits of policies under such program;
- (2) attend State-sponsored mediation meetings regarding flood insurance claims resulting from such disaster at such times and places as may be arranged by the State;
- (3) participate in good-faith negotiations toward the settlement of such claims with policyholders of coverage made available under the national flood insurance program; and
- (4) finalize the settlement of such claims on behalf of the national flood insurance program with such policyholders.

(c) Coordination

Representatives of the Administrator shall at all times coordinate their activities with insurance officials of the State and representatives of insurers for the purposes of consolidating and expediting settlement of claims under the national flood insurance program resulting from such disaster.

(d) Qualifications of mediators

Each State mediator participating in State-sponsored mediation under this section shall be—

- (1)(A) a member in good standing of the State bar in the State in which the mediation is to occur with at least 2 years of practical experience; and
- (B) an active member of such bar for at least 1 year prior to the year in which such mediator's participation is sought; or
- (2) a retired trial judge from any United States jurisdiction who was a member in good standing of the bar in the State in which the judge presided for at least 5 years prior to the year in which such mediator's participation is sought.

(e) Mediation proceedings and documents privileged

As a condition of participation, all statements made and documents produced pursuant to State-sponsored mediation involving representatives of the Administrator shall be deemed privileged and confidential settlement negotiations made in anticipation of litigation.

(f) Liability, rights, or obligations not affected

Participation in State-sponsored mediation, as described in this section does not—

- (1) affect or expand the liability of any party in contract or in tort; or
- (2) affect the rights or obligations of the parties, as established—
 - (A) in any regulation issued by the Administrator, including any regulation relating to a standard flood insurance policy;
 - (B) under this chapter; and
 - (C) under any other provision of Federal law.

(g) Exclusive Federal jurisdiction

Participation in State-sponsored mediation shall not alter, change, or modify the original exclusive jurisdiction of United States courts, as set forth in this chapter.

(h) Cost limitation

Nothing in this section shall be construed to require the Administrator or a representative of the Administrator to pay additional mediation fees relating to flood insurance claims associated with a State-sponsored mediation program in which such representative of the Administrator participates.

(i) Exception

In the case of the occurrence of a major disaster that results in flood damage claims under the national flood insurance program and that does not result in any loss covered by a personal lines residential property insurance policy—

- (1) this section shall not apply; and
- (2) the provisions of the standard flood insurance policy under the national flood insurance program and the appeals process established under section 205 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note) and the regulations issued pursuant to such section shall apply exclusively.

(j) Representatives of the Administrator

For purposes of this section, the term “representatives of the Administrator” means representatives of the national flood insurance program who participate in the appeals process established under section 205 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note).

(Pub. L. 90-448, title XIII, §1314, as added Pub. L. 112-141, div. F, title II, §100223, July 6, 2012, 126 Stat. 934.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (f)(2)(B), and (g), 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 com-