

115TH CONGRESS  
1ST SESSION

# S. 1058

To authorize the Administrator of the Federal Emergency Management Agency to terminate certain contracts on the basis of detrimental conduct to the National Flood Insurance Program, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 4, 2017

Mr. KENNEDY introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To authorize the Administrator of the Federal Emergency Management Agency to terminate certain contracts on the basis of detrimental conduct to the National Flood Insurance Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Flood Insur-  
5 ance Program Consultant Accountability Act of 2017”.

1 **SEC. 2. TERMINATION OF CERTAIN CONTRACTS UNDER**  
 2 **THE NATIONAL FLOOD INSURANCE PRO-**  
 3 **GRAM.**

4 (a) IN GENERAL.—Part C of chapter II National  
 5 Flood Insurance Act of 1968 (42 U.S.C. 4081 et seq.)  
 6 is amended by adding at the end the following:

7 **“SEC. 1349. TERMINATION OF CONTRACTS.**

8 “(a) DEFINITION.—In this section—

9 “(1) the term ‘covered entity’ means any attor-  
 10 ney, law firm, consultant, or third-party company  
 11 that provides services to a Write Your Own com-  
 12 pany; and

13 “(2) the term ‘Write Your Own company’  
 14 means a company participating in the cooperative  
 15 undertaking between the insurance industry and the  
 16 Federal Insurance and Mitigation Administration  
 17 that allows participating property and casualty in-  
 18 surance companies to write and service standard  
 19 flood insurance policies.

20 “(b) TERMINATION.—

21 “(1) IN GENERAL.—Notwithstanding any other  
 22 provision of law, the Administrator may terminate a  
 23 contract or other agreement between a covered enti-  
 24 ty and a Write Your Own company if the Adminis-  
 25 trator—

1           “(A) determines that the covered entity  
2           has engaged in conduct that is detrimental to  
3           the flood insurance program authorized under  
4           chapter I; and

5           “(B) not later than 14 days before termi-  
6           nating the contract or other agreement, pro-  
7           vided notice to the covered entity of the termi-  
8           nation.

9           “(2) APPEAL.—The Administrator shall estab-  
10          lish a process for a covered entity to appeal a termi-  
11          nation of a contract or other agreement under para-  
12          graph (1).

13          “(3) EARLY TERMINATION PAYOUTS.—The Ad-  
14          ministrator or a Write Your Own company is not re-  
15          quired to make any early termination payout to a  
16          covered entity with respect to a contract or agree-  
17          ment with the Write Your Own company that the  
18          Administrator terminates under paragraph (1).”.

19          (b) EFFECTIVE DATE; APPLICABILITY.—The amend-  
20          ment made by subsection (a) shall—

21               (1) take effect on the date of enactment of this  
22          Act; and

23               (2) apply to any contract or other agreement  
24          between a covered entity and a Write Your Own  
25          company (as those terms are defined in section

1        1349(a) of the National Flood Insurance Act of  
2        1968, as added by subsection (a)) entered into on or  
3        after the date of enactment of this Act.

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