

116TH CONGRESS
2D SESSION

S. _____

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for the authority to reimburse local governments for interest expenses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. RUBIO (for himself and Mr. SCOTT of Florida) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for the authority to reimburse local governments for interest expenses, 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 “Fairness in Disaster
5 Relief Act”.

1 **SEC. 2. REIMBURSEMENT OF INTEREST PAYMENTS RE-**
2 **LATED TO PUBLIC ASSISTANCE.**

3 Title IV of the Robert T. Stafford Disaster Relief and
4 Emergency Assistance Act (42 U.S.C. 5170 et seq.) is
5 amended by adding at the end the following:

6 **“SEC. 431. REIMBURSEMENT OF INTEREST PAYMENTS RE-**
7 **LATED TO PUBLIC ASSISTANCE.**

8 “(a) IN GENERAL.—The President may provide fi-
9 nancial assistance to a local government as reimbursement
10 for qualifying interest.

11 “(b) DEFINITIONS.—In this section, the following
12 definitions apply:

13 “(1) PRIME RATE.—The term ‘prime rate’
14 means the average predominant prime rate quoted
15 by commercial banks to large businesses, as deter-
16 mined by the Board of Governors of the Federal Re-
17 serve System.

18 “(2) QUALIFYING INTEREST.—The term ‘quali-
19 fying interest’ means, with respect to a qualifying
20 loan, the lesser of—

21 “(A) the actual interest paid to a lender
22 for such qualifying loan; and

23 “(B) the interest that would have been
24 paid to a lender if such qualifying loan had an
25 interest rate equal to the prime rate most re-

1 cently published on the Federal Reserve Statis-
2 tical Release on selected interest rates.

3 “(3) QUALIFYING LOAN.—The term ‘qualifying
4 loan’ means a loan—

5 “(A) obtained by a local government; and

6 “(B) of which not less than 90 percent of
7 the proceeds are used to fund activities for
8 which such local government receives assistance
9 under this Act after the date on which such
10 loan is disbursed.”.