

117TH CONGRESS
1ST SESSION

S. 1617

To modify the requirements for the Administrator of the Small Business Administration relating to declaring a disaster in a rural area, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 13, 2021

Mr. RISCH (for himself, Mrs. SHAHEEN, Ms. HASSAN, Mr. KENNEDY, and Mr. BRAUN) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To modify the requirements for the Administrator of the Small Business Administration relating to declaring a disaster in a rural area, and for other purposes.

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 “Disaster Assistance
5 for Rural Communities Act”.

6 **SEC. 2. DISASTER DECLARATION IN RURAL AREAS.**

7 (a) IN GENERAL.—Section 7(b) of the Small Busi-
8 ness Act (15 U.S.C. 636(b)) is amended by inserting after
9 paragraph (15) the following:

1 “(16) DISASTER DECLARATION IN RURAL
2 AREAS.—

3 “(A) DEFINITIONS.—In this paragraph—

4 “(i) the term ‘rural area’ means an
5 area with a population of less than
6 200,000 outside an urbanized area; and

7 “(ii) the term ‘significant damage’
8 means, with respect to property, uninsured
9 losses of not less than 40 percent of the es-
10 timated fair replacement value or pre-dis-
11 aster fair market value of the damaged
12 property, whichever is lower.

13 “(B) DISASTER DECLARATION.—For the
14 purpose of making loans under paragraph (1)
15 or (2), the Administrator may declare a disaster
16 in a rural area for which a major disaster was
17 declared by the President under section 401 of
18 the Robert T. Stafford Disaster Relief and
19 Emergency Assistance Act (42 U.S.C. 5170)
20 if—

21 “(i) the Governor of the State in
22 which the rural area is located requests
23 such a declaration; and

24 “(ii) any home, small business con-
25 cern, private nonprofit organization, or

1 small agricultural cooperative has incurred
2 significant damage in the rural area.

3 “(C) SBA REPORT.—Not later than 120
4 days after the date of enactment of this para-
5 graph, and every year thereafter, the Adminis-
6 trator shall submit to the Committee on Small
7 Business and Entrepreneurship of the Senate
8 and the Committee on Small Business of the
9 House of Representatives a report on, with re-
10 spect to the 1-year period preceding submission
11 of the report—

12 “(i) any economic injury that resulted
13 from a major disaster declared by the
14 President under section 401 of the Robert
15 T. Stafford Disaster Relief and Emergency
16 Assistance Act (42 U.S.C. 5170) in a rural
17 area;

18 “(ii) each request for assistance made
19 by the Governor of a State under subpara-
20 graph (B)(i) and the response of the Ad-
21 ministrator, including the timeline for each
22 response; and

23 “(iii) any regulatory changes that will
24 impact the ability of communities in rural

1 areas to obtain disaster assistance under
2 this subsection.”.

3 (b) REGULATIONS.—Not later than 120 days after
4 the date of enactment of this Act, the Administrator of
5 the Small Business Administration shall issue regulations
6 to carry out the amendment made by subsection (a).

7 (c) GAO REPORT.—

8 (1) DEFINITION OF RURAL AREA.—In this sub-
9 section, the term “rural area” means an area with
10 a population of less than 200,000 outside an urban-
11 ized area.

12 (2) REPORT.—Not later than 1 year after the
13 date of enactment of this Act, the Comptroller Gen-
14 eral of the United States shall submit to the Com-
15 mittee on Small Business and Entrepreneurship of
16 the Senate and the Committee on Small Business of
17 the House of Representatives a report on—

18 (A) any unique challenges that commu-
19 nities in rural areas face compared to commu-
20 nities in urbanized areas when seeking to obtain
21 disaster assistance under section 7(b) of the
22 Small Business Act (15 U.S.C. 636(b)); and

- 1 (B) legislative recommendations for im-
- 2 proving access to disaster assistance for com-
- 3 munities in rural areas.

