

**SEC. 2. NATIVE AMERICAN \$1 COIN PROGRAM.**

Section 5112 of title 31, United States Code, is amended by adding at the end the following:

“(r) REDESIGN AND ISSUANCE OF CIRCULATING \$1 COINS HONORING NATIVE AMERICANS AND THE IMPORTANT CONTRIBUTIONS MADE BY INDIAN TRIBES AND INDIVIDUAL NATIVE AMERICANS IN UNITED STATES HISTORY.—

“(1) REDESIGN BEGINNING IN 2008.—

“(A) IN GENERAL.—Effective beginning January 1, 2008, notwithstanding subsection (d), in addition to the coins to be issued pursuant to subsection (n), and in accordance with this subsection, the Secretary shall mint and issue \$1 coins that—

“(i) have as the designs on the obverse the so-called ‘Sacagawea design’; and

“(ii) have a design on the reverse selected in accordance with paragraph (2)(A), subject to paragraph (3)(A).

“(B) DELAYED DATE.—If the date of the enactment of the Native American \$1 Coin Act is after August 25, 2007, subparagraph (A) shall be applied by substituting ‘2009’ for ‘2008’.

“(2) DESIGN REQUIREMENTS.—The \$1 coins issued in accordance with paragraph (1) shall meet the following design requirements:

“(A) COIN REVERSE.—The design on the reverse shall bear—

“(i) images celebrating the important contributions made by Indian tribes and individual Native Americans to the development of the United States and the history of the United States;

“(ii) the inscription ‘\$1’; and

“(iii) the inscription ‘United States of America’.

“(B) COIN OBVERSE.—The design on the obverse shall—

“(i) be chosen by the Secretary, after consultation with the Commission of Fine Arts and review by the Citizens Coinage Advisory Committee; and

“(ii) contain the so-called ‘Sacagawea design’ and the inscription ‘Liberty’.

“(C) EDGE-INCUSED INSCRIPTIONS.—

“(i) IN GENERAL.—The inscription of the year of minting and issuance of the coin and the inscriptions ‘E Pluribus Unum’ and ‘In God We Trust’ shall be edge-incused into the coin.

“(ii) PRESERVATION OF DISTINCTIVE EDGE.—The edge-incusing of the inscriptions under clause (i) on coins issued under this subsection shall be done in a manner that preserves the distinctive edge of the coin so that the denomination of the coin is readily discernible, including by individuals who are blind or visually impaired.

“(D) REVERSE DESIGN SELECTION.—The designs selected for the reverse of the coins described under this subsection—

“(i) shall be chosen by the Secretary after consultation with the Committee on Indian Affairs of the Senate, the Congressional Native American Caucus of the House of Representatives, the Commission of Fine Arts, and the National Congress of American Indians;

“(ii) shall be reviewed by the Citizens Coinage Advisory Committee;

“(iii) may depict individuals and events such as—

“(I) the creation of Cherokee written language;

“(II) the Iroquois Confederacy;

“(III) Wampanoag Chief Massasoit;

“(IV) the ‘Pueblo Revolt’;

“(V) Olympian Jim Thorpe;

“(VI) Ely S. Parker, a general on the staff of General Ulysses S. Grant and later head of the Bureau of Indian Affairs; and

“(VII) code talkers who served the United States Armed Forces during World War I and World War II; and

“(iv) in the case of a design depicting the contribution of an individual Native American to the development of the United States and the history of the United States, shall not depict the individual in a size such that the coin could be considered to be a ‘2-headed’ coin.

“(3) ISSUANCE OF COINS COMMEMORATING 1 NATIVE AMERICAN EVENT DURING EACH YEAR.—

“(A) IN GENERAL.—Each design for the reverse of the \$1 coins issued during each year shall be emblematic of 1 important Native American or Native American contribution each year.

“(B) ISSUANCE PERIOD.—Each \$1 coin minted with a design on the reverse in accordance with this subsection for any year shall be issued during the 1-year period beginning on January 1 of that year and shall be available throughout the entire 1-year period.

“(C) ORDER OF ISSUANCE OF DESIGNS.—Each coin issued under this subsection commemorating Native Americans and their contributions—

“(i) shall be issued, to the maximum extent practicable, in the chronological order in which the Native Americans lived or the events occurred, until the termination of the coin program described in subsection (n); and

“(ii) thereafter shall be issued in any order determined to be appropriate by the Secretary, after consultation with the Committee on Indian Affairs of the Senate, the Congressional Native American Caucus of the House of Representatives, and the National Congress of American Indians.

“(4) ISSUANCE OF NUMISMATIC COINS.—The Secretary may mint and issue such number of \$1 coins of each design selected under this subsection in uncirculated and proof qualities as the Secretary determines to be appropriate.

“(5) QUANTITY.—The number of \$1 coins minted and issued in a year with the Sacagawea-design on the obverse shall be not less than 20 percent of the total number of \$1 coins minted and issued in such year.”.

**SEC. 3. TECHNICAL AND CONFORMING AMENDMENTS.**

Section 5112(n)(1) of title 31, United States Code, is amended—

(1) by striking the paragraph designation and heading and all that follows through “Notwithstanding subsection (d)” and inserting the following:

“(1) REDESIGN BEGINNING IN 2007.—Notwithstanding subsection (d);

(2) by striking subparagraph (B); and

(3) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and indenting the subparagraphs appropriately.

**SEC. 4. REMOVAL OF BARRIERS TO CIRCULATION OF \$1 COIN.**

(a) IN GENERAL.—In order to remove barriers to circulation, the Secretary of the Treasury shall carry out an aggressive, cost-effective, continuing campaign to encourage commercial enterprises to accept and dispense \$1 coins that have as designs on the obverse the so-called ‘Sacagawea design’.

(b) REPORT.—The Secretary of the Treasury shall submit to Congress an annual report on the success of the efforts described in subsection (a).

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 2358) was read the third time and passed.

**SMALL BUSINESS DISASTER RESPONSE AND LOAN IMPROVEMENT ACT OF 2007**

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed

to the consideration of Calendar No. 139, S. 163, the Small Business Disaster Response and Loan Improvement Act of 2007; that the committee-reported amendment be withdrawn, and that the substitute amendment that is at the desk be considered; that the Bond and Coburn amendments, which are at the desk, be considered and agreed to, en bloc; that the substitute amendment, as amended, be agreed to; that the bill, as amended, be read a third time and passed; that the motions to reconsider be laid upon the table, en bloc; and that any statements relating to the bill be printed in the RECORD, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee-reported amendment was withdrawn.

The amendment (No. 2650) was agreed to.

(The amendment is printed in today’s RECORD under “Text of Amendments.”)

The amendments (Nos. 2651 and 2652) were agreed to, as follows:

**AMENDMENT NO. 2651 TO AMENDMENT NO. 2650**

(Purpose: To strike the title relating to energy emergencies)

On page 50, strike line 15 and all that follows through page 60, line 3.

**AMENDMENT NO. 2652 TO AMENDMENT NO. 2650**

(Purpose: To require appropriate reporting regarding the number of full-time employees for either the Office of Disaster Assistance or the Disaster Cadre of the Small Business Administration, to provide appropriate assistance in the event of a catastrophic national disaster, and for other purposes)

On page 24, line 2, strike “shall” and insert “may”.

On page 24, strike line 9, and all that follows through page 28, line 5, and insert the following:

“(B) REPORT.—In carrying out this subsection, if the number of full-time employees for either the Office of Disaster Assistance or the Disaster Cadre of the Administration is below the level described in subparagraph (A) for that office, not later than 21 days after the date on which that staffing level decreased below the level described in subparagraph (A), the Administrator shall submit to the Committee on Appropriations and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Appropriations and Committee on Small Business of the House of Representatives, a report—

“(i) detailing staffing levels on that date;

“(ii) requesting, if practicable and determined appropriate by the Administrator, additional funds for additional employees; and

“(iii) containing such additional information, as determined appropriate by the Administrator.”.

**TITLE II—DISASTER LENDING****SEC. 201. CATASTROPHIC NATIONAL DISASTER DECLARATION.**

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (10), as added by this Act, the following:

**“(11) CATASTROPHIC NATIONAL DISASTERS.—**

“(A) IN GENERAL.—The President may make a catastrophic national disaster declaration in accordance with this paragraph.

**“(B) PROMULGATION OF RULES.—**

“(i) IN GENERAL.—Not later than 6 months after the date of enactment of this paragraph, the Administrator, with the concurrence of the Secretary of Homeland Security

and the Administrator of the Federal Emergency Management Agency, shall promulgate regulations establishing a threshold for a catastrophic national disaster declaration.

“(ii) CONSIDERATIONS.—In promulgating the regulations required under clause (i), the Administrator shall establish a threshold that—

“(I) is similar in size and scope to the events relating to the terrorist attacks of September 11, 2001, and Hurricane Katrina of 2005;

“(II) requires that the President declares a major disaster before making a catastrophic national disaster declaration under this paragraph;

“(III) requires consideration of—

“(aa) the dollar amount per capita of damage to the State, its political subdivisions, or a region;

“(bb) the number of small business concerns damaged, physically or economically, as a direct result of the event;

“(cc) the number of individuals and households displaced from their predisaster residences by the event;

“(dd) the severity of the impact on employment rates in the State, its political subdivisions, or a region;

“(ee) the anticipated length and difficulty of the recovery process;

“(ff) whether the events leading to the relevant major disaster declaration are of an unusually large and calamitous nature that is orders of magnitude larger than for an average major disaster; and

“(gg) any other factor determined relevant by the Administrator.

“(C) AUTHORIZATION.—If the President makes a catastrophic national disaster declaration under this paragraph, the Administrator may make such loans under this paragraph (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to small business concerns located anywhere in the United States that are economically adversely impacted as a result of that catastrophic national disaster.

“(D) LOAN TERMS.—A loan under this paragraph shall be made on the same terms as a loan under paragraph (2).”

On page 28, strike lines 15 through 18 and insert the following:

“(A) the term ‘disaster area’ means any area for which the President declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) that subsequently results in the President making a catastrophic national disaster declaration under subsection (b)(1);

On page 34, lines 8 and 9, strike “a disaster declaration is made” and inserting “the President makes a catastrophic disaster declaration under paragraph (1) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act.”

On page 34, lines 20 and 21, strike “under section 7(b) of the Small Business Act (15 U.S.C. 636(b))” and insert “under paragraph (1) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act”.

Mr. KERRY. Mr. President, this month marks the 2-year anniversary of Hurricane Katrina, and still thousands of small business owners in New Orleans and across the gulf coast are still struggling to keep their doors open, keep their employees working, and get the economy back on its feet.

Since the days immediately following the storm, I have worked with Senators SNOWE, LANDRIEU, and VITTER

to produce a comprehensive package to reform the SBA’s Disaster Assistance program. Nearly 2 years of bipartisan negotiations have produced a piece of legislation that has broad bipartisan support as well as the support of the administration. Today that legislation will pass the Senate, and is one step closer to authorizing the tools needed by the SBA to respond to large scale disasters.

This bill includes directives for the SBA to create a private disaster loan program, to allow for lenders to issue guaranteed disaster loans in the aftermath of a catastrophic disaster. To ensure that these loans are borrower-friendly, we provide authorization for appropriations so that the agency can subsidize the interest rates. In addition, the administrator is authorized to enter into agreements with private contractors in order to expedite loan application processing for direct disaster loans.

The bill also includes language directing SBA to create an expedited disaster assistance loan program to provide businesses with short-term loans so that they may keep their doors open until they receive alternative forms of assistance. The days immediately following a disaster are crucial for business owners—statistics show that once they close their doors, they likely will not open them again. These short-term will be available following a disaster of catastrophic proportions so that processing delays such as the ones experienced after the 2005 gulf coast storms will not result in widespread business failure.

A presidential declaration of catastrophic national disaster will allow the Administrator to offer economic injury disaster loans to adversely affected business owners beyond the geographic reach of the disaster area. In the event of a large-scale disaster, businesses located far from the physical reach of the disaster can be affected by the magnitude of a localized destruction. We saw this when the terrorist attacks of September 11, 2001 affected businesses from coast to coast, and we saw it again with the 2005 gulf coast hurricanes. Should another catastrophic disaster strike, the President should have the authority to provide businesses across the country with access to the same low-interest economic injury loans available to businesses within the declared disaster area.

Nonprofit entities working to provide services to victims should be rewarded and given access to the capital they require to continue their services. To this end, the administrator is authorized to make disaster loans to nonprofit entities, including religious organizations.

Construction and rebuilding contracts being awarded are likely to be larger than the current \$2 million threshold currently applied to the SBA Surety Bond Program, which helps small construction firms gain access to contracts. This bill increases the guar-

antee against loss for small business contracts up to \$5 million and allows the administrator to increase that level to \$10 million, if required.

The bill also provides for small business development centers to offer business counseling in disaster areas and to travel beyond traditional geographic boundaries to provide services during declared disasters. To encourage small business development centers located in disaster areas to keep their doors open, the maximum grant amount of \$100,000 is waived.

So that Congress may remain better aware of the status of the administration’s Disaster Loan Program, this bill directs the administration to report to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives regularly on the fiscal status of the disaster loan program as well as the need for supplemental funding. The administration is also directed to report on the number of Federal contracts awarded to small businesses, minority-owned small businesses, women-owned businesses, and local businesses during a disaster declaration.

Though it took many, many months to pass this much-needed legislation, I am confident that our extensive negotiations have produced a piece of legislation that, when enacted, will provide the tools that the administrator requires to swiftly and effectively respond to future disasters, both large and small. I thank Ranking Member SNOWE as well as Senators LANDRIEU, and VITTER for their extraordinary efforts over the past 2 years. I also thank Senators BOND and COBURN for their ability to see the need for this important legislation and to work through disagreements in order to get this bill passed. I look forward to working with the House of Representatives to address any differences that remain between the House and Senate versions of the bill so that we can put in place a more comprehensive disaster response program at the SBA as quickly as possible.

Ms. LANDRIEU. Mr. President, as we all know, there was a tremendous amount of criticism of the Federal Government’s response to Hurricanes Katrina and Rita of 2005. Things are better now, and the region is slowly recovering. But as I stand here tonight, we are exactly 63 days into the 2007 Atlantic hurricane season. Two years ago, the U.S. Small Business Administration’s, SBA, response to Hurricanes Katrina and Rita was too slow and lacking in urgency, threatening the very survival of impacted businesses and homeowners. This failure occurred because SBA lacked the necessary tools and resources to respond swiftly and effectively to a large-scale disaster. Thanks in part to the efforts of Administrator Steven Preston, much has been done to improve the SBA disaster assistance program in the past

year. However, many in Congress remain concerned that despite these efforts, the agency lacks the additional legislative authority and resources required to respond to a large-scale disaster. This is because we must be sure that if we have another disaster, the Federal Government's response will be better this time around. Disaster response agencies have to be better organized, more efficient, and more responsive in order to avoid the problems, the delays, mismanagement, and the seeming incompetence that occurred in 2005.

I am proud that legislation, of which I am an original cosponsor, is passing the Senate tonight. This is because I strongly believe that we cannot afford to adjourn for August, the heart of hurricane season, without moving this important legislation forward—legislation which would immediately provide SBA with the resources it needs to effectively respond to natural or man-made disasters. In particular, this legislation improves the disaster response of one agency that had a great deal of problems last year, the SBA. This bill, S. 163, the Small Business Disaster Response and Loan Improvements Act, makes major improvements to the SBA's disaster response and provides them with essential tools to ensure that they are more efficient and better prepared for future disasters—big and small.

I should also note that this bill is a result of intensive bipartisan work over 2 years and was introduced shortly before the 109th Congress adjourned as S. 4097 by Senator SNOWE. Unfortunately, there was no action on that bill, so it was reintroduced in January 2007, at the start of the 110th Congress, by Senator KERRY as S. 163. On May 7, 2007, the Committee on Small Business and Entrepreneurship unanimously reported out S. 163 and sent it to the full Senate for consideration. This bipartisan legislation features comprehensive SBA reforms as outlined in the attached summary. S. 163 also has the full support of the SBA, who assisted the committee in drafting many of the provisions as well as the support of our Louisiana business community. As mentioned above, although this bill was reported out of committee 86 days ago, S. 163 was blocked from passage, most recently on July 17 due to a Republican objection. The committee worked closely with the Republican Senator to address his specific concerns, but unfortunately after this hold was lifted last night, it appeared as if there would be an additional hold from the Republican side. Given the urgent nature of this legislation, in addition to the fact that the House of Representatives passed companion legislation on April 18, 2007, my colleagues and I were pleased that we could work out these remaining issues and pass this bill tonight because stalling this legislation would send the wrong signal to America's small businesses.

As mentioned previously, this bill is reflective of my priorities as well as

those from Senators KERRY and SNOWE, respectively chair and ranking member of the Senate Small Business Committee. For my part, I have heard loudly and clearly from our impacted businesses that SBA reforms should be implemented as soon as possible. In fact, as of August 29, 2007, these reforms will be 2 years overdue. That is why I have worked tirelessly alongside my colleagues on the Small Business Committee to secure passage of this legislation. Like my colleagues, I have led when appropriate, pushed back when pushed, and negotiated when needed so that S. 163 could pass the Senate before we adjourn for August recess.

This legislation offers new tools to enhance SBA's disaster assistance programs. In every disaster, the SBA disaster loan program is a lifeline for businesses and homeowners who want to rebuild their lives after a catastrophe. When Katrina hit, our businesses and homeowners had to wait months for loan approvals. I do not know how many businesses we lost because help did not come in time. Because of the scale of this disaster, what these businesses needed was immediate, short-term assistance to hold them over until SBA was ready to process the tens of thousands of loan applications it received.

That is why this legislation provides the SBA Administrator with the ability to set up an expedited disaster assistance business loan program to make short-term, low-interest loans to keep them afloat. These loans will allow businesses to make payroll, begin making repairs, and address other immediate needs while they are awaiting insurance payouts or regular SBA disaster loans. However, I realize that every disaster is different and could range from a disaster on the scale of Hurricane Katrina or 9/11, to an ice storm or drought. This legislation gives the SBA additional options and flexibility in the kinds of relief they can offer a community. When a tornado destroys 20 businesses in a small town in the Midwest, SBA can get the regular disaster program up and running fairly quickly. You may not need short-term loans in this instance. But if you know that SBA's resources would be overwhelmed by a storm—just as they were initially with Katrina—these expedited business loans would be very helpful.

This legislation also would direct SBA to study ways to expedite disaster loans for those businesses in a disaster area that have a good, solid track record with the SBA or can provide vital recovery efforts. We had many businesses in the gulf coast that had paid off previous SBA loans, were major sources of employment in their communities, but had to wait months for decisions on their SBA disaster loan applications. I do not want to get rid of the SBA's current practice of reviewing applications on a first-come first-served basis, but there should be some mechanism in place for major

disasters to get expedited loans out the door to specific businesses that have a positive record with SBA or those who could serve a vital role in the recovery efforts. Expedited loans would jump-start impacted economies, get vital capital out to businesses, and retain essential jobs following future disasters.

This bill also makes an important modification to the collateral requirements for disaster loans. The SBA cannot disburse more than \$10,000 for an approved loan without showing collateral. This is to limit the loss to the SBA in the event that a loan defaults. However, this disbursement amount has not been increased since 1998 and these days, \$10,000 is not enough to get a business up and running. That is why this bill increases this collateral requirement to \$14,000 and gives the administrator the ability to increase that amount, in the event of another large-scale disaster. I believe this is a reasonable and fiscally responsible increase, and at the same time gives the administrator flexibility for future disasters which will inevitably occur.

As you may know, I pushed to get language in the last hurricane supplemental appropriations bill in June 2006 to require SBA to develop a disaster plan and report to Congress on its contents by July 15, 2006. SBA provided this status report in July, and I am pleased that, due to my request, the agency provided the completed disaster response plan to our committee on June 1, 2007. That said, it is one thing to draft up a plan but it is not worth the time and effort if there is no one to monitor its implementation and update it when needed. For this reason, I included a provision in this bill to require the administrator to designate one agency employee, who would report directly to him/her, to be responsible for this plan. This disaster planning designee would be responsible for the plan, and more importantly, would be accountable to Congress if it fails. Following Hurricanes Katrina and Rita, not only is execution important but also just as important is clear accountability if these best laid plans fail.

The Small Business Disaster Response and Loan Improvements Act will provide essential tools to make the SBA more proactive, flexible, and most important, more efficient during future disasters. Again, I look forward to working with both Senator SNOWE and Senator KERRY in the coming weeks to begin discussions with our House colleagues to resolve differences on both the Senate-passed bill and the House-passed bill. The goal of both these bills is to ensure that the SBA has everything it needs to better respond following future disasters, so I am hopeful that we can work out a reasonable agreement.

I ask unanimous consent that a copy of a June 29, 2007, letter of support from Administrator Preston, along with a July 31, 2007, letter from Greater New Orleans, Inc. be printed in the

RECORD at the conclusion of my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS ADMINISTRATION,  
Washington, DC, June 29, 2007.

Hon. JOHN F. KERRY,  
Chairman, Committee on Small Business and  
Entrepreneurship, U.S. Senate, Washington,  
DC.

DEAR MR. CHAIRMAN: I am writing to express my thanks for the efforts you and your colleagues have made to work with the U.S. Small Business Administration and to address the Administration's concerns with some of the provisions in S. 163, "The Small Business Disaster Response and Loan Improvements Act of 2007".

At this point, if amended by the Bond Amendment, the Administration has no objections to Senate passage of S. 163. However, the Administration would request a longer extension of the authorization language in Section 3 to avoid the need for concern over unintended expiration of programs and activities. We would also recommend clarifying that the Administrator would have flexibility under Section 205 to designate portions of a declared catastrophic national disaster area as a HUBZone area, without extending this designation to an entire disaster area.

We look forward to working with you when the bill goes into conference discussions with the U.S. House of Representatives. If you have any questions or comments, please contact me directly.

Sincerely yours,

STEVEN C. PRESTON,  
Administrator.

GREATER NEW ORLEANS, INC.,  
New Orleans, LA, July 31, 2007.

Hon. JOHN KERRY,  
Chairman, Senate Committee on Small Business and Entrepreneurship, Russell Senate Office Building, Washington, DC.

Hon. OLYMPIA SNOWE,  
Ranking Member, Senate Committee on Small Business and Entrepreneurship, Russell Senate Office Building, Washington, DC.

DEAR CHAIRMAN KERRY AND RANKING MEMBER SNOWE: Greater New Orleans, Inc., the 10-parish economic development organization for the New Orleans, Louisiana region, would like to express strong support of S. 163, The Small Business Disaster Response and Loan Improvements Act of 2007 reported unanimously by the Senate Small Business Committee in May of this year, after months of thorough committee deliberations.

In our assessment, S. 163 sponsored by Senator Kerry and co-sponsored by five other Senators represents significant legislation to improve SBA's response to future storm events, as part of overall Congressional efforts to improve the federal government's role, learning from the catastrophic hurricanes of 2004 and 2005.

More specifically, the legislation would provide a new level of SBA response for catastrophic disasters, expedited assistance to small businesses, adjustment of the loan guarantee levels and loan caps, a better coordination process with FEMA, increased response resources, improved access and overall accountability of SBA services. These policy changes will go a long way to helping local communities get back on their feet in future federally declared disasters.

Two years after the tragedy of Hurricane Katrina, our region is still struggling to restore our population, housing stock, healthcare services, infrastructure, and basic economy. 18,000 small businesses in our area were directly impacted by the hurricane, ex-

periencing significant physical and economic damages. As these businesses fight to restore operations, hire adequate staff, find affordable insurance, and meet payroll, it seems appropriate to have their trials and tribulations be cause for new federal policies.

By many accounts and measures the SBA capacity, resources, process and policies following Hurricane Katrina were inadequate to meet the needs of the devastated business community. However, rather than complain about the past, it would be more productive to make every effort to improve the SBA disaster program and protocols, changes requiring aggressive congressional action. It appears that S. 163 is a significant step in that direction.

We applaud your leadership of this issue, and that of our Louisiana Senators Landrieu and Vitter, in forwarding this important legislation to step up federal efforts and capacity in future storms to protect our nation's assets and citizens who may be impacted in the coming months and years. As we approach the peak of the 2007 hurricane season, we urge the full Senate to expedite this legislation in order to pass these vital SBA reforms.

Thank you for your consideration.

Sincerely,

MARK C. DRENNEN,  
President & CEO.

The bill (S. 163), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

(The bill will be printed in a future edition of the RECORD.)

#### APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 2007

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 136, S. 496.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 496) to reauthorize and improve the program authorized by the Appalachian Regional Development Act of 1965.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 496

*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 "Appalachian Regional Development Act Amendments of 2007".

#### SEC. 2. LIMITATION ON AVAILABLE AMOUNTS; MAXIMUM COMMISSION CONTRIBUTION.

(a) GRANTS AND OTHER ASSISTANCE.—Section 14321(a) of title 40, United States Code, is amended—

(1) in paragraph (1)(A), by striking clause (i) and inserting the following:

"(i) the amount of the grant shall not exceed—

"(I) 50 percent of administrative expenses;

"(II) at the discretion of the Commission, if the grant is to a local development district

that has a charter or authority that includes the economic development of a county or a part of a county for which a distressed county designation is in effect under section 14526, 75 percent of administrative expenses; or

"(III) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which an at-risk county designation is in effect under section 14526, 70 percent of administrative expenses;"; and

(2) in paragraph (2), by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraph (B), of the cost of any project eligible for financial assistance under this section, not more than—

"(i) 50 percent may be provided from amounts made available to carry out this subtitle;

"(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts made available to carry out this subtitle; or

"(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts made available to carry out this subtitle.".

(b) DEMONSTRATION HEALTH PROJECTS.—Section 14502 of title 40, United States Code, is amended—

(1) in subsection (d), by striking paragraph (2) and inserting the following:

"(2) LIMITATION ON AVAILABLE AMOUNTS.—Grants under this section for the operation (including initial operating amounts and operating deficits, which include the cost of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with amounts authorized to be appropriated by this section, may be provided for up to—

"(A) 50 percent of the cost of that operation;

"(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of the cost of that operation; or

"(C) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent of the cost of that operation.";

and

(2) in subsection (f), by adding at the end the following:

"(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to the lesser of—

"(A) 70 percent; or

"(B) the maximum Federal contribution percentage authorized by this section.".

(c) ASSISTANCE FOR PROPOSED LOW- AND MIDDLE-INCOME HOUSING PROJECTS.—Section 14503 of title 40, United States Code, is amended—

(1) in subsection (d), by striking paragraph (1) and inserting the following:

"(1) LIMITATION ON AVAILABLE AMOUNTS.—A loan under subsection (b) for the cost of planning and obtaining financing (including the cost of preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, application and mortgage commitment fees, legal fees, and construction loan fees and discounts) of a project described in that subsection may be made for up to—

"(A) 50 percent of that cost;

"(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of that cost; or