

103D CONGRESS
1ST SESSION

S. 1024

To establish a demonstration program to develop new techniques to prevent coastal erosion and preserve shorelines.

IN THE SENATE OF THE UNITED STATES

MAY 25 (legislative day, APRIL 19), 1993

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

A BILL

To establish a demonstration program to develop new techniques to prevent coastal erosion and preserve shorelines.

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 “Local Innovation and
5 Coastal Protection Act of 1993”.

6 **SEC. 2. PROGRAM AUTHORITY.**

7 (a) IN GENERAL.—Chapter III of the National Flood
8 Insurance Act of 1968 (42 U.S.C. 4101 et seq.) is
9 amended by adding at the end the following new section:

1 **“SEC. 1366. EROSION MITIGATION DEMONSTRATION PRO-**
2 **GRAM.**

3 “(a) IN GENERAL.—The Director shall make grants,
4 with amounts made available from the Coastal Erosion
5 Control Fund established under section 1367, to dem-
6 onstrate the feasibility of innovative mitigation activities
7 designed to minimize coastal erosion, preserve shorelines,
8 and avoid environmental degradation.

9 “(b) ELIGIBLE RECIPIENTS.—The Director may
10 make grants under this section to—

11 “(1) any State; and

12 “(2) any community participating in the na-
13 tional flood insurance program under this title
14 that—

15 “(A) has suffered recurring flood damages
16 and claims, as determined by the Director; and

17 “(B) is in full compliance with the require-
18 ments under the national flood insurance pro-
19 gram.

20 “(c) ELIGIBLE ACTIVITIES.—

21 “(1) IN GENERAL.—A grant under this section
22 may be used to develop and test innovative tech-
23 niques to minimize coastal erosion and preserve
24 shorelines.

25 “(2) PRIORITY.—In making grants under this
26 section, the Director shall give a priority to eligible

1 recipients that conduct projects to demonstrate the
2 feasibility of techniques that—

3 “(A) have application to more than 1 loca-
4 tion;

5 “(B) substantially broaden the applicability
6 of proven erosion control techniques; or

7 “(C) avoid permanent structural alter-
8 ations and rely instead on natural designs, in-
9 cluding the use of vegetation, or temporary
10 structures, to accomplish their goal.

11 “(d) APPLICATIONS.—The Director shall make
12 grants under this section on the basis of a nationwide com-
13 petition, in accordance with such application forms and
14 procedures as the Director may establish.

15 “(e) MAXIMUM AMOUNT.—The total amount of any
16 grant under this section may not exceed \$500,000 for any
17 project assisted under this section.

18 “(f) PROGRAM REQUIREMENTS.—

19 “(1) MATCHING REQUIREMENTS.—

20 “(A) IN GENERAL.—Except as provided in
21 subparagraph (C), a grant under this section
22 may not exceed 3 times the amount that the re-
23 cipient certifies, as the Director shall require,
24 that the recipient will contribute from non-Fed-

1 eral funds to carry out activities assisted with
2 amounts provided under this section.

3 “(B) NON-FEDERAL FUNDS.—For pur-
4 poses of this subsection, the term ‘non-Federal
5 funds’ includes—

6 “(i) State or local agency funds,

7 “(ii) any salary paid to staff to carry
8 out the activities of the recipient,

9 “(iii) the value of the time and serv-
10 ices contributed by volunteers to carry out
11 such activities (at a rate determined by the
12 Director), and

13 “(iv) the value of any donated mate-
14 rial or building and the value of any lease
15 on a building.

16 “(C) NO MATCH REQUIRED FOR EVALUA-
17 TION.—No non-Federal contribution is required
18 for the conduct of evaluations under paragraph
19 (2).

20 “(2) REPORT.—Not later than 5 years after the
21 receipt of a grant under this section, the recipient of
22 the grant shall transmit to the Director a report
23 that—

1 **“SEC. 1367. ESTABLISHMENT OF COASTAL EROSION CON-**
2 **TROL FUND.**

3 “(a) IN GENERAL.—The Director shall establish in
4 the Treasury of the United States a fund to be known
5 as the Coastal Erosion Control Fund (hereafter in this
6 section referred to as the ‘Fund’), which shall be available,
7 to the extent provided in appropriation Acts, for grants
8 under section 1366.

9 “(b) CREDITS.—The Fund shall be credited with any
10 premium surcharges assessed under section 1308(e).”.

11 **SEC. 4. INSURANCE PREMIUM MITIGATION SURCHARGE.**

12 (a) IN GENERAL.—Section 1308 of the National
13 Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended
14 by adding at the end the following new subsections:

15 “(e) Notwithstanding any other provision of this title,
16 the Director shall assess, with respect to each contract for
17 flood insurance coverage under this title, an annual miti-
18 gation surcharge of \$5. The surcharges shall be paid into
19 the Coastal Erosion Control Fund under section 1367,
20 and shall not be subject to any agents’ commissions, com-
21 pany expenses allowances, or State or local premium taxes.

22 “(f) The Director shall not assess any surcharge
23 under subsection (e) if the balance of the Fund exceeds
24 \$15,000,000.

25 “(g) The Director shall transmit to those who paid
26 a surcharge under subsection (e)—

1 “(1) an annual report describing the expendi-
2 tures of the Fund during the preceding fiscal year;
3 and

4 “(2) any unobligated funds that remain in the
5 Fund at the end of fiscal year 1997.”.

6 (b) APPLICABILITY.—The amendment made by sub-
7 section (a) shall apply to any contract for flood insurance
8 under the National Flood Insurance Act of 1968 issued
9 or renewed after the date of enactment of this Act.

10 **SEC. 5. INSURANCE RATE INCENTIVES FOR EROSION MITI-**
11 **GATION EFFORTS.**

12 Chapter III of the National Flood Insurance Act of
13 1968 (42 U.S.C. 4101 et seq.), as amended by sections
14 2 and 3, is further amended by adding at the end the
15 following new section:

16 **“SEC. 1368. INSURANCE RATE INCENTIVES FOR EROSION**
17 **MITIGATION EFFORTS.**

18 “(a) PREFERRED EROSION MITIGATION MEAS-
19 URES.—The Director shall evaluate the effectiveness of
20 the erosion mitigation measures funded under section
21 1366 and shall publish a list of the most effective of such
22 measures in the Federal Register.

23 “(b) RATE INCENTIVES FOR COMMUNITIES.—The
24 Director shall provide incentives in the form of adjust-
25 ments in the premium rates for flood insurance coverage

1 in areas that the Director determines have implemented
2 erosion mitigation measures contained in the list published
3 pursuant to subsection (a).”.

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