

114TH CONGRESS
2D SESSION

H. R. 5774

To amend the Small Business Act to allow small business concerns, homeowners, or nonprofit entities to use certain Superstorm Sandy grant funds or other disaster assistance received to repay certain disaster assistance provided by the Small Business Administration.

IN THE HOUSE OF REPRESENTATIVES

JULY 13, 2016

Mr. SMITH of New Jersey (for himself and Ms. VELÁZQUEZ) introduced the following bill; which was referred to the Committee on Small Business, and in addition to the Committees on Financial Services, and Transportation and Infrastructure, 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 Small Business Act to allow small business concerns, homeowners, or nonprofit entities to use certain Superstorm Sandy grant funds or other disaster assistance received to repay certain disaster assistance provided by the Small Business Administration.

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 “Equity for Disaster
5 Victims Act of 2016”.

1 **SEC. 2. USE OF CERTAIN SUPERSTORM SANDY GRANT**
 2 **FUNDS FOR REPAYMENT OF CERTAIN DIS-**
 3 **ASTER ASSISTANCE PROVIDED BY THE**
 4 **SMALL BUSINESS ADMINISTRATION.**

5 Section 7(f) of the Small Business Act (15 U.S.C.
 6 636(f)) is amended by adding at the end the following new
 7 paragraph:

8 “(2) SUPERSTORM SANDY CDBG–DR GRANT
 9 FUNDS.—

10 “(A) IN GENERAL.—

11 “(i) LOANS TO REPAIR, REHABILI-
 12 TATE, OR REPLACE REAL PROPERTY.—A
 13 small business concern, homeowner, or
 14 nonprofit entity that received a loan pursu-
 15 ant to subsection (b)(1)(A) for the purpose
 16 of repairing, rehabilitating, or replacing
 17 real property damaged or destroyed by or
 18 as a result of Superstorm Sandy may re-
 19 ceive Superstorm Sandy CDBG–DR grant
 20 funds only if such grant funds will be used
 21 to repay the principal and any interest ac-
 22 crued on the loan.

23 “(ii) LOANS TO REFINANCE A MORT-
 24 GAGE.—A small business concern, home-
 25 owner, or nonprofit entity that received a
 26 loan pursuant to subsection (b)(1)(B) to

1 refinance a mortgage or other lien against
2 a home or business concern that was to-
3 tally destroyed or substantially damaged by
4 or as a result of Superstorm Sandy may
5 receive Superstorm Sandy CDBG–DR
6 grant funds only if the amount of such
7 grant funds will be used to repay the
8 amount received under such subsection
9 (b)(1)(B).

10 “(iii) ADDITIONAL DISASTER ASSIST-
11 ANCE.—A small business concern, home-
12 owner, or nonprofit entity that received ad-
13 ditional disaster assistance pursuant to
14 subsection (b)(9) for a loan described in
15 clause (i) or the refinancing described in
16 clause (ii) may receive Superstorm Sandy
17 CDBG–DR grant funds only if such grant
18 funds will be used—

19 “(I) to repay the principal and
20 any interest accrued on a loan de-
21 scribed in clause (i); or

22 “(II) to repay the amount re-
23 ceived from a loan described in clause
24 (ii).

“(B) DEFINITION.—The term ‘Superstorm Sandy CDBG–DR grant funds’ means amounts made available by the Department of Housing and Urban Development under the heading “Department of Housing and Urban Development—Community Planning and Development—Community Development Fund” in title X of the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2; 127 Stat. 36) only for impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Superstorm Sandy for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).”.

SEC. 3. USE OF OTHER DISASTER ASSISTANCE FOR REPAYMENT OF CERTAIN DISASTER ASSISTANCE PROVIDED BY THE SMALL BUSINESS ADMINISTRATION.

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after paragraph (15) the following new paragraph:

1 “(16) USE OF OTHER DISASTER ASSISTANCE.—
2 As determined by the Administrator, a small busi-
3 ness concern, homeowner, or nonprofit entity who
4 receives assistance pursuant to any other law to re-
5 pair, rehabilitate, or replace real property damaged
6 or destroyed by or as a result of a major disaster
7 declared by the President under the Robert T. Staf-
8 ford Disaster Relief and Emergency Assistance Act
9 (42 U.S.C. 5121 et seq.) on or after the date of en-
10 actment of this paragraph may use such assistance
11 to repay the principal and any interest accrued on
12 a loan or the amount of other assistance received
13 under this subsection.”.

○