

115TH CONGRESS
2D SESSION

H. R. 6499

To amend the Small Business Act to authorize the Administrator of the Small Business Administration to issue loans to homeowners in areas at risk for disasters to carry out pre-disaster mitigation activities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2018

Mrs. TORRES (for herself and Mr. POE of Texas) introduced the following bill;
which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to authorize the Administrator of the Small Business Administration to issue loans to homeowners in areas at risk for disasters to carry out pre-disaster mitigation activities, 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 “Homeowners Disaster
5 Preparation Act of 2018”.

1 **SEC. 2. LOAN PROGRAM.**

2 The Small Business Act (15 U.S.C. 631 et seq.) is
3 amended—

4 (1) by redesignating section 47 as section 48;
5 and

6 (2) by inserting after section 46 the following
7 new section:

8 **“SEC. 47. HOMEOWNER DISASTER PREPARATION.**

9 “(a) LOAN PROGRAM.—

10 “(1) LOANS.—The Administrator may issue a
11 loan to an eligible homeowner for purpose of pre-dis-
12 aster mitigation activities.

13 “(2) AMOUNT.—No loan issued under this sec-
14 tion may exceed \$10,000.

15 “(3) INTEREST RATE.—The Administrator shall
16 set the interest rate of loans issued under this sec-
17 tion at such rates as the Administrator determines,
18 in the aggregate, are sufficient to cover—

19 “(A) the cost of such loans; and

20 “(B) the administrative costs of carrying
21 out this section.

22 “(4) PRIORITY.—In making a determination
23 whether to issue a loan under this section, the Ad-
24 ministrator shall prioritize loans that the Adminis-
25 trator determines will have the greatest effect on the
26 protection of life and property.

1 “(5) AUTHORIZATION OF FUNDS.—

2 “(A) INITIAL APPROPRIATION.—There is
3 authorized to be appropriated to the Adminis-
4 trator \$100,000,000 to carry out this section.

5 “(B) SUBSEQUENT FUNDS.—All funds col-
6 lected under this section shall be deposited in
7 an account solely for the purpose of carrying
8 out this section. Such amounts shall be avail-
9 able to carry out such activities without need of
10 further appropriation.

11 “(b) DEFINITIONS.—In this section:

12 “(1) The term ‘Administrator’ means the Ad-
13 ministrator of the Small Business Administration.

14 “(2) The term ‘cost’ shall have the meaning
15 given the term under section 502 of the Congres-
16 sional Budget Act of 1974.

17 “(3) The term ‘eligible homeowner’ means an
18 individual who—

19 “(A) owns a single- or multi-family home
20 located in an area that the Administrator deter-
21 mines to be at risk for—

22 “(i) earthquakes;

23 “(ii) flooding;

24 “(iii) wildfires;

25 “(iv) landslides; or

1 “(v) tornadoes; and

2 “(B) does not, at the time of application
3 for a loan under this section, have any out-
4 standing loans under this section.

5 “(4) The term ‘pre-disaster mitigation activi-
6 ties’ means—

7 “(A) home elevation;

8 “(B) purchasing a generator for an indi-
9 vidual who, in the determination of the Admin-
10 istrator, requires the generator to address a
11 critical medical need;

12 “(C) dry floodproofing;

13 “(D) construction of a residential safe
14 room;

15 “(E) wildfire mitigation;

16 “(F) enhancements to strengthen a roof,
17 window, or door to minimize potential wind
18 damage; or

19 “(G) earthquake retrofitting.”.

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