

Calendar No. 278

117TH CONGRESS
2^D 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

FEBRUARY 17, 2022

Reported by Mr. CARDIN, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

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”.

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

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

5 “(16) DISASTER DECLARATION IN RURAL
 6 AREAS.—

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

8 “(i) the term ‘rural area’ means an
 9 area with a population of less than
 10 200,000 outside an urbanized area; and

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

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

1 “(i) the Governor of the State in
2 which the rural area is located requests
3 such a declaration; and

4 “(ii) any home, small business con-
5 cern, private nonprofit organization, or
6 small agricultural cooperative has incurred
7 significant damage in the rural area.

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

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

23 “(ii) each request for assistance made
24 by the Governor of a State under subpara-
25 graph (B)(i) and the response of the Ad-

1 ministrator, including the timeline for each
2 response; and

3 “(iii) any regulatory changes that will
4 impact the ability of communities in rural
5 areas to obtain disaster assistance under
6 this subsection.”.

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

11 (c) GAO REPORT.—

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

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

22 (A) any unique challenges that commu-
23 nities in rural areas face compared to commu-
24 nities in urbanized areas when seeking to obtain

1 disaster assistance under section 7(b) of the
 2 Small Business Act (15 U.S.C. 636(b)); and
 3 ~~(B) legislative recommendations for im-~~
 4 ~~proving access to disaster assistance for com-~~
 5 ~~munities in rural areas.~~

6 **SECTION 1. SHORT TITLE.**

7 *This Act may be cited as the “Disaster Assistance for*
 8 *Rural Communities Act”.*

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

10 *(a) IN GENERAL.—Section 7(b) of the Small Business*
 11 *Act (15 U.S.C. 636(b)) is amended by inserting after para-*
 12 *graph (15) the following:*

13 *“(16) DISASTER DECLARATION IN RURAL*
 14 *AREAS.—*

15 *“(A) DEFINITIONS.—In this paragraph—*

16 *“(i) the term ‘rural area’ means any*
 17 *county or other political subdivision of a*
 18 *State, the District of Columbia, or a terri-*
 19 *tory or possession of the United States that*
 20 *is designated as a rural area by the Bureau*
 21 *of the Census; and*

22 *“(ii) the term ‘significant damage’*
 23 *means, with respect to property, uninsured*
 24 *losses of not less than 40 percent of the esti-*
 25 *mated fair replacement value or pre-dis-*

aster fair market value of the damaged property, whichever is lower.

“(B) *DISASTER DECLARATION.*—For the purpose of making loans under paragraph (1) or (2), the Administrator may declare a disaster in a rural area for which a major disaster was declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) and for which individual assistance was not authorized under section 408 of such Act (42 U.S.C. 5174) if—

“(i) the Governor of the State or the Chief Executive of the Indian tribal government in which the rural area is located requests such a declaration; and

“(ii) any home, small business concern, private nonprofit organization, or small agricultural cooperative has incurred significant damage in the rural area.

“(C) *SBA REPORT.*—Not later than 120 days after the date of enactment of this paragraph, and every year thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate

1 *and the Committee on Small Business of the*
2 *House of Representatives a report on, with re-*
3 *spect to the 1-year period preceding submission*
4 *of the report—*

5 “(i) *any economic injury that resulted*
6 *from a major disaster declared by the Presi-*
7 *dent under section 401 of the Robert T.*
8 *Stafford Disaster Relief and Emergency As-*
9 *sistance Act (42 U.S.C. 5170) in a rural*
10 *area;*

11 “(ii) *each request for assistance made*
12 *by the Governor of a State or the Chief Ex-*
13 *ecutive of an Indian tribal government*
14 *under subparagraph (B)(i) and the response*
15 *of the Administrator, including the timeline*
16 *for each response; and*

17 “(iii) *any regulatory changes that will*
18 *impact the ability of communities in rural*
19 *areas to obtain disaster assistance under*
20 *this subsection.”.*

21 (b) *REGULATIONS.—Not later than 120 days after the*
22 *date of enactment of this Act, the Administrator of the*
23 *Small Business Administration shall issue regulations to*
24 *carry out the amendment made by subsection (a).*

25 (c) *GAO REPORT.—*

1 (1) *DEFINITION OF RURAL AREA.*—*In this sub-*
2 *section, the term “rural area” means any county or*
3 *other political subdivision of a State, the District of*
4 *Columbia, or a territory or possession of the United*
5 *States that is designated as a rural area by the Bu-*
6 *reau of the Census.*

7 (2) *REPORT.*—*Not later than 1 year after the*
8 *date of enactment of this Act, the Comptroller General*
9 *of the United States shall submit to the Committee on*
10 *Small Business and Entrepreneurship of the Senate*
11 *and the Committee on Small Business of the House*
12 *of Representatives a report on—*

13 (A) *any unique challenges that communities*
14 *in rural areas face compared to communities in*
15 *urbanized areas when seeking to obtain disaster*
16 *assistance under section 7(b) of the Small Busi-*
17 *ness Act (15 U.S.C. 636(b)); and*

18 (B) *legislative recommendations for improv-*
19 *ing access to disaster assistance for communities*
20 *in rural areas.*

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