

109TH CONGRESS  
1ST SESSION

# H. R. 4024

To make funds available for community disaster loans to assist local governments in providing essential services following Hurricane Katrina, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 2005

Mr. BAKER (for himself and Mr. JEFFERSON) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## A BILL

To make funds available for community disaster loans to assist local governments in providing essential services following Hurricane Katrina, 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 “Community Disaster  
5 Loan Act of 2005”.

6 **SEC. 2. AVAILABILITY OF AMOUNTS FOR COMMUNITY DIS-**  
7 **ASTER LOAN PROGRAM.**

8 (a) COST OF DIRECT LOANS.—

1           (1) AUTHORITY TO TRANSFER AMOUNTS.—Of  
2       the amounts provided in Public Law 109–62 for  
3       “Disaster Relief”, up to \$300,000,000 may be  
4       transferred to the Disaster Assistance Direct Loan  
5       Program for the cost of direct loans authorized by  
6       section 417 of the Robert T. Stafford Disaster Relief  
7       and Emergency Assistance Act (42 U.S.C. 5184) to  
8       be used to assist local governments in providing es-  
9       sential services.

10          (2) TERMS AND CONDITIONS.—Amounts trans-  
11       ferred under paragraph (1) shall be subject to the  
12       following terms and conditions:

13               (A) Such amounts may be used to sub-  
14       sidize gross obligations for the principal amount  
15       of direct loans not to exceed \$400,000,000  
16       under section 417 of the Robert T. Stafford  
17       Disaster Relief and Emergency Assistance Act.

18               (B) Notwithstanding section 417(b) of  
19       such Act, the amount of any loan issued using  
20       such amounts may exceed \$5,000,000.

21               (C) Notwithstanding section 417(c)(1) of  
22       such Act, repayment of all or any part of a loan  
23       issued using such amounts may not be canceled.

1 (D) The cost of modifying such loans shall  
2 be as defined in section 502 of the Congres-  
3 sional Budget Act of 1974 (2 U.S.C. 661a).

4 (b) ADMINISTRATIVE EXPENSES.—Of the amounts  
5 provided in Public Law 109–62 for “Disaster Relief”, up  
6 to \$1,000,000 may be transferred to the Disaster Assist-  
7 ance Direct Loan Program for administrative expenses to  
8 carry out the direct loan program authorized by section  
9 417 of the Robert T. Stafford Disaster Relief and Emer-  
10 gency Assistance Act.

11 **SEC. 3. COMMUNITY DISASTER LOAN AMOUNTS AND RE-**  
12 **PAYMENT.**

13 (a) LOAN AMOUNTS.—Section 417(b) of the Robert  
14 T. Stafford Disaster Relief and Emergency Assistance Act  
15 (42 U.S.C. 5184(b)) is amended—

16 (1) by striking “based on need, shall” and in-  
17 serting “based on need and shall”; and

18 (2) by striking “, and shall not exceed  
19 \$5,000,000”.

20 (b) REPAYMENT.—Section 417(c) of such Act (42  
21 U.S.C. 5184(c)) is amended by striking “(c) REPAY-  
22 MENT.—” and all that follows through “(2) CONDITION  
23 ON CONTINUING ELIGIBILITY.—A local government” and  
24 inserting the following:

1       “(c) CONDITION ON CONTINUING ELIGIBILITY.—A  
2 local government”.

3       (c) APPLICABILITY.—The amendments made by sub-  
4 sections (a) and (b) shall apply to any loan made under  
5 section 417 of such Act after the date of enactment of  
6 this Act.

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