AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

I

109TH CONGRESS
1ST SESSION

H. R. 1795

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to modify the terms of the community disaster loan program, to authorize assistance under that program for losses related to the terrorist attacks of September 11, 2001, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2005

Mrs. MALONEY (for herself, Mr. OWENS, Mr. ISRAEL, and Mr. SERRANO) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

---

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to modify the terms of the community disaster loan program, to authorize assistance under that program for losses related to the terrorist attacks of September 11, 2001, 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.

This Act may be cited as the ''‘Whatever It Takes’ To Rebuild Act of 2005''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Major disasters, including disasters caused by terrorist acts, often result in a decline in economic activity in areas affected by the disaster and a reduction in tax collections by State and local governments serving those areas.

(2) A report of the General Accounting Office entitled ''Review of the Estimates for the Impact of the September 11, 2001, Terrorist Attacks on New York Tax Revenues'', dated July 26, 2002, found the following estimates by the New York City and State budget offices to be reasonably approximate—

(A) for fiscal year 2002, tax revenue losses for New York City will be $1,600,000,000 and tax revenue losses for the State of New York will be $1,600,000,000; and

(B) for fiscal year 2003, tax revenue losses for New York City will be $1,400,000,000 and tax revenue losses for the State of New York will be $4,200,000,000.

(3) Under the community disaster loan program (in this section referred to as the ''CDL program''), as authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the President may make loans to a local government suffering a substantial loss of tax and other revenues as a result

of a major disaster, if the local government demonstrates a need for financial assistance in order to perform its governmental function.

(4) The President may cancel the repayment of all or any part of a loan made to a local government under the CDL program if revenues following the disaster are insufficient to meet the operating budget of that local government as a result of disaster-related revenue losses and additional unreimbursed disaster-related municipal operating expenses. In the case of a major disaster resulting from a terrorist attack, repayment of interest or principal on a loan made under the CDL program should not be required.

(5) Assistance provided under the CDL program in the past has been instrumental in aiding the full recovery of local governments following a major disaster.

(6) The Disaster Mitigation Act of 2000 established a $5,000,000 limitation on loans made to a local government under the CDL program in connection with a major disaster. Before the date of enactment of that Act, there was not any limitation on the amount of such loans.

(7) The $5,000,000 limitation is inequitable when applied to a local government serving a largely populated area, such as New York City, and is inconsistent with the objective of the CDL program to provide meaningful assistance to a local government recovering from a major disaster.

(8) Following the terrorist attacks of September 11, 2001, President George W. Bush has been frequently quoted as directing the Federal Government to do ''whatever it takes'' to help New York City recover and rebuild. In this spirit of resolve, assistance should be provided to New York City and the State of New York for the loss of tax and other revenues as a direct result of these attacks.

SEC. 3. COMMUNITY DISASTER LOANS.

(a) ELIGIBILITY OF STATES.—Section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184) is amended by striking ''local government'' each place it appears and inserting ''State or local government''.

(b) AMOUNT.—Section 417(b) of such Act (42 U.S.C. 5184(b)) is amended—

(1) by striking ''based on need, shall'' and inserting ''based on need and shall''; and

(2) by striking ", and shall not exceed $5,000,000".

(c) MAJOR DISASTERS CAUSED BY TERRORIST ATTACKS.—Section 417 of such Act (42 U.S.C. 5184) is amended by adding at the end the following:

"(e) MAJOR DISASTERS CAUSED BY TERRORIST ATTACKS.—The President shall not require the payment of any interest or principal on a loan made under this section to a State or local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster caused by a terrorist attack.".

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to any major disaster occurring on or after October 30, 2000.

SEC. 4. COMMUNITY DISASTER LOANS FOR LOSSES RELATED TO TERRORIST ATTACKS OF SEPTEMBER 11, 2001.

The President is authorized to make loans to New York City and the State of New York under section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184), as amended by this Act, for losses of tax and other revenues as a result of the major disaster caused by the terrorist attacks of September 11, 2001. Subject to the availability of appropriations, the total amount of such loans shall be

$8,800,000,000 or such greater amount as is determined by the President to be necessary to cover such losses. In accordance with section 417(e) of such Act, as added by section 3(c) of this Act, the President shall not require the payment of any interest or principal on such loans.

○