

# PUBLIC LAW 93-288, AS AMENDED BY PL 100-707

## REPAIR, RESTORATION, AND REPLACEMENT OF DAMAGED FACILITIES

### SECTION 406 - FLOOD INSURANCE

- (1) Reduction of Federal Assistance. If a public facility or private nonprofit facility located in a special flood hazard area identified for more than 1 year by the Director pursuant to the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) is damaged or destroyed, after the 180th day following the date of the enactment of the Disaster Relief and Emergency Assistance Amendments of 1988, by flooding in a major disaster and such facility is not covered on the date of such flooding by flood insurance, the Federal assistance which would otherwise be available under this section with respect to repair, restoration, reconstruction, and replacement of such facility and associated expenses shall be reduced in accordance with paragraph (2).
- (2) Amount of Reduction. The amount of reduction in Federal assistance under this section with respect to a facility shall be the lesser of -
  - (A) the value of such facility on the date of the flood damage or destruction, or
  - (B) the maximum amount of insurance proceeds which would have been payable with respect to such facility if such facility had been covered by flood insurance under the National Flood Insurance Act of 1968 on such date.