

118TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To reauthorize and limit the pre-disaster mitigation program of the Small Business Administration, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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## A BILL

To reauthorize and limit the pre-disaster mitigation program of the Small Business Administration, 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 “Providing Resources  
5 for Emergency Preparedness And Resilient Enterprises  
6 Act of 2023” or the “PREPARE Act of 2023”.

7 **SEC. 2. PRE-DISASTER MITIGATION PROGRAM.**

8 (a) IN GENERAL.—Section 7(b) of the Small Busi-  
9 ness Act (15 U.S.C. 636(b)) is amended—

10 (1) in paragraph (1)(C)—

1 (A) by striking “during fiscal years 2000  
2 through 2004, to establish a predisaster mitiga-  
3 tion program” and inserting “to establish a  
4 pre-disaster mitigation program”;

5 (B) by inserting “in accordance with para-  
6 graph (16) and” before “as the Administrator  
7 may”;

8 (C) by striking “to enable small busi-  
9 nesses” and inserting “to small business con-  
10 cerns to enable those concerns”; and

11 (D) by striking “in support of a formal”  
12 and all that follows and inserting “to protect  
13 the commercial real estate, equipment, inven-  
14 tory, supplies, and materials of those concerns  
15 from damages related to disasters;”;

16 (2) by redesignating the second paragraph (16)  
17 (relating to the statute of limitations) as paragraph  
18 (17); and

19 (3) by inserting after paragraph (17), as so re-  
20 designated, the following:

21 “(18) PRE-DISASTER MITIGATION PROGRAM  
22 LOANS.—

23 “(A) LOAN CAP.—The aggregate amount  
24 of loans made under the pre-disaster mitigation

1 program under paragraph (1)(C) to a borrower  
2 may not exceed \$500,000.

3 “(B) OUTREACH.—In carrying out the pre-  
4 disaster mitigation program under paragraph  
5 (1)(C), the Administrator shall—

6 “(i) establish an advertising and out-  
7 reach program to help small business con-  
8 cerns understand the value of mitigation  
9 and that the pre-disaster mitigation pro-  
10 gram is available for that purpose;

11 “(ii) conduct outreach campaigns to  
12 small business concerns regarding the pre-  
13 disaster mitigation program, including—

14 “(I) advertising to educate those  
15 concerns on the importance of disaster  
16 mitigation; and

17 “(II) campaigns to promote par-  
18 ticipation in the program by small  
19 business concerns located in economi-  
20 cally depressed areas;

21 “(iii) provide technical assistance to  
22 applicants, including instructions on how  
23 to participate in the pre-disaster mitigation  
24 program, assistance in preparing applica-

1 tions, and expertise on best practices for  
2 projects; and

3 “(iv) provide detailed information on  
4 the purposes for which funds from loans  
5 made under the pre-disaster mitigation  
6 program may be used.

7 “(C) RESERVATION OF FUNDS.—Not more  
8 than 4 percent of the funds made available to  
9 the Administrator to carry out the pre-disaster  
10 mitigation program under paragraph (1)(C)  
11 may be reserved by the Administrator for—

12 “(i) the administrative costs of the  
13 program; and

14 “(ii) the activities described in sub-  
15 paragraph (B).

16 “(D) GUIDANCE.—The Administrator shall  
17 issue guidance to ensure that borrowers pur-  
18 chase and maintain adequate insurance cov-  
19 erage over the duration of a loan obtained  
20 under the pre-disaster mitigation program  
21 under paragraph (1)(C).”.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
23 20(c) of the Small Business Act (15 U.S.C. 631 note) is  
24 amended to read as follows:

1           “(c) PRE-DISASTER MITIGATION PROGRAM.—There  
2 is authorized to be appropriated for the purpose of car-  
3 rying out the program established under section  
4 7(b)(1)(C) the following amounts:

5           “(1) \$25,000,000 for fiscal year 2024.

6           “(2) \$25,000,000 for fiscal year 2025.

7           “(3) \$25,000,000 for fiscal year 2026.

8           “(4) \$25,000,000 for fiscal year 2027.

9           “(5) \$25,000,000 for fiscal year 2028.”.

10          (c) PROGRAM EVALUATION.—Not later than 1 year  
11 after the date of enactment of this Act, and annually  
12 thereafter, the Administrator of the Small Business Ad-  
13 ministration shall submit to the Committee on Small Busi-  
14 ness and Entrepreneurship of the Senate and the Com-  
15 mittee on Small Business of the House of Representatives  
16 a report on the pre-disaster mitigation program under sec-  
17 tion 7(b)(1)(C) of the Small Business Act (15 U.S.C.  
18 636(b)(1)(C)), as amended by this Act, including—

19           (1) a list of the geographic areas in which re-  
20 cipients of loans under the program are located;

21           (2) the types of mitigation projects that were  
22 funded;

23           (3) the number and dollar value of the loans  
24 made under the program;

1           (4) the estimated aggregate value resulting  
2           from the use of mitigation techniques funded by  
3           loans made under the program, including—

4                   (A) the lost productivity and expenses that  
5           were avoided; and

6                   (B) the estimated amount saved by the  
7           Federal Government;

8           (5) the information required by paragraph (4)  
9           disaggregated by region, by State, and by industry;  
10          and

11          (6) the estimated dollar value of loans that  
12          would have been made under section 7(b)(1)(A) of  
13          the Small Business Act (15 U.S.C. 636(b)(1)(A))  
14          without the loans made under the program.

15          (d) INITIAL REPORTING ON PILOT PROGRAM.—Not  
16          later than 60 days after the date of enactment of this Act,  
17          the Administrator of the Small Business Administration  
18          shall submit to the Committee on Small Business and En-  
19          trepreneurship of the Senate and the Committee on Small  
20          Business of the House of Representatives—

21                   (1) a description of and all related materials for  
22                  outreach advertising campaign efforts made during  
23                  the duration of the pre-disaster mitigation pilot pro-  
24                  gram of the Small Business Administration;

1           (2) information on how the Small Business Ad-  
2           ministration appropriately staffed the Office of Dis-  
3           aster Assistance to carry out the pilot program de-  
4           scribed in paragraph (1); and

5           (3) the amount of the budget of the pilot pro-  
6           gram described in paragraph (1) that was used for  
7           outreach advertising campaign efforts.

8           (e) APPLICABILITY.—The amendments made by this  
9           section shall apply only with respect to loans made under  
10          section 7(b)(1)(C) of the Small Business Act (15 U.S.C.  
11          636(b)(1)(C)), as amended by this Act, on or after the  
12          date of enactment of this Act.

13          **SEC. 3. INCREASE IN ALLOWABLE AMOUNT OF PHYSICAL**  
14                         **DISASTER LOAN FOR MITIGATION.**

15          Section 7(b)(1)(A) of the Small Business Act (15  
16          U.S.C. 636(b)(1)(A)) is amended, in the second proviso,  
17          by striking “20 per centum” and inserting “30 percent”.