

118TH CONGRESS
2D SESSION

H. R. 2672

AN ACT

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for the authority to reimburse local governments or electric cooperatives for interest expenses, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “FEMA Loan Interest
3 Payment Relief Act”.

4 **SEC. 2. REIMBURSEMENT OF INTEREST PAYMENTS RE-**
5 **LATED TO PUBLIC ASSISTANCE.**

6 (a) IN GENERAL.—Title IV of the Robert T. Stafford
7 Disaster Relief and Emergency Assistance Act (42 U.S.C.
8 5170 et seq.) is amended by adding at the end the fol-
9 lowing:

10 **“SEC. 431. REIMBURSEMENT OF INTEREST PAYMENTS RE-**
11 **LATED TO PUBLIC ASSISTANCE.**

12 “(a) IN GENERAL.—The President, acting through
13 the Administrator of the Federal Emergency Management
14 Agency, shall provide financial assistance to a local gov-
15 ernment or electric cooperative as reimbursement for
16 qualifying interest.

17 “(b) DEFINITIONS.—

18 “(1) IN GENERAL.—In this section, the fol-
19 lowing definitions apply:

20 “(A) QUALIFYING INTEREST.—The term
21 ‘qualifying interest’ means, with respect to a
22 qualifying loan, the lesser of—

23 “(i) the actual interest paid to a lend-
24 er for such qualifying loan; and

25 “(ii) the interest that would have been
26 paid to a lender if such qualifying loan had

1 an interest rate equal to the prime rate
2 most recently published on the Federal Re-
3 serve Statistical Release on selected inter-
4 est rates.

5 “(B) QUALIFYING LOAN.—The term ‘quali-
6 fying loan’ means a loan—

7 “(i) obtained by a local government or
8 electric cooperative; and

9 “(ii) of which not less than 90 percent
10 of the proceeds are used to fund activities
11 for which such local government or electric
12 cooperative receives assistance under this
13 Act after the date on which such loan is
14 disbursed.

15 “(2) LOCAL GOVERNMENT.—For purposes of
16 this section, the term ‘local government’ includes the
17 District of Columbia.”.

18 (b) RULES OF APPLICABILITY.—

19 (1) ELIGIBILITY.—Any qualifying interest (as
20 such term is defined in section 431 of the Robert T.
21 Stafford Disaster Relief and Emergency Assistance
22 Act, as added by this Act) incurred by a local gov-
23 ernment or electric cooperative in the 7 years pre-
24 ceding the date of enactment of this Act shall be

1 treated as eligible for financial assistance for pur-
2 poses of such section.

3 (2) APPROPRIATIONS.—Only amounts appro-
4 priated on or after the date of enactment of this Act
5 may be made available to carry out the amendment
6 made by this section.

 Passed the House of Representatives December 9,
2024.

Attest:

Clerk.

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