

**AMENDMENT TO H.R. 1558**  
**OFFERED BY MR. DAVID SCOTT OF GEORGIA**

At the end of the bill, add the following new section:

1 **SEC. \_\_\_\_ . MONTHLY INSTALLMENT PAYMENT OF PRE-**  
2 **MIUMS.**

3 (a) **AUTHORITY.**—Subsection (g) of section 1308 of  
4 the National Flood Insurance Act of 1968 (42 U.S.C.  
5 4015(g)) is amended—

6 (1) by striking the subsection designation and  
7 all that follows through “With respect” and insert-  
8 ing the following:

9 “(g) **FREQUENCY OF PREMIUM COLLECTION.**—

10 “(1) **OPTIONS.**—With respect”; and

11 (2) by adding at the end the following:

12 “(2) **MONTHLY INSTALLMENT PAYMENT OF**  
13 **PREMIUMS.**—

14 “(A) **EXEMPTION FROM RULEMAKING.**—

15 Until such time as the Administrator promul-  
16 gates regulations implementing paragraph (1)  
17 of this subsection, the Administrator may adopt  
18 policies and procedures, notwithstanding any  
19 other provisions of law and in alignment and  
20 consistent with existing industry escrow and

1 servicing standards, necessary to implement  
2 such paragraph without undergoing notice and  
3 comment rulemaking and without conducting  
4 regulatory analyses otherwise required by stat-  
5 ute, regulation, or Executive order.

6 “(B) PILOT PROGRAM.—The Adminis-  
7 trator may initially implement paragraph (1) of  
8 this subsection as a pilot program that provides  
9 for a gradual phase-in of implementation.

10 “(C) POLICYHOLDER PROTECTION.—The  
11 Administrator may—

12 “(i) during the 12-month period be-  
13 ginning on the date of the enactment of  
14 this subparagraph, charge policyholders  
15 choosing to pay premiums in monthly in-  
16 stallments a fee for the total cost of the  
17 monthly collection of premiums not to ex-  
18 ceed \$25 annually; and

19 “(ii) after the expiration of the 12-  
20 month period referred to in clause (i), ad-  
21 just the fee charged annually to cover the  
22 total cost of the monthly collection of pre-  
23 miums as determined by the report sub-  
24 mitted pursuant to subparagraph (D).

1           “(D) REPORT.—Not later than six months  
2 after the date of the enactment of this Act, the  
3 Comptroller General shall submit a report to  
4 the Committee on Financial Services of the  
5 House of Representatives and the Committee  
6 on Banking, Housing, and Urban Affairs of the  
7 Senate, that sets forth all of the costs associ-  
8 ated with the monthly payment of premiums,  
9 including any up-front costs associated with in-  
10 frastructure development, the impact on all pol-  
11 icyholders including those that exercise the op-  
12 tion to pay monthly and those that do not, op-  
13 tions for minimizing the costs, particularly the  
14 costs to policyholders, and the feasibility of  
15 adopting practices that serve to minimize costs  
16 to policyholders such as automatic payments  
17 and electronic payments.

18           “(E) ANNUAL REPORTS.—On an annual  
19 basis, the Administrator shall report to the  
20 Committee on Financial Services of the House  
21 of Representatives and the Committee on Bank-  
22 ing, Housing, and Urban Affairs of the Senate  
23 the ongoing costs associated with the monthly  
24 payment of premiums.”.

1 (b) IMPLEMENTATION.—Clause (ii) of section  
2 1307(a)(1)(B) (42 U.S.C. 4014(a)(1)(B)(ii)) is amended  
3 by inserting before “any administrative expenses” the fol-  
4 lowing: “the costs associated with the monthly collection  
5 of premiums provided for in section 1308(g) (42 U.S.C.  
6 4015(g)), but only if such costs exceed the operating costs  
7 and allowances set forth in clause (i) of this subparagraph,  
8 and”.

