Wisconsin Legislative Council

AMENDMENT MEMO

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2019 Assembly Bill 721

Assembly Amendment 1

BACKGROUND

The National Flood Insurance Program (NFIP) provides access to federally subsidized flood insurance for property owners in areas susceptible to flooding (i.e., floodplains). Although community participation in NFIP is technically voluntary under federal law, participation by a community is required in order for residents of the community to purchase federally subsidized flood insurance under the program. Federal law, and regulations issued under federal law, establish certain minimum requirements for buildings in a floodplain.

State law and regulations also establish certain minimum requirements for buildings in a floodplain, some of which exceed federal requirements. For example, under rules of the Department of Natural Resources (DNR), the finished surface of the lowest floor of a residential building, excluding a basement or crawlway, must be two feet or more above the regional flood elevation. The minimum federal requirement is generally the regional flood elevation.

DNR rules also prohibit the modification or addition to a nonconforming building¹ if the modification or addition would exceed 50 percent of the building's present equalized assessed value, unless the entire building is permanently changed to comply with DNR rules.

2019 ASSEMBLY BILL 721

2019 Assembly Bill 721 provides that if, as a result of repair, reconstruction, or improvement, a nonconforming building is permanently changed to comply with federal requirements, then DNR may not prohibit the further repair, reconstruction, or improvement of the building based on cost.

ASSEMBLY AMENDMENT 1

Assembly Amendment 1 provides that if, as a result of locally authorized repair, reconstruction, or improvement: (1) a nonconforming building is or will be permanently changed to comply with federal requirements; and (2) any living quarters in the nonconforming building are or will be at or above the DNR's flood protection elevation, then DNR may not prohibit the repair, reconstruction, or improvement of the building based on cost.

 $^{^1}$ For purposes of floodplain zoning, a "nonconforming building" is "an existing lawful building which is not in conformity with the dimensional or structural requirements of the floodplain zoning ordinance for the area of the floodplain which it occupies." [s. NR 116.03 (33), Wis. Adm. Code.]

BILL HISTORY

2019 Assembly Bill 721 was introduced by Representative Pronschinske and others on January 8, 2020. Assembly Amendment 1 was introduced by Representatives Pronschinske, Stuck, Jagler, and Murphy on February 10, 2020. On February 13, 2020, the Assembly Committee on Housing and Real Estate recommended adoption of the amendment, and passage of the bill, as amended, on votes of Ayes, 9; Noes, 0.

EL:jal