

Public Law 92-385

August 16, 1972
[H. R. 15692]

AN ACT

To authorize for a limited period additional loan assistance under the Small Business Act for disaster victims, to provide for a study and report to the Congress by the President setting forth recommendations for a comprehensive revision of disaster relief legislation, and for other purposes.

Disaster relief.
Additional assistance; study and report.
72 Stat. 389;
79 Stat. 206.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 7 of the Small Business Act (15 U.S.C. 636(b)) is amended by striking out the matter following the numbered paragraphs and inserting in lieu thereof the following:

"No loan under this subsection, including renewals and extensions thereof, may be made for a period or periods exceeding thirty years: *Provided*, That the Administrator may consent to a suspension in the payment of principal and interest charges on, and to an extension in the maturity of, the Federal share of any loan under this subsection for a period not to exceed five years, if (A) the borrower under such loan is a homeowner or a small business concern, (B) the loan was made to enable (i) such homeowner to repair or replace his home, or (ii) such concern to repair or replace plant or equipment which was damaged or destroyed as the result of a disaster meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection, and (C) the Administrator determines such action is necessary to avoid severe financial hardship: *Provided further*, That the provisions of paragraph (1) of subsection (c) of this section shall not be applicable to any such loan having a maturity in excess of twenty years. Notwithstanding the provisions of any other law, and except as otherwise provided in this subsection, the interest rate on the Administration's share of any loan made under this subsection shall not exceed 3 per centum per annum, except that in the case of a loan made pursuant to paragraph (3), (5), (6), or (7), the rate of interest on the Administration's share of such loan shall not be more than the higher of (A) $2\frac{3}{4}$ per centum per annum; or (B) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum per annum. In agreements to participate in loans on a deferred basis under this subsection, such participation by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement.

Maximum interest rate.

Federal share.

"In the administration of the disaster loan program under paragraphs (1), (2), and (4) of this subsection, in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator which occurs on or after January 1, 1971, and prior to July 1, 1973, the Small Business Administration, to the extent such loss or damage or injury is not compensated for by insurance or otherwise—

"(A) may make any loan for repair, rehabilitation, or replacement of property damaged or destroyed without regard to whether the required financial assistance is otherwise available from private sources;

"(B) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that (1) in the case of a business concern, the amount refinanced shall not exceed the amount of the physical

loss sustained, and (2) in the case of a home, the amount of each monthly payment of principal and interest on the loan after refinancing under this clause shall be not less than the amount of each such payment made prior to such refinancing;

“(C) may, in the case of a loan made under clause (A) or a mortgage or other lien refinanced under clause (B) in connection with the destruction of, or substantial damage to, property owned and used as a residence by an individual who by reason of retirement, disability, or other similar circumstances relies for support on survivor, disability, or retirement benefits under a pension, insurance, or other program, consent to the suspension of the payments of the principal of that loan, mortgage, or lien during the lifetime of that individual and his spouse for so long as the Administration determines that making such payments would constitute a substantial hardship;

“(D) shall, notwithstanding the provisions of any other law and upon presentation by the applicant of proof of loss or damage or injury and a bona fide estimate of cost of repair, rehabilitation, or replacement, cancel the principal of any loan made to cover a loss or damage or injury resulting from such disaster, except that—

“(i) with respect to a loan made in connection with a disaster occurring on or after January 1, 1971 but prior to January 1, 1972, the total amount so canceled shall not exceed \$2,500, and the interest on the balance of the loan shall be at a rate of 3 per centum per annum; and

“(ii) with respect to a loan made in connection with a disaster occurring on or after January 1, 1972 but prior to July 1, 1973, the total amount so canceled shall not exceed \$5,000, and the interest on the balance of the loan shall be at a rate of 1 per centum per annum.

With respect to any loan referred to in clause (D) which is outstanding on the date of enactment of this paragraph, the Administrator shall—

“(i) make such change in the interest rate on the balance of such loan as is required under that clause effective as of such date of enactment; and

“(ii) in applying the limitation set forth in that clause with respect to the total amount of such loan which may be canceled, consider as part of the amount so canceled any part of such loan which was previously canceled pursuant to section 231 of the Disaster Relief Act of 1970.

“Whoever wrongfully misapplies the proceeds of a loan obtained under this subsection shall be civilly liable to the Administrator in an amount equal to one-and-one-half times the original principal amount of the loan.”

(b) The last paragraph of the amendment made by subsection (a) shall apply only with respect to loans made on or after the date of enactment of this Act.

(c) Any person who (1) suffers any loss or damage as a result of a major disaster as determined by the President which occurred prior to the date of enactment of this Act, (2) is eligible for assistance under the amendment made by subsection (a), and (3) is otherwise eligible for benefits greater than those provided by the amendment made by subsection (a), may elect to receive such greater benefits.

SEC. 2. (a) Section 7(b) of the Small Business Act is amended—

(1) by striking out the period at the end of paragraph (6) and inserting in lieu thereof “; and”; and

(2) by inserting after paragraph (6) a new paragraph as follows:

Post, p. 559.

Penalty.

Effective date.

Eligibility.

72 Stat. 389;
84 Stat. 1618.
15 USC 636.

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or to refinance the existing indebtedness of, any small business concern directly and seriously affected by the significant reduction of the scope or amount of Federal support for any project as a result of any international agreement limiting the development of strategic arms or the installation of strategic arms or strategic arms facilities, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph."

(b) Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) by inserting "7(b)(7)," immediately after "7(b)(6)," in paragraph (1) thereof; and

(2) by inserting "7(b)(5), 7(b)(6), 7(b)(7)," immediately after "7(b)(4)," in paragraph (2)(A) thereof.

SEC. 3. The President shall conduct a thorough review of existing disaster relief legislation, and not later than January 1, 1973, he shall transmit to the Congress a report containing specific legislative proposals for the comprehensive revision of such legislation in order to—

(1) standardize the amount of benefits available to persons affected by disasters so as to achieve fairness and consistency with regard to the amount of benefits provided to such persons and to preclude the need for separate legislation to aid persons affected by future disasters;

(2) improve the execution of the Government's disaster relief program by eliminating unnecessary administrative procedures and reducing the number of agencies involved in disaster relief or increasing individual agency authority and responsibility; and

(3) prevent the misuse of benefits made available under the program.

SEC. 4. (a) The Congress hereby finds and declares that there has been substantial damage to educational institutions as a result of hurricane and tropical storm Agnes; that disaster relief for public educational institutions is adequately covered by legislation heretofore enacted; that nonprofit private educational institutions are not provided disaster relief benefits comparable to those provided to public educational institutions; that nonprofit private educational institutions have a secular educational mission; that students attending nonprofit private educational institutions that have been damaged or destroyed will have to be provided for in public institutions if the former institutions are not restored; and that these facts compel enactment of special measures designed to provide nonprofit private educational institutions which were victims of this catastrophe with disaster relief benefits comparable to those provided for public educational institutions.

(b) To the extent such loss or damage or destruction is not compensated for by insurance or otherwise, the President may make grants to nonprofit private educational institutions in major disaster areas as designated by the President for the repair, restoration, reconstruction, or replacement of educational facilities, supplies, or equipment which have been lost, damaged, or destroyed as a result of hurricane and tropical storm Agnes, if such facilities, supplies, or equipment were owned on the date of such loss, damage, or destruction by an organization exempt from taxation under section 501 (c), (d), or (e) of the Internal Revenue Code of 1954 and the facilities, supplies, or equipment were being used to carry out the purposes for which such organization was accorded that exemption; except that no grant may be

80 Stat. 132;
84 Stat. 1618.
15 USC 633.

Disaster relief
legislation, Presi-
dential review.
Report to Con-
gress.

Nonprofit private
educational insti-
tutions.

Damages from
tropical storm
Agnes, grants.

68A Stat. 163;
84 Stat. 1855.
26 USC 501.

made under this section for the repair, restoration, reconstruction, or replacement of any facility for which disaster relief assistance would not be authorized under Public Law 81-815, title VII of the Higher Education Act of 1965, or the Disaster Relief Act of 1970 if such facility were a public facility.

72 Stat. 548.
20 USC 631.
Anfe, p. 288.
84 Stat. 1744.
42 USC 4401
note.

(c) The amount of a grant made under this section shall not—

(1) exceed 100 per centum of the cost of—

(A) repairing, restoring, reconstructing, or replacing any facility on the basis of the design of such facility as it existed immediately prior to the disaster referred to in subsection (b) and in conformity with applicable codes, specifications, and standards; and

(B) repairing, restoring, or replacing equipment or supplies;
as they existed immediately prior to such disaster;

(2) in the case of any facility which was under construction when damaged or destroyed as a result of such disaster, exceed 50 per centum of the cost of restoring such facility substantially to its condition prior to such disaster, and of completing construction not performed prior to such disaster to the extent that the cost of completing construction is increased over the original construction cost due to changed conditions resulting from such disaster;

(3) be used to pay any part of the cost of facilities, supplies, or equipment which are to be used primarily for sectarian purposes; or

(4) be used to restore or rebuild any facility used or to be used primarily for religious worship; replace, restore, or repair any equipment or supplies used or to be used primarily for religious instruction, or restore or rebuild any facility or furnish any equipment or supplies which are used or to be used primarily in connection with any part of the program of a school or department of divinity.

(d) For the purposes of this section—

(1) the term “educational institution” means any elementary school (as defined by section 801(c) of the Elementary and Secondary Education Act of 1965), any secondary school (as defined by section 801(h) of the Elementary and Secondary Education Act of 1965), and any institution of higher education (as defined by section 1201(a) of the Higher Education Act of 1965); and

(2) the term “school or department of divinity” means a school or department of divinity as defined by section 1201(l) of the Higher Education Act of 1965.

Definitions.

79 Stat. 55;
81 Stat. 816.
20 USC 881.

79 Stat. 1269;
82 Stat. 1042,
1050.
20 USC 1141.
Anfe, p. 260.

75 Stat. 311;
85 Stat. 491.

63 Stat. 433;
79 Stat. 497.

SEC. 5. Subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), is amended by adding at the end thereof the following new section:

“SEC. 328. (a) Notwithstanding any other provision of law, in the administration of this subtitle and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a natural disaster as determined by the Secretary of Agriculture which occurred after June 30, 1971, and prior to July 1, 1973, the Secretary—

“(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall cancel the principal of the loan, except that the total amount so canceled shall not exceed the greater of (i) 50 per centum of the original principal amount of such loan but not more than \$5,000, or (ii) the per centum that would be canceled of a loan of the same size by the Small Business Administration under section 7(b) of the

Ante, p. 555.

84 Stat. 1754.

75 Stat. 311.
7 USC 1962.

7 USC 1983.

Small Business Act, as amended (15 U.S.C. 636(b)), and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at a rate per annum to be determined by the Secretary of the Treasury under section 234 of the Disaster Relief Act of 1970 (42 U.S.C. 4453), or that established by the Small Business Administration under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)), whichever is lower: *Provided*, That no one borrower shall be eligible to receive more than one such cancellation for any single disaster.

“(2) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required loan is otherwise available from private sources: *Provided*, That in the case of any loan for refinancing, either under clause (3) of this subsection or under section 322 of this subtitle, require the borrowers to demonstrate that they are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

“(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other lien outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this subsection.

“(4) shall require the recipient of any emergency loan made under this section to execute the agreement to refinance required by section 333(c) of this title: *Provided*, That any such loan shall be reviewed at not less than two-year intervals to determine if the agreement to refinance shall become applicable.

“(b) Notwithstanding any other provision of law, the provisions of subsection (a) of this section shall also apply to the administration of the programs referred to in such subsection in the case of any property loss or damage or injury, including loss or damage to agricultural crops, resulting from flood or excessive prolonged rain, drought, or other natural disaster occurring after June 30, 1971, and prior to July 1, 1973, in any area determined by the President to be a major disaster area or in any area determined by the Secretary of Agriculture to have suffered a natural disaster during such period.

“(c) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster loss or damage or injury in conformity with current codes and specifications. Any loan made under this section shall bear interest at a rate per annum to be determined by the Secretary of the Treasury under section 234 of the Disaster Relief Act of 1970 (42 U.S.C. 4453), or that established by the Small Business Administration under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)), whichever is lower.

“(d) In the administration of any Federal disaster loan program under the authority of this section, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

“(e) The benefits provided under this section shall be applicable to all loans qualifying hereunder, whether approved before or after the date of enactment of this section.

“(f) The President shall conduct a thorough review of existing disaster relief legislation as it relates to emergency loans and housing loans administered by the Farmers Home Administration of the United States Department of Agriculture, and not later than January 31, 1973, he shall transmit to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report containing specific legislative proposals for the comprehensive revision of such legislation in order to—

Disaster relief legislation, Presidential review.
Report to congressional committees.

“(1) adjust the benefits and the coverage available to persons affected by disasters;

“(2) improve the execution of the program by simplifying and eliminating unnecessary administrative procedures; and

“(3) prevent the misuse of benefits made available under the program.”

SEC. 6. Section 231 of the Disaster Relief Act of 1970 is amended by—

84 Stat. 1752.
42 USC 4451.

(1) inserting “(a)” after “SEC. 231.”; and

(2) adding at the end of such section the following new subsection:

“(b) Loans to which this section applies may also be made for the purpose of providing small business concerns with working capital, the payment of operating expenses, and any purpose for which loans may be made under section 7(a) of the Small Business Act (15 U.S.C. 636(a)).”

72 Stat. 387;
81 Stat. 268.

Approved August 16, 1972.

Public Law 92-386

JOINT RESOLUTION

To authorize the printing and binding of a revised edition of Senate Procedure and providing the same shall be subject to copyright by the author.

August 16, 1972
[S. J. Res. 254]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be printed and bound for the use of the Senate one thousand five hundred copies of a revised edition of Senate Procedure (originally prepared by Charles L. Watkins and Floyd M. Riddick), to be prepared by Floyd M. Riddick, Parliamentarian of the United States Senate, to be printed under the supervision of the author and to be distributed to the Members of the Senate.

“Senate Procedure.”
Revised edition, printing.

SEC. 2. That notwithstanding any provision of the copyright laws and regulations with respect to publications in the public domain, such revised edition of Senate Procedure shall be subject to copyright by the author thereof.

Approved August 16, 1972.

Public Law 92-387

AN ACT

To amend the Federal Food, Drug, and Cosmetic Act to provide for a current listing of each drug manufactured, prepared, propagated, compounded, or processed by a registrant under that Act, and for other purposes.

August 16, 1972
[H. R. 9936]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the “Drug Listing Act of 1972”.

SEC. 2. The Federal Government which is responsible for regulating

Drug Listing Act of 1972.