

HR 1269 IH

109th CONGRESS
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H. R. 1269

To amend the Toxic Substances Control Act, the Internal Revenue Code of 1986, and the Public Buildings Act of 1959 to protect human health from toxic mold, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

March 14, 2005

Mr. CONYERS introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Financial Services, Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Toxic Substances Control Act, the Internal Revenue Code of 1986, and the Public Buildings Act of 1959 to protect human health from toxic mold, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title- This Act may be cited as the 'United States Toxic Mold Safety and Protection Act of 2005' or the 'Melina Bill'.

(b) Table of Contents- The table of contents for this Act is as follows:

TITLE I--RESEARCH AND PUBLIC EDUCATION

Sec. 101. Definitions.

Sec. 102. Health effects study and report.

Sec. 103. Standards for preventing, detecting and remediating indoor mold growth.

Sec. 104. Public education program.

TITLE II--HOUSING AND REAL PROPERTY PROVISIONS

- Sec. 201. Inspection of residential property.
- Sec. 202. Sale or lease of residential property.
- Sec. 203. Inspection requirements for existing public housing.
- Sec. 204. Construction requirements for new public housing.
- Sec. 205. Building codes.
- Sec. 206. Inspection requirement in connection with federally made or insured mortgages.

TITLE III--INDUSTRY STANDARDS DEVELOPMENT

- Sec. 301. Industry Standards Development.

TITLE IV--INDOOR MOLD HAZARD ASSISTANCE

- Sec. 401. Grants for remediation of public buildings.

TITLE V--TAX PROVISIONS

- Sec. 501. Tax credit for toxic mold inspection and remediation.

TITLE VI--NATIONAL TOXIC MOLD HAZARD INSURANCE PROGRAM

Subtitle A--Insurance Program

- Sec. 601. Program authority.
- Sec. 602. Scope of program and priorities.
- Sec. 603. Nature and limitation of insurance coverage.
- Sec. 604. Estimates of premium rates.
- Sec. 605. Establishment of chargeable premium rates.
- Sec. 606. National toxic mold hazard insurance fund.
- Sec. 607. Operating costs and allowances.
- Sec. 608. Payment of claims.
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- Sec. 610. Coordination with other programs.
- Sec. 611. Reports.

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Part 1--Industry Program With Federal Financial Assistance

- Sec. 631. Industry insurance pool.
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Sec. 633. Adjustment and payment of claims and judicial review.
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Part 2--Government Program With Industry Assistance

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Part 3--Provisions of General Applicability

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Sec. 652. Use of insurance pool, companies, or other private organizations for certain payments.
Sec. 653. Settlement and arbitration.
Sec. 654. Records and audits.

Subtitle C--Miscellaneous Provisions

Sec. 661. Definitions.
Sec. 662. Payments.
Sec. 663. Government corporation control act.
Sec. 664. Finality of certain transactions.
Sec. 665. Authorization of appropriations.

TITLE VII--HEALTH CARE PROVISIONS

Sec. 701. Medicaid waiver.

TITLE I--RESEARCH AND PUBLIC EDUCATION

SEC. 101. DEFINITIONS.

For purposes of this Act--

- (1) the term 'mold' means any furry growth of minute fungi occurring in moist conditions;
- (2) the term 'toxic mold' means any indoor mold growth capable of creating toxins that can cause pulmonary, respiratory, neurological or other major illnesses after minimal exposure, as such exposure is defined by the Environmental Protection Agency, Center for Disease Control, National Institute of Health or other Federal, State or local agency organized in part to study and/or protect human health;
- (3) the term 'toxic mold risk assessor' means a person who establishes the level of risk to public health associated with toxic mold; and
- (4) the term 'mold inspection' means an inspection of real property that is designed to discover indoor mold growth, toxic mold growth, conditions

that facilitate indoor mold growth and/or indicia of conditions that are likely to facilitate indoor mold growth.

SEC. 102. RESEARCH AND REPORTING.

(a) The Centers for Disease Control and Prevention, the Environmental Protection Agency, and the National Institutes of Health shall jointly undertake a comprehensive study of the health effects of indoor mold growth and toxic mold. The results of the aforementioned study shall be submitted to the Congress, the President and the general public. The study should ascertain among other things--

- (1) detailed information about harmful and/or toxic strains of mold;
- (2) methods of detecting harmful and/or toxic mold;
- (3) potential dangers of prolonged exposure to indoor mold growth;
- (4) minimum levels of exposure at which indoor mold growth is harmful to human health; and
- (5) the hazards involved in mold remediation.

(b) The Department of Housing and Urban Development shall study and report the impact of construction standards on indoor mold growth.

(c) EPA Study- The Administrator of the Environmental Protection Agency shall conduct a comprehensive study on the economic impact of mold on home owners, renters, businesses, residential and commercial real estate, and litigation.

(d) All research and study conducted pursuant to this Act shall be ongoing with updated reports published as needed to adequately inform the public and protect human health.

SEC. 103. STANDARDS FOR PREVENTING, DETECTING, AND REMEDIATING INDOOR MOLD GROWTH.

(a) After appropriate research and study as required by this Act, but not later than one year after the effective date of this Act, the Environmental Protection Agency, in conjunction with appropriate Federal agencies, shall promulgate national standards that include, among other things--

- (1) standards for mold inspection, mold remediation, testing the toxicity of mold, and protection of mold remediators;
- (2) standards for certification of mold inspectors, mold remediators, mold testing labs, mold risk assessors and industrial hygienist involved with mold remediation planning; and
- (3) standards for the design, installation, and maintenance of air ventilation and/or air-conditioning systems to prevent mold growth or creation of conditions that foster mold growth, such as moisture intrusion.

(b) After appropriate research and study as required by this Act, but not later than one year after the effective date of this Act, the Secretary of the Department of Housing and Urban Development shall publish guidelines for building design, construction, operation, and maintenance to prevent conditions that foster mold growth, such as moisture intrusion, and recommending appropriate means of eliminating those conditions. These guidelines include identification of conditions

that foster mold growth prior to construction, and shall recommend appropriate means of eliminating those conditions.

(c) To the maximum extent possible, the standards, guidelines and recommendations established under this section shall be developed with the assistance of organizations involved in establishing national building construction standards representatives of State or local authorities responsible for building inspections and issuance of certificates of occupancy.

(d) The Environmental Protection Agency and the Department of Housing and Urban Development shall make drafts of their respective documents available for public review and comment 30 days prior to publication. The Environmental Protection Agency and the Department of Housing and Urban Development shall make final model standards and techniques available to the public no later than one year after the effective date of this Act.

(e) The Environmental Protection Agency shall take such actions as may be necessary to inform appropriate State and local government agencies and authorities of the model standards and techniques with the goal of ensuring that such agencies and authorities adopt such standards and techniques by June 1, 2004.

(f) All standards and guidelines promulgated pursuant to this Act shall be updated and published as needed to adequately inform the public and protect human health.

SEC. 104. PUBLIC EDUCATION.

(a) The Environmental Protection Agency, the Centers for Disease Control and Prevention, the National Institutes of Health, and the Department of Housing and Urban Development, and other relevant agencies shall sponsor public education programs to promote and increase public awareness of the dangers of indoor mold growth or toxic mold.

(b) The public education programs should include, among other things, information regarding the conditions that facilitate indoor mold growth; guidelines for remediating indoor mold growth; dangers of exposure to indoor mold growth in public buildings; risk assessment and inspection methods for toxic mold; and other necessary information as determined by the Administrator of the Environmental Protection Agency.

(1) The public education programs shall provide education and information through modes of communication that are commonly utilized and able to be easily consumed by relevant individuals or organizations.

(2) Public education programs should be designed to reach health professionals; the general public; homeowners, prospective homeowners, landlords, and tenants; consumers of home improvement products; the real estate industry; the home construction and renovation industry, including the heating and air conditioning industry; and other individuals and organizations with an interest in the use and/or occupancy of real property.

(c) Notwithstanding the foregoing, the Environmental Protection Agency, in consultation with appropriate agencies, shall publish, and periodically revise, a

pamphlet regarding indoor mold hazards. Among other things this pamphlet should--

- (1) contain information regarding the health risks associated with exposure to indoor mold growth;
 - (2) provide information on the hazards of indoor mold growth in federally assisted and federally owned housing;
 - (3) describe the risks of mold exposure for persons residing in a dwelling with toxic mold;
 - (4) provide information on approved methods for evaluating and reducing mold growth and their effectiveness in identifying, reducing, eliminating, or preventing mold growth;
 - (5) advise persons how to obtain a list of persons certified to inspect or remediate mold growth in the area in which the pamphlet is to be used;
 - (6) state that a risk assessment or inspection for mold growth is recommended prior to the purchase, lease, or renovation of target housing;
 - (7) state that certain State and local laws impose additional requirements related to mold growth in housing and provide a listing of Federal, State, and local agencies in each State, including address and telephone number, that can provide information about applicable laws and available governmental and private assistance and financing; and
 - (8) provide information deemed appropriate and/or necessary to promote awareness of the hazards posed by indoor mold.
- (d) There is authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE II--HOUSING PROVISIONS FOR INDOOR MOLD HAZARD PREVENTION AND DETECTION

SEC. 201. INSPECTIONS OF RESIDENTIAL PROPERTY.

Beginning with the calendar year 2004, the lessor of each unit of rental property shall conduct an annual inspection of such property in accordance with the model standards and techniques set forth in section 103 and shall promptly notify the occupants of such property of the results of such inspection.

SEC. 202. SALE OR LEASE OF RESIDENTIAL PROPERTY.

- (a) Not later than 2 years after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Administrator of the Environmental Protection Agency shall promulgate regulations under this section for the disclosure of mold hazards in housing which is offered for sale or lease.
- (b) The regulations shall require that, before the sale or lease of real property a mold inspection be conducted by a State-certified mold inspector and, within a reasonable time prior to the effective date of the purchase or lease, the seller or lessor shall clearly and accurately disclose to the purchaser or lessee the results of the inspection required under this subsection.

(c) Regulations promulgated under this section shall provide that every contract for the sale or lease of any interest in housing shall contain a statement signed by both the seller or lessor and by the purchaser or lessee that acknowledges the result of the mold inspection required by subsection (b).

(d)(1) Any person who knowingly misrepresents the results of a mold inspection or causes the results of a mold inspection to be inaccurate shall be subject to civil money penalties in accordance with the provisions of section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

(2) Any person who knowingly violates the provisions of this section shall be jointly and severally liable to the purchaser or lessee in an amount equal to 3 times the amount of damages incurred by such individual.

(3) In any civil action brought for damages, the appropriate court may award court costs to the party commencing such action, together with reasonable attorney fees and any expert witness fees, if that party prevails.

(e) The regulations under this section shall take effect 3 years after the date of the enactment of this Act.

SEC. 203. INSPECTION REQUIREMENTS FOR EXISTING PUBLIC HOUSING.

(a) In General- The Secretary of Housing and Urban Development shall establish procedures to eliminate, as far as practicable, the hazards of indoor mold with respect to any existing public housing which may present such hazards, in accordance with this section. Such procedures shall provide for appropriate measures to conduct risk assessments, inspections, interim controls, and abatement of indoor mold hazards.

(b) Procedures- At a minimum, such procedures shall require--

- (1) the provision of indoor mold hazard information pamphlets to tenants;
- (2) periodic risk assessments and interim controls in accordance with a schedule determined by the Secretary;
- (3) mold inspections;
- (4) abatement of indoor mold hazards identified;
- (5) where risk assessment, inspection, or reduction activities have been undertaken, the provision of notice to occupants describing the nature and scope of such activities and the actual risk assessment or inspection reports; and
- (6) such other measures as the Secretary deems appropriate.

(c) Transitional Testing and Abatement-

(1) PUBLIC HOUSING RECEIVING CAPITAL FUND ASSISTANCE-
The inspection required under this section for public housing assisted with amounts from the Capital Fund under section 9(d) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)) shall be conducted with respect to--

- (A) a random sample of dwellings and common areas in all public housing projects assisted under such section; and

(B) each dwelling in any public housing project in which there is a dwelling determined under subparagraph (A) to have indoor mold hazards.

(2) INSPECTION- The Secretary shall require the inspection of all housing subject to this subsection in accordance with the modernization schedule. A public housing agency may elect to test for indoor mold hazards and may elect to abate such hazards under standards more stringent than those established under this section by the Secretary, and such abatement shall qualify for assistance from the Capital Fund. The Secretary shall require abatement of indoor mold hazards in housing in which the test results equal or exceed the standard established under this Act. Final inspection and certification after abatement shall be made by a certified mold inspector, industrial hygienist, or local public health official.

(d) Schedule- Three years after the date of enactment of this Act, the Secretary shall require the inspection of all housing subject to this section for mold. The Secretary may prioritize, within such period, inspections on the basis of vacancy, age of housing, or projected modernization or rehabilitation. The Secretary shall require abatement and final inspection and certification of such housing.

(e) Report- Not later than three and one-half years after the enactment of this Act, the Secretary shall submit a report to the Congress describing the results of the activities under this section.

(f) Funding- The Secretary shall use amounts available under the Capital Fund under section 9(d) of the United States Housing Act of 1937 to carry out this section. The Secretary shall submit annually to the Congress an estimate of the funds required to carry out the provisions of this section.

SEC. 204. CONSTRUCTION REQUIREMENTS FOR NEW PUBLIC HOUSING.

The Secretary of Housing and Urban Development shall take such actions and impose such standards and conditions as may be necessary or appropriate to ensure that public housing constructed after the date of the issuance of the model construction standards and techniques established under section 103, is constructed in accordance with such model standards and techniques.

SEC. 205. BUILDING CODES.

(a) In General- The Secretary of Housing and Urban Development shall develop model construction standards and techniques for preventing and controlling mold within new buildings.

(b) Contents- The model standards and techniques shall provide for geographic differences in construction types and materials, geology, weather, and other variables that may affect mold levels in new buildings.

(c) Development and Publication- To the maximum extent possible, these standards and techniques should be developed with the assistance of organizations

involved in establishing national building construction standards and techniques. The Secretary shall make a draft of the document containing the model standards and techniques available for public review and comment. The Secretary shall make final model standards and techniques available to the public no later than one year after the effective date of this Act.

SEC. 206. INSPECTION REQUIREMENT IN CONNECTION WITH FEDERALLY MADE OR INSURED MORTGAGES.

(a) In General- After December 31, 2006, no Federal agency (as such term is defined in section 551 of title 5, United States Code) may make, insure, or guarantee a mortgage or loan for purchase or lease of residential real property unless--

(1) there has been an inspection of the property for the presence of indoor mold growth, toxic mold and/or the conditions that facilitate indoor mold growth hazards by a mold inspector certified in accordance with standards promulgated pursuant to this Act within a reasonable time prior to the making, insuring, or guaranteeing of the mortgage or loan and the results of the inspection are clearly and accurately disclosed to the purchaser, seller and mortgagor; and

(2) the contract for purchase and sale of an interest in residential real property for which such mortgage or loan was made contains a statement signed by the seller or lessor and by the purchaser or lessee that paragraph (1) has been complied with.

(b) Regulations- The heads of each of the agencies that make, insure, or guarantee mortgages or loans for purchase or lease of residential real property shall, not later than September 30, 2006, issue such regulations as may be necessary to carry out this section.

TITLE III--INDUSTRY STANDARDS DEVELOPMENT

SEC. 301. INDUSTRY STANDARDS DEVELOPMENT.

(a) Definitions- Section 2 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4301) is amended--

(1) in subsection (a) by adding at the end the following:

`(7) The term `standards development activity' means any action taken by a standards development organization for the purpose of developing, promulgating, revising, amending, reissuing, interpreting, or otherwise maintaining a voluntary consensus standard for building products that are designed to retard the development of mold or the storage of those products or using such standard in conformity assessment activities.

`(8) The term `standards development organization' has the same meaning as the terms `voluntary consensus standards body' and `voluntary, private sector consensus standards body' as such term are used in section 12(d) of the National Technology Transfer and Advancement Act of 1995 and in

Circular Number A-119, as revised February 10, 1998, of the Office of Management and Budget.

`(9) The term `technical standard' has the meaning given such term in section 12(d)(4) of the National Technology Transfer and Advancement Act of 1995.

`(10) The term `voluntary consensus standard' has the meaning given such term in Circular Number A-119, as revised February 10, 1998, of the Office of Management and Budget.'; and

(2) by adding at the end the following:

`(c) The term `standards development activity' excludes the following activities:

`(1) Exchanging information among competitors relating to cost, sales, profitability, prices, marketing, or distribution of any product, process, or service that is not reasonably required for the purpose of developing or promulgating a voluntary consensus standard, or using such standard in conformity assessment activities.

`(2) Entering into any agreement or engaging in any other conduct that would allocate a market with a competitor.

`(3) Entering into any agreement or conspiracy that would set or restrain prices of any good or service.'.

(b) Rule of Reason Standard- Section 3 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4302) is amended by striking `of any person in making or performing a contract to carry out a joint venture shall' and inserting the following:

`of--

`(1) any person in making or performing a contract to carry out a joint venture, or

`(2) a standards development organization while engaged in a standards development activity, including a standards development activity for building products that are designed to retard the development of mold or the storage of those products shall'.

(c) Limitation on Recovery- Section 4 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4303) is amended--

(1) in subsections (a)(1), (b)(1), and (c)(1) by inserting `, for a standards development activity engaged in by standards development organization against which such claim is made' after `joint venture', and

(2) in subsection (e)--

(A) by inserting `, or of a standards development activity engaged in by a standards development organization' before the period at the end, and

(B) by redesignating such subsection as subsection (f), and

(3) by inserting after subsection (d) the following:

`(e) Subsections (a), (b), and (c) shall not be construed to modify the liability under the antitrust laws of any person (other than a standards development organization) who--

`(1) directly (or through an employee or agent) participates in a standards development activity with respect to which a violation of any of the antitrust laws is found,

`(2) is not a full-time employee of the standards development organization that engaged in such activity, and

`(3) is, or is an employee or agent of a person who is, engaged in a line of commerce that is likely to benefit directly from the operation of the standards development activity with respect to which such violation is found.'

(d) Attorney Fees- Section 5 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4304) is amended--

(1) in subsection (a) by inserting `, or of a standards development activity engaged in by a standards development organization (including an organization developing standards for building products that are designed to retard the development of mold or the storage of those products)' after `joint venture', and

(2) by adding at the end the following:

`(c) Subsections (a) and (b) shall not apply with respect to any person who--

`(1) directly participates in a standards development activity (including developing standards for building products that are designed to retard the development of mold or the storage of those products) with respect to which a violation of any of the antitrust laws is found,

`(2) is not a full-time employee of a standards development organization (including an organization developing standards for building products that are designed to retard the development of mold or the storage of those products) that engaged in such activity, and

`(3) is, or is an employee or agent of a person who is, engaged in a line of commerce that is likely to benefit directly from the operation of the standards development activity with respect to which such violation is found.'

(e) Disclosure of Standards Development Activity- Section 6 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4305) is amended--

(1) in subsection (a)--

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively,

(B) by inserting `(1)' after `(a)', and

(C) by adding at the end the following:

`(2) A standards development organization (including an organization developing standards for building products that are designed to retard the development of mold or the storage of those products) may, not later than 90 days after commencing a standards development activity engaged in for the purpose of developing or promulgating a voluntary consensus standards or not later than 90 days after the date of the enactment of the Standards Development Organization Advancement Act of 2002, whichever is later, file simultaneously with the Attorney General and the Commission, a written notification disclosing--

`(A) the name and principal place of business of the standards development organization, and

`(B) documents showing the nature and scope of such activity.

Any standards development organization (including an organization developing standards for building products that are designed to retard the development of mold or the storage of those products) may file additional disclosure notifications pursuant to this section as are appropriate to extend the protections of section 4 to standards development activities that are not covered by the initial filing or that have changed significantly since the initial filing.',

(2) in subsection (b)--

(A) in the 1st sentence by inserting `, or a notice with respect to such standards development activity that identifies the standards development organization engaged in such activity and that describes such activity in general terms' before the period at the end, and

(B) in the last sentence by inserting `or available to such organization, as the case may be' before the period,

(3) in subsection (d)(2) by inserting `, or the standards development activity,' after `venture',

(4) in subsection (e)--

(A) by striking `person who' and inserting `person or standards development organization that', and

(B) by inserting `or any standards development organization (including an organization developing standards for building products that are designed to retard the development of mold or the storage of those products)' after `person' the last place it appears, and

(5) in subsection (g)(1) by inserting `or standards development organization (including an organization developing standards for building products that are designed to retard the development of mold or the storage of those products)' after `person'.

TITLE IV--INDOOR MOLD HAZARD ASSISTANCE

SEC. 401. GRANTS FOR REMEDIATION OF PUBLIC BUILDINGS AND SEVERELY IMPACTED HOMES.

(a) In General- The Administrator of the Environmental Protection Agency shall make grants available to State and local governments to cover--

(1) costs associated with remediating mold growth in buildings owned or leased by such governments, including but not limited to schools and multifamily dwellings, and to the owners of residential properties, including both single family and multi-family properties; and

(2) the costs of temporary housing, food, and moving costs for periods not in excess of 6 months for individuals severely impacted by toxic mold in their residences who are without insurance coverage for toxic mold and

- who do not have financial resources to obtain alternative housing, as determined on a case by case basis by the State or local government.
- (b) Use of Funds- All funds included in a grant under subsection (a)(1) that are awarded to schools shall only be used for purposes of remediation, including the the costs of inspection, risk assessment, testing, remediation, and maintenance.

TITLE V--TAX PROVISIONS

SEC. 501. TAX CREDIT FOR TOXIC MOLD INSPECTION AND REMEDIATION.

(a) In General- Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

`SEC. 30B. CREDIT FOR MOLD INSPECTION AND REMEDIATION.

`(a) General Rule- There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 60 percent of mold inspection and remediation expenses paid or incurred by the taxpayer during such taxable year.

`(b) Limitation- The amount of the credit allowed under subsection (a) for any taxable year shall not exceed \$50,000.

`(c) Mold Inspection and Remediation Expenses- For purposes of this section, the term `mold inspection and remediation expenses' means expenses paid or incurred by the taxpayer (and not reimbursed by insurance or otherwise) to carry out--

`(1) a risk assessment or inspection of housing for the presence of indoor mold hazards under section 202 of the United States Toxic Mold Safety and Protection Act,

`(2) a risk assessment or inspection of any other building for the presence of mold (as defined in section 101(2) of the United States Toxic Mold Safety and Protection Act), or

`(3) a remediation of mold growth in housing or any other building.

`(d) Denial of Double Benefit- No deduction or credit under any other provision of this chapter shall be allowed with respect to mold inspection and remediation expenses taken into account for the credit under this section.

`(e) Certain Rules Made Applicable- All persons treated as one employer under subsection (a) or (b) of section 52 shall be treated as 1 taxpayer for purposes of this section.

`(f) Application With Other Credits- The credit allowed by subsection (a) for any taxable year shall not exceed the excess (if any) of--

`(1) the regular tax for the taxable year, reduced by the sum of the credits allowable under subpart A and the preceding sections of this subpart, over

`(2) the tentative minimum tax for the taxable year.'

(b) Clerical Amendment- The table of sections for subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

'30B. Credit for mold inspection and remediation.'

(c) Effective Date- The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2006.

TITLE VI--NATIONAL TOXIC MOLD HAZARD INSURANCE PROGRAM

Subtitle A--Insurance Program

SEC. 601. PROGRAM AUTHORITY.

(a) In General- The Director of the Federal Emergency Management Agency shall establish and carry out a national toxic mold insurance program to enable interested persons to purchase insurance against losses resulting from mold hazards in real properties located in the United States.

(b) Participation- In carrying out the toxic mold hazard insurance program under this title, the Director shall, to the maximum extent practicable, encourage and arrange for--

- (1) appropriate financial participation and risk sharing in the program by insurance companies and other insurers; and
- (2) other appropriate participation on other than a risk-sharing basis, by insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, in accordance with the provisions of subtitle B.

SEC. 602. SCOPE OF PROGRAM AND PRIORITIES.

(a) Priority of Program Scope- In carrying out the toxic mold hazard insurance program, the Director shall afford a priority to making toxic mold hazard insurance available to cover residential properties which are designed for the occupancy of from one to four families.

(b) Additional Scope- If, pursuant to studies and investigations pursuant to section 604 or such other information as the Director considers appropriate, the Director determines that it would be feasible to extend the insurance program under this title to cover other properties, the Director may take such action under this title as may be necessary to make insurance available to cover, on such basis as may be feasible, any types and classes of--

- (1) other residential properties;
- (2) church properties, and business properties which are owned or leased and operated by small business concerns;
- (3) other business properties;
- (4) properties occupied by private nonprofit organizations; and
- (5) properties owned by State and local governments and agencies thereof;

and any such extensions of the program to any types and classes of these properties shall from time to time be prescribed in regulations.

SEC. 603. NATURE AND LIMITATION OF INSURANCE COVERAGE.

The Director shall from time to time, after consultation with interested parties (including the insurance authorities of the States), provide by regulation for general terms and conditions of insurability which shall be applicable to properties eligible for toxic mold hazard insurance coverage under section 602, including--

- (1) the types, classes, and locations of any such properties which shall be eligible for such insurance;
- (2) the nature and limits of loss or damage that may be covered by such insurance, which shall include costs of property damage and loss, remediation, relocation (during remediation or permanently), and rental of an alternative dwelling during remediation;
- (3) the classification, limitation, and rejection of any risks that may be appropriate;
- (4) appropriate minimum premiums;
- (5) appropriate loss-deductibles;
- (6) appropriate limits on aggregate liability under such coverage, based on the type of property insured; and
- (7) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the purposes of this title.

SEC. 604. ESTIMATES OF PREMIUM RATES.

The Director shall undertake and carry out such studies and investigations and receive or exchange such information as may be necessary to estimate, and shall from time to time estimate the following premium rates for toxic mold hazard insurance coverage under this title:

- (1) ACTUARIAL RATES- The risk premium rates that would be required to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 602 and which--
 - (A) are based on consideration of the risk involved and accepted actuarial principles;
 - (B) include the applicable operating costs and allowances set forth in the schedules prescribed under section 607 and reflected in such rates; and
 - (C) include any administrative expenses of carrying out the insurance program under this title.
- (2) SUBSIDIZED RATES- The risk premium rates that--
 - (A) are less than the rates estimated under paragraph (1);
 - (B) would be reasonable;

- (C) would encourage prospective insureds to purchase toxic mold hazard insurance coverage;
- (D) would be consistent with the purposes of this title; and
- (E) include any administrative expenses incurred in carrying out the insurance program under this title.

SEC. 605. ESTABLISHMENT OF CHARGEABLE PREMIUM RATES.

(a) In General- On the basis of estimates made under section 604 and such other information as may be necessary, the Director shall from time to time, after consultation with the interested parties (including the insurance authorities of the States), prescribe by regulation--

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 602 (at less than the estimated risk premium rates under section 604(1), where necessary), and

(2) the terms and conditions under which, and the areas within which, such rates shall apply.

(b) Factors- Such rates shall, insofar as practicable, be--

(1) based on a consideration of the respective risks involved, including differences in risks due to construction types and materials, building systems, geology, climate, and other factors that may affect mold levels in buildings;

(2)(A) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses; or

(B) if less than such amount consistent with the objective of making toxic mold hazard insurance coverage available where necessary at reasonable rates so as to encourage prospective insureds to purchase such insurance and with the purposes of this title;

(3) adequate to provide for any administrative expenses of the insurance programs under this title; and

(4) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated actuarial risk premium rates under section 604(1) and the estimated subsidized risk premium rates under section 604(2).

(c) Full Actuarial Rates for Communities not in Compliance With Building Inspection, Certificate of Occupancy, and Public Disclosure Provisions- Subject only to the limitation under subsection (d), the chargeable rate with respect to any property that is located within a jurisdiction that the Director determines has not adopted adequate toxic mold control measures, with effective enforcement provisions, that the Director determines are consistent with the model standards and techniques for inspection and certification of occupancy issued under section 201 and with the model standards for public disclosure issued under section 202, shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 604(1), except that such premium rate for such properties shall be affordable and reasonably priced.

(d) Annual Limitation on Premium Increases- Notwithstanding any other provision of this title, the chargeable risk premium rates for toxic mold hazard insurance under this title for any properties within any single risk classification may not be increased by an amount that would result in the average of such rate increases for properties within the risk classification during any 12-month period exceeding 10 percent of the average of the risk premium rates for properties within the risk classification upon the commencement of such 12-month period.

(e) \$200 Maximum Premium for Single Family Dwellings- The chargeable risk premium rate for toxic mold hazard insurance under this title for a single family dwelling shall be affordable and reasonably priced.

SEC. 606. NATIONAL TOXIC MOLD HAZARD INSURANCE FUND.

(a) Establishment and Uses- To carry out the toxic mold hazard insurance program under this title, the Director shall establish in the Treasury of the United States a National Toxic Mold Hazard Insurance Fund, which shall be an account separate from any other accounts or funds available to the Director and shall be available as described in subsection (f), without fiscal year limitation (except as otherwise provided in this section)--

- (1) for making such payments as may, from time to time, be required under section 634;
- (2) to repay to the Secretary of the Treasury such sums as may be borrowed (together with interest) pursuant to subsection (e);
- (3) to the extent approved in appropriation Acts, to pay any administrative expenses of the toxic mold hazard insurance program; and
- (4) for the purposes specified in subsection (d) under the conditions provided therein.

(b) Credits- The Fund shall be credited with--

- (1) any amounts borrowed under subsection (e);
- (2) any amounts as may be appropriated for the Fund;
- (3) interest which may be earned on investments of the Fund pursuant to subsection (c);
- (4) receipts from any other operations under this title (including premiums under the conditions specified in subsection (d)); and
- (5) such other amounts as may be credited to the Fund.

(c) Investment- If the Director determines that the amounts in the Fund are in excess of current needs, the Director may request the investment of such amounts as the Director deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

(d) Federal Operation of Program- In the event the Director makes a determination under section 641 that operation of the toxic mold hazard insurance program, in whole or in part, should be carried out through the facilities of the Federal Government, the Fund shall be available for all purposes incident thereto, including--

- (1) costs incurred in the adjustment and payment of any claims for losses, and

(2) payment of applicable operating costs set forth in the schedules prescribed under section 607,
for so long as the program is so carried out, and in such event any premiums paid shall be deposited by the Director to the credit of the Fund.

(e) Borrowing-

(1) AUTHORITY- To the extent that the amounts in the Fund are insufficient to pay claims and expenses under the toxic mold hazard insurance program, the Director may issue such obligations of the Fund as may be necessary to cover the insufficiency and the Secretary of the Treasury shall purchase any such obligations issued.

(2) PUBLIC DEBT TRANSACTION- For the purpose of purchasing any such obligations, the Secretary may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities are issued under such chapter are hereby extended to include any purchase by the Secretary of such obligations under this subsection.

(3) CHARACTERISTICS OF OBLIGATIONS- Obligations issued under this subsection shall be in such forms and denominations, bear such maturities, bear interest at such rate, and be subject to such other terms and conditions, as the Secretary shall determine.

(4) TREATMENT- All redemptions, purchases, and sales by the Secretary of obligations under this subsection shall be treated as public debt transactions of the United States.

(f) Availability- The Fund shall be available, with respect to any fiscal year 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.

SEC. 607. OPERATING COSTS AND ALLOWANCES.

(a) In General- The Director shall from time to time negotiate with appropriate representatives of the insurance industry for the purpose of establishing--

(1) a current schedule of operating costs applicable both to risk-sharing insurance companies and other insurers and to insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations participating on other than a risk-sharing basis, and

(2) a current schedule of operating allowances applicable to risk-sharing insurance companies and other insurers,

which may be payable in accordance with the provisions of subtitle B, and such schedules shall from time to time be prescribed in regulations.

(b) Definitions- For purposes of subsection (a), the following definitions shall apply:

(1) OPERATING ALLOWANCES- The term 'operating allowances' includes amounts for profit and contingencies that the Director determines are reasonable and necessary to carry out the purposes of this title.

(2) OPERATING COSTS- The term 'operating costs' includes--

- (A) expense reimbursements covering the direct, actual, and necessary expenses incurred in connection with selling and servicing toxic mold hazard insurance coverage;
- (B) reasonable compensation payable for selling and servicing such coverage, or commissions or service fees paid to producers;
- (C) loss adjustment expenses; and
- (D) other direct, actual, and necessary expenses which the Director finds are incurred in connection with selling or servicing such insurance coverage.

SEC. 608. PAYMENT OF CLAIMS.

The Director shall prescribe regulations establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any losses or damages covered by toxic mold hazard insurance made available under this title.

SEC. 609. DISSEMINATION OF INSURANCE INFORMATION.

The Director shall from time to time take such action as may be necessary in order to make information available to the public, and to any State or local agency or official, with regard to--

- (1) the toxic mold hazard insurance program, its coverage, and objectives; and
- (2) estimated and chargeable insurance premium rates under the program, including the basis for and differences between such rates in accordance with the provisions of this subtitle.

SEC. 610. COORDINATION WITH OTHER PROGRAMS.

In carrying out this title, the Director shall consult with other departments and agencies of the Federal Government, and with interstate, State, and local agencies having responsibilities for toxic mold inspection and prevention, in order to ensure that the programs of such agencies and the program under this title are mutually consistent.

SEC. 611. REPORTS.

The Director shall annually submit a report of operations under this title to the Congress.

Subtitle B--Organization and Administration of Insurance Program

SEC. 621. IMPLEMENTATION.

Following such consultation with representatives of the insurance industry as may be necessary, the Director shall implement the toxic mold hazard insurance program under subtitle A in accordance with the provisions of part 1 of this subtitle, and, if a determination is made by the Director under section 641, under part 2 of this subtitle.

PART 1--INDUSTRY PROGRAM WITH FEDERAL FINANCIAL ASSISTANCE

SEC. 631. INDUSTRY INSURANCE POOL.

- (a) Formation- The Director may encourage and otherwise assist any insurance companies and other insurers that meet the requirements prescribed under subsection (b) to form, as associate, or otherwise join together in a pool--
- (1) in order to provide the insurance coverage authorized under subtitle A; and
 - (2) for the purpose of assuming, on such terms and conditions as may be agreed upon, such financial responsibility as will enable such companies and other insurers, with the Federal financial and other assistance available under this title, to assure a reasonable proportion of responsibility for the adjustment and payment of claims for losses under the toxic mold hazard insurance program.
- (b) Requirements- To promote the effective administration of the toxic mold hazard insurance program under this part, and to ensure that the objectives of this title are furthered, the Director may prescribe appropriate requirements for insurance companies and other insurers participating in such pool, including minimum requirements for capital or surplus or assets.

SEC. 632. AGREEMENTS WITH INSURANCE POOL.

- (a) Authority- The Director may enter into such agreements with the pool formed or otherwise created under this part as the Director deems necessary to carry out the purposes of this title.
- (b) Contents- Such agreements shall specify--
- (1) the terms and conditions under which risk capital will be available for the adjustment and payments of claims;
 - (2) the terms and conditions under which the pool (and the companies and other insurers participating therein) shall participate in premiums received and profits or losses realized or sustained;
 - (3) the maximum amount of profit, established by the Director and set forth in the schedules prescribed under section 607, which may be realized by such pool (and the companies and other insurers participating therein);
 - (4) the terms and conditions under which operating costs and allowances set forth in the schedules prescribed under section 607 may be paid; and

(5) the terms and conditions under which premium equalization payments under section 634 will be made.

(c) Participation- In addition, such agreements shall contain such provisions as the Director finds necessary to ensure that--

(1) no insurance company or other insurer that meets the requirements prescribed under section 631(b) and has indicated an intention to participate in the toxic mold hazard insurance program on a risk-sharing basis, will be excluded from participating in the pool;

(2) the insurance companies and other insurers participating in the pool will take whatever action may be necessary to provide continuity of toxic mold hazard insurance coverage by the pool; and

(3) any insurance companies and other insurers, insurance agents, and brokers and insurance adjustment organizations will be permitted to cooperate with the pool as fiscal agents or otherwise, on other than a risk-sharing basis, to the maximum extent practicable.

SEC. 633. ADJUSTMENT AND PAYMENT OF CLAIMS AND JUDICIAL REVIEW.

The insurance companies and other insurers that form, associate, or otherwise join together in the pool under this part may adjust and pay all claims for proved and approved losses covered by toxic mold hazard insurance in accordance with the provisions of this title and, upon the disallowance by any such company or other insurer of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance of the claim, may institute an action on such claim against such company or other insurer in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and original exclusive jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

SEC. 634. PREMIUM EQUALIZATION PAYMENTS.

(a) Payments- The Director, on such terms and conditions as the Director may from time to time prescribe, shall make periodic payments to the pool formed or otherwise created under section 631, in recognition of such reductions in chargeable premium rates under section 605 below estimated premium rates under section 604(1) as are required in order to make toxic mold hazard insurance available on reasonable terms and conditions.

(b) Periods and Methods- Designated periods under this section and the methods for determining the sum of premiums paid or payable during such periods shall be established by the Director.

SEC. 635. EMERGENCY IMPLEMENTATION OF PROGRAM.

(a) Authority- Notwithstanding any other provisions of this title, for the purpose of providing toxic mold hazard insurance coverage at the earliest possible time, the Director may carry out the insurance program under subtitle A during the period ending September 30, 2006, in accordance with the provisions of this part and the other provisions of this title insofar as they relate to this part, but subject to the modifications made by or under subsection (b).

(b) Premium Rates and Procedures- In carrying out the toxic mold hazard insurance program pursuant to subsection (a), the Director--

(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 604; and

(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 634) and sections 651 and 652 to such extent and in such manner as the Director may consider necessary or appropriate to carry out the purpose of this section.

PART 2--GOVERNMENT PROGRAM WITH INDUSTRY ASSISTANCE

SEC. 641. FEDERAL OPERATION OF PROGRAM.

(a) Authority- If at any time, after consultation with representatives of the insurance industry, the Director determines that operation of the toxic mold hazard insurance program as provided under part 1 cannot be carried out, or that such operation, in itself, would be assisted materially by the Federal Government's assumption, in whole or in part, of the operational responsibility for toxic mold insurance under this title (on a temporary or other basis), the Director shall promptly undertake any necessary arrangements to carry out the program of toxic mold hazard insurance under subtitle A through the facilities of the Federal Government, utilizing, for purposes of providing such insurance coverage--

(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States;

(2) such other officers and employees of any executive agency (as defined in section 105 of title 5 of the United States Code) as the Director and the head of any such agency may from time to time, agree upon, on a reimbursement or other basis; or

(3) both the alternatives specified in paragraphs (1) and (2).

(b) Report- Upon making the determination referred to in subsection (a), the Director shall make a report to the Congress and, at the same time, to the private insurance companies participating in the toxic mold hazard insurance program under this title. Such report shall--

(1) state the reason for such determinations;

(2) include findings that support such determination;

(3) indicate the extent to which it is anticipated that the insurance industry will be utilized in providing toxic mold hazard insurance coverage under the program; and

(4) contain such recommendations as the Director considers appropriate.

The Director shall not implement the program of toxic mold hazard insurance under subtitle A through the facilities of the Federal Government before the expiration of the 9-month period beginning upon the date of submission of the report under this subsection unless it would be impossible to continue to effectively carry out the program operations during such period.

SEC. 642. ADJUSTMENT AND PAYMENT OF CLAIMS AND JUDICIAL REVIEW.

If the program is carried out as provided in section 1341, the Director may adjust and make payment of any claims for proved and approved losses covered by toxic mold hazard insurance, and upon the disallowance by the Director of any such claims, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance by the Director, may institute an action against the Director on such claim in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and original exclusive jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.

PART 3--PROVISIONS OF GENERAL APPLICABILITY

SEC. 651. SERVICES BY INSURANCE INDUSTRY.

(a) Contracts and Agreements- In administering the toxic mold hazard insurance program under this subtitle, the Director may enter into any contracts, agreements, or other appropriate arrangements which may, from time to time, be necessary for the purpose of utilizing, on such terms and conditions as may be agreed upon, the facilities and services of any insurance companies or other insurers, insurance agents and brokers, or insurance adjustment organizations; and such contracts, agreements, or arrangements may include provision for payment of applicable operating costs and allowances for such facilities and services as set forth in the schedules prescribed under section 607.

(b) Exemption From Competitive Bidding Requirements- Any such contracts, agreements, or other arrangements may be entered into without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring competitive bidding and without regard to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(c) Liability- The Director of the Federal Emergency Management Agency shall hold any agent or broker selling or undertaking to sell toxic mold insurance

coverage 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.

SEC. 652. USE OF INSURANCE POOL, COMPANIES, OR OTHER PRIVATE ORGANIZATIONS FOR CERTAIN PAYMENTS.

(a) Authority- To provide for maximum efficiency in the administration of the toxic mold hazard insurance program and to facilitate the expeditious payment of any Federal funds under such program, the Director may enter into contracts with a pool formed or otherwise created under section 631, or any insurance company or other private organization, for the purpose of securing performance by such pool, company, or organization or any or all of the following responsibilities:

- (1) Estimating and later determining any amounts of payments to be made.
- (2) Receiving from the Director, disbursing, and accounting for funds in making such payments.
- (3) Making such audits of the records of any insurance company or other insurer, insurance agent or broker, or insurance adjustment organization as may be necessary to assure that proper payments are made.
- (4) Otherwise assisting in such manner as the contract may provide to further the purposes of this title.

(b) Terms and Conditions- Any contract with the pool or an insurance company or other private organization under this section may contain such terms and conditions at the Director finds necessary or appropriate for carrying out responsibilities under subsection (a), and may provide for payment of any costs which the Director determines are incidental to carrying out such responsibilities which are covered by the contract.

(c) Exemption From Competitive Bidding Requirements- Any contract entered into under subsection (a) may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provision of law requiring competitive bidding.

(d) Efficiency and Effectiveness- No contract may be entered into under this section unless the Director finds that the pool, company, or organization will perform its obligations under the contract efficiently and effectively, and will meet such requirements as to financial responsibility, legal authority, and other matters as the Director finds appropriate.

(e) Certification of Payments-

- (1) BONDING- Any such contract may require the pool, company, or organization or any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in

carrying out the contract, to give surety bond to the United States in such amount as the Director may deem appropriate.

(2) LIABILITY-

(A) No individual designated pursuant to a contract under this section to certify payments shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by such individual under this section.

(B) No officer disbursing funds shall in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by such officer under this section if it was based upon a voucher signed by an individual designated to certify payments as provided in paragraph (2) of this subsection.

(f) **Contract Term-** Any contract entered into under this section shall be for a term of one year, and may be made automatically renewable from term to term in the absence of notice by either party of an intention to terminate at the end of the current term; except that the Director may terminate any such contract at any time (after reasonable notice to the pool, company, or organization involved) if the Director finds that the pool, company, or organization has failed substantially to carry out the contract, or is carrying out the contract in a manner inconsistent with the efficient and effective administration of the toxic mold hazard insurance program under this title.

SEC. 653. SETTLEMENT AND ARBITRATION.

(a) **Authority-** The Director may make final settlement of any claims or demands which may arise as a result of any financial transactions that the Director is authorized to carry out under this subtitle, and may, to assist the Director in making any such settlement, refer any disputes relating to such claims or demands to arbitration, with the consent of the parties concerned.

(b) **Arbitration-** Such arbitration shall be advisory in nature, and any award, decision, or recommendation which may be made shall become final only upon the approval of the Director.

SEC. 654. RECORDS AND AUDITS.

(a) **Maintenance of Records-** The insurance pool formed or otherwise created under part 1 of this subtitle, and any insurance company or other private organization executing any contract, agreement, or other appropriate arrangement with the Director under part 2 or this part, shall keep such records as the Director shall prescribe, including records which fully disclose the total costs of the program undertaken or the services being rendered, and such other records as will facilitate an effective audit.

(b) **Access to Records-** The Director and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers and any such

insurance company or other private organization that are pertinent to the costs of the program undertaken or the services being rendered.

Subtitle C--Miscellaneous Provisions

SEC. 661. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

- (1) DIRECTOR- The term 'Director' means the Director of the Federal Emergency Management Agency.
- (2) FUND- The term 'Fund' means the National Toxic Mold Hazard Insurance Fund established under section 606.
- (3) INSURANCE ADJUSTMENT ORGANIZATION- The term 'insurance adjustment organization' includes any organizations and persons engaged in the business of adjusting loss claims arising under insurance policies issued by any insurance company or other insurer.
- (4) INSURANCE COMPANY; OTHER INSURER; INSURANCE AGENT OR BROKER- The terms 'insurance company', 'other insurer' and 'insurance agent or broker' include any organizations and persons authorized to engage in the insurance business under the laws of any State.

SEC. 662. PAYMENTS.

Any payments under this title may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Director may determine.

SEC. 663. GOVERNMENT CORPORATION CONTROL ACT.

The provisions of chapter 91 of title 31, United States Code, shall apply to the program under this title to the same extent that such provisions apply to wholly owned Government corporations.

SEC. 664. FINALITY OF CERTAIN TRANSACTIONS.

Notwithstanding any other provisions of law--

- (1) any financial transaction authorized to be carried out under this title, and
 - (2) any payment authorized to be made or to be received in connection with any such financial transaction,
- shall be final and conclusive upon all officers of the Government.

SEC. 665. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may from time to time be necessary to carry out this title, including amounts--

- (1) to reimburse the National Toxic Mold Hazard Insurance Fund established under section 604 for premium equalization payments under section 634 which have been made from the Fund;
- (2) for studies under this title; and
- (3) to make such other payments as may be necessary to carry out the purposes of this title.

Any amounts appropriate pursuant to this section shall be available without fiscal year limitation.

TITLE VII--HEALTH CARE PROVISIONS

SEC. 701. MEDICAID WAIVER.

Notwithstanding any other provision of law, a State (as defined for purposes of title XIX of the Social Security Act) may waive income, resource, and other requirements otherwise applicable under such title in order to provide medical assistance to individuals--

- (1) whose health has been adversely impacted (as certified by a physician) due to exposure to toxic mold; and
- (2) who do not have any health insurance coverage, or lack adequate health insurance coverage, to treat the physical harm due to toxic mold poisoning.

END