

12 USC 1701j-2.

(b) Section 809(c)(4) of such Act is amended by inserting the following before the period at the end thereof: “; except that, notwithstanding any such rules and procedures as may be adopted by the Institute, the President of the United States, by and with the advice and consent of the Senate, shall appoint, as representative of the public interest, two of the members of the Board of Directors selected each year for terms commencing in that year”.

NEW COMMUNITIES

42 USC 4518.

SEC. 339F. Section 717(b) of the National Urban Policy and New Community Development Act of 1970 is amended by adding the following new sentence at the end thereof: “With respect to fiscal year 1982, the Secretary may not issue obligations under this section in an aggregate amount in excess of \$33,250,000.”.

PURCHASER-BROKER ARRANGEMENT

SEC. 339G. Title V of the National Housing Act is amended by adding the following new section at the end thereof:

“PURCHASER-BROKER ARRANGEMENT

12 USC 1735f-10.
12 USC 1707.

“SEC. 532. In carrying out the provisions of title II of this Act with respect to insuring mortgages secured by a one- to four-family residence, the Secretary may not exclude from the principal amount which may be insured under such title any sum solely on the basis that such sum is to be paid by the purchaser to a broker who has been the purchaser’s agent in the purchase of the residence, but the principal amount of the mortgage, when such sum is added, shall not exceed the limitation as to maximum mortgage amount provided in title II.”.

MORTGAGE INSURANCE FOR HOSPITALS

12 USC 1715z-7.

SEC. 339H. Section 242(d)(5) of the National Housing Act is amended by adding at the end thereof the following: “This paragraph shall not limit the authority of the Secretary to approve a mortgage increase on any mortgage eligible for insurance under this paragraph at any time prior to final endorsement of the loan for insurance; except that such mortgage increase may not be approved for the cost of constructing any improvements not included in the original plans and specifications approved by the Department of Health and Human Services unless approved by the Secretary of Housing and Urban Development and by the Secretary of Health and Human Services.”.

PART 4—FLOOD, CRIME, AND RIOT INSURANCE

FLOOD INSURANCE

94 Stat. 1639.
42 USC 4127.

SEC. 341. (a) Section 1376(c) of the National Flood Insurance Act of 1968 is amended—

(1) by striking out “and” after “1980,”; and

(2) by inserting the following before the period at the end thereof “, and not to exceed \$42,600,000 for the fiscal year 1982”.

42 USC 4026.

(b)(1) Section 1319 of the National Flood Insurance Act of 1968 is amended by striking out “September 30, 1981” and inserting in lieu thereof “September 30, 1982”.

(2) Section 1336(a) of such Act is amended by striking out “September 30, 1981” and inserting in lieu thereof “September 30, 1982”. 42 USC 4056.

(c)(1) Section 1310(a) of such Act is amended by inserting “as described in subsection (f)” after “which shall be available”. 42 USC 4017.

(2) Section 1310 of such Act is amended by adding the following new subsection at the end thereof:

“(f) The fund shall be available, with respect to any fiscal year beginning on or after October 1, 1981, only to the extent approved in appropriation Acts; except that the fund shall be available for the purpose described in subsection (d)(1) without such approval.”

(d)(1) Chapter I of such Act is amended by adding the following new section at the end thereof:

“UNDEVELOPED COASTAL BARRIERS

“SEC. 1321. (a) No new flood insurance coverage shall be provided under this title on or after October 1, 1983, for any new construction or substantial improvements of structures located on undeveloped coastal barriers which shall be designated by the Secretary of the Interior. 42 USC 4028.

“(b) For purposes of this section—

“(1) the term ‘coastal barrier’ means—

“(A) a depositional geologic feature (such as a bay barrier, tombolo, barrier spit, or barrier island) which—

“(i) consists of unconsolidated sedimentary materials,

“(ii) is subject to wave, tidal, and wind energies, and

“(iii) protects landward aquatic habitats from direct wave attack; and

“(B) all associated aquatic habitats including the adjacent wetlands, marshes, estuaries, inlets, and nearshore waters;

“(2) a coastal barrier or any portion thereof shall be treated as an undeveloped coastal barrier for purposes of subsection (a) only if there are few manmade structures on the barrier or portion thereof and these structures and man’s activities on the barrier do not significantly impede geomorphic and ecological processes; and

“(3) a coastal barrier which is included within the boundaries of an area established under Federal, State, or local law, or held by a qualified organization as defined in section 170(h)(3) of the Internal Revenue Code of 1954, primarily for wildlife refuge, sanctuary, recreational, or natural resource conservation purposes shall not be designated as an undeveloped coastal barrier for purposes of subsection (a).

“(c) A federally insured financial institution may make loans secured by structures which are not eligible for flood insurance under this title by reason of subsection (a).”

(2) The Secretary of the Interior shall conduct a study for the purpose of designating the undeveloped coastal barriers which will be affected by the amendment made by paragraph (1). Not later than one year after the date of enactment of this Act, the Secretary shall transmit to the Congress a report of the findings and conclusions of such study together with a proposed designation of the undeveloped coastal barriers and any recommendation regarding the definition of the term “coastal barrier” as enacted by such amendment.

(e) Section 1345 of such Act is amended by adding at the end thereof the following: 42 USC 4081.

“(c) The Director of the Federal Emergency Management Agency shall hold any agent or broker selling or undertaking to sell flood

“Coastal barrier.”

26 USC 170.

Study.
42 USC 4028
note.
Report to
Congress.

insurance under this title harmless from any judgment for damages against such agent or broker as a result of any court action by a policyholder or applicant arising out of an error or omission on the part of the Federal Emergency Management Agency, and shall provide any such agent or broker with indemnification, including court costs and reasonable attorney fees, arising out of and caused by an error or omission on the part of the Federal Emergency Management Agency and its contractors. The Director of the Federal Emergency Management Agency may not hold harmless or indemnify an agent or broker for his or her error or omission.”

CRIME AND RIOT INSURANCE

12 USC 1749bbb. SEC. 342. (a) Section 1201(b) of the National Housing Act is amended—

(1) by striking out “September 30, 1981” in paragraph (1) and inserting in lieu thereof “September 30, 1982”; and

(2) by striking out “September 30, 1984” in paragraph (1)(A) and inserting in lieu thereof “September 30, 1985”.

12 USC
1749bbb-3.

(b) Section 1211(b) of the National Housing Act is amended—

(1) by inserting “and” at the end of paragraph (9);

(2) by striking out “; and” at the end of paragraph (10) and inserting in lieu thereof a period; and

(3) by striking out paragraph (11).

PART 5—RURAL HOUSING

AUTHORIZATIONS

94 Stat. 1667.
42 USC 1483.

SEC. 351. (a) Section 513 of the Housing Act of 1949 is amended—

(1) by striking out “not to exceed \$3,797,600,000 with respect to the fiscal year ending September 30, 1981” in subsection (a) and inserting in lieu thereof “not to exceed \$3,700,600,000 with respect to the fiscal year ending September 30, 1982”;

(2) by striking out “not less than \$3,120,000,000” in subsection (a)(1) and inserting in lieu thereof “not less than \$3,170,000,000”;

(3) by striking out “not more than \$100,000,000” in subsection (a)(4) and inserting in lieu thereof “none”;

(4) by striking out subsection (b)(2) and inserting in lieu thereof the following:

42 USC 1474.

“(2) not to exceed \$50,000,000 for loans and grants pursuant to section 504 for the fiscal year ending September 30, 1982, of which not more than \$25,000,000 shall be available for grants;”;

(5) by striking out subsection (b)(3) and inserting in lieu thereof the following:

42 USC 1486.

“(3) not to exceed \$25,000,000 for financial assistance pursuant to section 516 for the fiscal year ending September 30, 1982;”;

(6) by striking out “September 30, 1981” in subsection (b)(4) and inserting in lieu thereof “September 30, 1982”; and

(7) by striking out “and” at the end of subsection (b)(4), by striking out the period at the end of subsection (b)(5) and inserting in lieu thereof “; and”, and by adding at the end thereof the following:

42 USC 1479.

“(6) not to exceed \$2,000,000 for the purposes of section 509(c) for the fiscal year ending September 30, 1982.”

94 Stat. 1668.
42 USC 1485.

(b) Section 515(b)(5) of such Act is amended by striking out “September 30, 1981” and inserting in lieu thereof “September 30, 1982”.