A BILL

To limit the annual increases in premiums and surcharges under the National Flood Insurance Program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “___________ Act of 2022”.

SEC. 2. CAP ON ANNUAL PREMIUM INCREASES.

(a) DEFINITION.—In this section, the term “covered cost” means—
(1) the amount of an annual premium with respect to any policy for flood insurance under the National Flood Insurance Program;

(2) any surcharge imposed with respect to a policy described in paragraph (1), including a surcharge imposed under—

(A) section 1304(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)); or

(B) section 1308A(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015a(a)); and

(3) a fee described in paragraph (1)(B)(iii) or (2) of section 1307(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4014(a)).

(b) LIMITATION ON INCREASES.—During the 5-year period beginning on the date of enactment of this Act, and notwithstanding section 1308(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(e)), the Administrator may not, in any year, increase the amount of any covered cost by an amount that is more than 9 percent, as compared with the amount of the covered cost during the previous year.

(e) RULE OF CONSTRUCTION.—Nothing in subsection (b) may be construed as prohibiting the Administrator from reducing, in any year, the amount of any cov-
ered cost, as compared with the amount of the covered cost during the previous year.

(d) AVERAGE HISTORICAL LOSS YEAR.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended by striking subsection (h) and inserting the following:

“(h) RULE OF CONSTRUCTION.—For purposes of this section, the calculation of an ‘average historical loss year’ shall be computed in accordance with generally accepted actuarial principles.”.

(e) DISCLOSURE WITH RESPECT TO THE AFFORDABILITY STANDARD.—Section 1308(j) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(j)) is amended, in the second sentence, by inserting “and shall include in the report the number of those exceptions as of the date on which the Administrator submits the report and the location of each policyholder insured under those exceptions, organized by county and State” after “of the Senate”.