

110TH CONGRESS
2D SESSION

H. R. 7008

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for disaster assistance for electric utility companies serving low-income households, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 2008

Mr. ALEXANDER (for himself, Mr. BOUSTANY, and Mr. MCCRERY) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for disaster assistance for electric utility companies serving low-income households, 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 “Low-Income Rate
5 Payer Disaster Recovery Act of 2008”.

1 **SEC. 2. REPAIR, RESTORATION, AND REPLACEMENT OF**
2 **DAMAGED FACILITIES OF ELECTRIC UTILITY**
3 **COMPANIES SERVING LOW-INCOME HOUSE-**
4 **HOLDS.**

5 (a) **CONDITIONS FOR CONTRIBUTIONS.**—Section
6 406(a) of the Robert T. Stafford Disaster Relief and
7 Emergency Assistance Act (42 U.S.C. 5172(a)) is amend-
8 ed—

9 (1) in paragraph (1)—

10 (A) in subparagraph (A) by striking “and”
11 at the end;

12 (B) in subparagraph (B) by striking the
13 period at the end and inserting “; and”; and

14 (C) by adding at the end the following:

15 “(C) subject to paragraph (4), to an owner
16 or operator of a private or investor-owned elec-
17 tric utility company serving low-income house-
18 holds for the repair, restoration, reconstruction,
19 or replacement of facilities of the owner or op-
20 erator damaged or destroyed by a major dis-
21 aster and for associated expenses incurred by
22 the owner or operator.”;

23 (2) by redesignating paragraph (4) as para-
24 graph (5); and

25 (3) by inserting after paragraph (3) the fol-
26 lowing:

1 “(4) CONDITIONS FOR ASSISTANCE TO PRIVATE
2 OR INVESTOR-OWNED ELECTRIC UTILITY COMPANIES
3 SERVING LOW-INCOME HOUSEHOLDS.—

4 “(A) IN GENERAL.—The President may
5 make contributions to the owner or operator of
6 a private or investor-owned electric utility com-
7 pany serving low-income households under
8 paragraph (1)(C) only if—

9 “(i) the costs of repairing, restoring,
10 reconstructing, or replacing its facilities
11 damaged or destroyed by the major dis-
12 aster; exceed

13 “(ii) the amount that is—

14 “(I) 10 percent of the facilities’
15 total transmission and distribution
16 rate base; less

17 “(II)(aa) in the case of a single
18 major disaster, accumulated deprecia-
19 tion on the date of the disaster; or

20 “(bb) in the case of an aggrega-
21 tion under subparagraph (B), accu-
22 mulated depreciation on the date of
23 the first major disaster included in
24 such aggregation.

1 “(B) AGGREGATION FOR PURPOSES OF DE-
2 TERMINING COSTS.—For purposes of deter-
3 mining under this paragraph the costs of re-
4 pairing, restoring, or replacing the facilities of
5 an owner or operator, the costs of damage from
6 all previous major disasters during the 12-
7 month period preceding the date of the declara-
8 tion of the major disaster for which the owner
9 or operator is seeking contributions under para-
10 graph (1)(C) shall be aggregated.

11 “(C) APPLICATION DEADLINE.—An owner
12 or operator may apply for contributions under
13 paragraph (1)(C)—

14 “(i) in the case of a single major dis-
15 aster, not later than 60 months after the
16 date of the declaration of the disaster; or

17 “(ii) in the case of an aggregation
18 under subparagraph (B), not later than 60
19 months after the date of the most recent
20 major disaster for which the owner or op-
21 erator is seeking contributions.

22 “(D) AVAILABLE FUNDING.—Subject to
23 subparagraph (E), an owner or operator may
24 apply for contributions under paragraph (1)(C)
25 in the amount determined by multiplying—

1 “(i) the amount by which the costs
2 described in subparagraph (A)(i) attrib-
3 utable to the owner or operator exceed the
4 amount described in subparagraph (A)(ii)
5 attributable to the owner or operator; by

6 “(ii) the percent of retail residential
7 customers comprised of low-income house-
8 holds served by the facilities of the owner
9 or operator.

10 “(E) LIMIT ON FEDERAL ASSISTANCE FOR
11 DISASTER RELIEF.—

12 “(i) IN GENERAL.—The total amount
13 of contributions made to an owner or oper-
14 ator under paragraph (1)(C) may not ex-
15 ceed \$50,000,000 in any 12-month period.

16 “(ii) PRESIDENTIAL WAIVER.—For
17 any major disaster occurring after the date
18 of enactment of this clause, the President
19 may waive the limit established by clause
20 (i) if the President determines that the
21 event is of an extraordinary nature; except
22 that in no case may the total amount of
23 contributions made to an owner or oper-
24 ator under paragraph (1)(C) exceed 100
25 percent of the cost of repair, restoration,

1 reconstruction, or replacement of the dam-
2 aged facilities of the owner or operator.

3 “(F) APPROVAL OR DISAPPROVAL OF AP-
4 PPLICATIONS.—The President shall approve or
5 disapprove an application for contributions sub-
6 mitted by an owner or operator for contribu-
7 tions under paragraph (1)(C) not later than 30
8 days after the date of receipt of the applica-
9 tion.”.

10 (b) FEDERAL SHARE.—Section 406(b)(2) of the Rob-
11 ert T. Stafford Disaster Relief and Emergency Assistance
12 Act (42 U.S.C. 5172(b)(2)) is amended by striking “public
13 facility or private nonprofit facility” and inserting “public
14 facility, private nonprofit facility, or private or investor-
15 owned electric utility company serving low-income house-
16 holds”.

17 (c) LARGE IN-LIEU CONTRIBUTIONS.—Section
18 406(c) of the Robert T. Stafford Disaster Relief and
19 Emergency Assistance Act (42 U.S.C. 5172(c)) is amend-
20 ed by adding at the end the following:

21 “(3) FOR PRIVATE OR INVESTOR-OWNED ELEC-
22 TRIC UTILITY COMPANIES SERVING LOW-INCOME
23 HOUSEHOLDS.—

24 “(A) IN GENERAL.—In any case in which
25 the owner or operator of a private or investor-

1 owned electric utility company serving low-in-
2 come households determines that the public wel-
3 fare would not best be served by repairing, re-
4 storing, reconstructing, or replacing the facility,
5 the owner or operator may elect to receive, in
6 lieu of a contribution under subsection
7 (a)(1)(C), a contribution in an amount equal to
8 75 percent of the available funding pursuant to
9 subsection (a)(4)(D) or (a)(4)(E).

10 “(B) USE OF FUNDS.—Funds contributed
11 to an owner or operator under this paragraph
12 may be used by the owner or operator to—

13 “(i) repair, restore, or improve other
14 private or investor-owned power facilities;

15 “(ii) construct a new private or inves-
16 tor-owned power facility; or

17 “(iii) fund hazard mitigation meas-
18 ures that the owner or operator determines
19 to be necessary to meet a need for the
20 services and functions of the owner or op-
21 erator in the area affected by the major
22 disaster.”.

23 (d) ELIGIBLE COST.—Section 406(e)(1)(A) of the
24 Robert T. Stafford Disaster Relief and Emergency Assist-
25 ance Act (42 U.S.C. 5172(e)(1)(A)) is amended by strik-

1 ing “public facility or private nonprofit facility” and in-
2 serting “public facility, private nonprofit facility, or pri-
3 vate or investor-owned electric utility company serving
4 low-income households”.

5 (e) DEFINITIONS.—Section 406 of the Robert T.
6 Stafford Disaster Relief and Emergency Assistance Act
7 (42 U.S.C. 5172) is amended by adding at the end the
8 following:

9 “(f) DEFINITIONS.—In this section, the following
10 definitions apply:

11 “(1) PRIVATE OR INVESTOR-OWNED ELECTRIC
12 UTILITY COMPANY SERVING LOW-INCOME HOUSE-
13 HOLDS.—The term ‘private or investor-owned elec-
14 tric utility company serving low-income households’
15 means a privately-owned or investor-owned electric
16 utility company in which no less than 25 percent of
17 its retail residential customers are low-income house-
18 holds.

19 “(2) COMPANY.—The term ‘company’ means a
20 corporation, partnership, association, or joint stock
21 company.

22 “(3) ELECTRIC UTILITY COMPANY.—The term
23 ‘electric utility company’ means any company that
24 owns, operates, or leases facilities used for trans-
25 mission or distribution of electric energy for sale.

1 “(4) LOW-INCOME HOUSEHOLD.—The term
2 ‘low-income household’ means a household with a
3 total annual household income that does not exceed
4 the greater of—

5 “(A) an amount equal to 150 percent of
6 the poverty level of a State; or

7 “(B) an amount equal to 60 percent of the
8 State median income.

9 “(5) POVERTY LEVEL.—The term ‘poverty
10 level’ has the meaning given the term in section
11 2603 of the Low-Income Home Energy Assistance
12 Act of 1981 (42 U.S.C. 8622).

13 “(6) STATE MEDIAN INCOME.—The term ‘State
14 median income’ has the meaning given the term in
15 section 2603 of the Low-Income Home Energy As-
16 sistance Act of 1981 (42 U.S.C. 8622).”.

17 **SEC. 3. REGULATIONS.**

18 Not later than 180 days after the date of enactment
19 of this Act, the Secretary of Homeland Security in con-
20 sultation with the Chairman of the Federal Energy Regu-
21 latory Commission shall promulgate regulations necessary
22 to implement this Act and the amendments made by this
23 Act.

1 **SEC. 4. APPLICABILITY.**

2 This Act and the amendments made by this Act shall
3 apply to a major disaster occurring after the date of enact-
4 ment of this Act.

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