

AMENDMENT TO H.R. 2874
OFFERED BY MS. TENNEY OF NEW YORK

At the end of title V, add the following new section:

1 **SEC. 511. CLARIFICATIONS; DEADLINE FOR APPROVAL OF**
2 **CLAIMS.**

3 (a) **RULES OF CONSTRUCTION.**—Part C of chapter
4 II of the National Flood Insurance Act of 1968 (42 U.S.C.
5 4081 et seq.), as amended by the preceding provisions of
6 this Act, is further amended by adding at the end the fol-
7 lowing new section:

8 **“SEC. 1350. RULES OF CONSTRUCTION.**

9 “(a) **DEFINITION.**—For purposes of this part, the
10 term ‘knowingly’ means having actual knowledge of or act-
11 ing with deliberate ignorance of or reckless disregard for
12 the prohibitions under this part.

13 “(b) **ADMINISTRATIVE REMEDY.**—A policyholder of a
14 policy for flood insurance coverage made available under
15 this title must exhaust all administrative remedies, includ-
16 ing submission of disputed claims to appeal under any ap-
17 peal process made available by the Administrator, prior
18 to commencing legal action on any disputed claim under
19 such a policy.”.

20 (b) **DEADLINE FOR APPROVAL OF CLAIMS.**—

1 (1) IN GENERAL.—Section 1312 of the Na-
2 tional Flood Insurance Act of 1968 (42 U.S.C.
3 4019), as amended by the preceding provisions of
4 this Act, is further amended—

5 (A) in subsection (a), by striking “The Ad-
6 ministrator” and inserting “Subject to other
7 provisions of this section, the Administrator”;
8 and

9 (B) by adding at the end the following new
10 subsection:

11 “(c) DEADLINE FOR APPROVAL OF CLAIMS.—

12 “(1) IN GENERAL.—The Administrator shall
13 provide that, in the case of any claim for damage to
14 or loss of property under flood insurance coverage
15 made available under this title, an initial determina-
16 tion regarding approval of a claim for payment or
17 disapproval of the claim be made, and notification of
18 such determination be provided to the insured mak-
19 ing such claim, not later than the expiration of the
20 120-day period (as such period may be extended
21 pursuant to paragraph (2)) beginning upon the day
22 on which the policyholder submits a signed proof of
23 loss detailing the damage and amount of the loss.
24 Payment of approved claims shall be made as soon
25 as possible after such approval.

1 “(2) EXTENSION OF DEADLINE.—The Adminis-
2 trator shall provide that the period referred to in
3 paragraph (1) may be extended by a single addi-
4 tional period of 15 days in cases where extraordinary
5 circumstances are demonstrated. The Administrator
6 shall, by regulation, establish criteria for dem-
7 onstrating such extraordinary circumstances and for
8 determining to which claims such extraordinary cir-
9 cumstances apply.”.

10 (2) APPLICABILITY.—The amendments made
11 by paragraph (1) shall apply to any claim under
12 flood insurance coverage made available under the
13 National Flood Insurance Act of 1968 (42 U.S.C.
14 4001 et seq.) pending on the date of the enactment
15 of this Act and any claims made after such date of
16 enactment.

