

114TH CONGRESS
2D SESSION

H. R. 4961

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to protect individuals and businesses from unforeseen consequences that may result from Federal disaster assistance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 2016

Mr. GIBSON (for himself, Mr. TONKO, Mr. SEAN PATRICK MALONEY of New York, Mr. DONOVAN, and Mr. KING of New York) 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 protect individuals and businesses from unforeseen consequences that may result from Federal disaster assistance, 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 “Federal Disaster Noti-
5 fication and Payment Protection Act of 2016”.

1 **SEC. 2. PROHIBITION REGARDING USE OF FEDERAL**
2 **FUNDS.**

3 Notwithstanding any other provision of law, Federal
4 funds may not be used to recoup a debt owed to the
5 United States related to assistance provided to an indi-
6 vidual or household under section 408 of the Robert T.
7 Stafford Disaster Relief and Emergency Assistance Act
8 (42 U.S.C. 5174) with respect to a major disaster declared
9 by the President on or after January 1, 2011, under sec-
10 tion 401 of such Act (42 U.S.C. 5170) if—

11 (1) the assistance was distributed based on an
12 error by the Federal Emergency Management Agen-
13 cy;

14 (2) the collection of the debt would be against
15 equity and good conscience; and

16 (3) the debt is not the result of fraud, presen-
17 tation of a false claim, misrepresentation, or other
18 fault of the debtor or any party having an interest
19 in the assistance distributed.

20 **SEC. 3. MANDATORY NOTIFICATION FOR INDIVIDUALS AND**
21 **BUSINESSES APPLYING FOR ASSISTANCE.**

22 Title VII of the Robert T. Stafford Disaster Relief
23 and Emergency Assistance Act (42 U.S.C. 5201 et seq.)
24 is amended by adding at the end the following:

1 **“SEC. 707. MANDATORY NOTIFICATION FOR INDIVIDUALS**
2 **AND BUSINESSES APPLYING FOR ASSIST-**
3 **ANCE.**

4 “(a) IN GENERAL.—Not later than 180 days after
5 the date of enactment of this section, the President shall
6 establish a process to ensure that each individual and busi-
7 ness that applies for a category of Federal disaster assist-
8 ance is provided written notice that describes—

9 “(1) the various categories of Federal disaster
10 assistance that may be available to the individual or
11 business;

12 “(2) the impact that receiving or declining the
13 category of Federal disaster assistance applied for
14 will have on eligibility for other categories of Federal
15 disaster assistance; and

16 “(3) repayment requirements or penalties that
17 may apply if multiple categories of Federal disaster
18 assistance are accepted.

19 “(b) REPORT TO CONGRESS.—On the date on which
20 the President establishes the process under subsection (a),
21 the President shall transmit to Congress a report describ-
22 ing the process.

23 “(c) PROHIBITION.—On and after the date on which
24 the President establishes the process under subsection (a),
25 an individual or business that is not provided the written
26 notice described in that subsection upon application for

1 a category of Federal disaster assistance may not be held
2 responsible for any repayment requirement or penalty that
3 would otherwise result from the receipt of such assistance.

4 “(d) FEDERAL DISASTER ASSISTANCE DEFINED.—

5 In this section, the term ‘Federal disaster assistance’
6 means Federal assistance, including loans and grants, pro-
7 vided—

8 “(1) pursuant to this Act, the Small Business
9 Act, or the community development block grant dis-
10 aster recovery program of the Department of Hous-
11 ing and Urban Development;

12 “(2) to an individual or business; and

13 “(3) in response to a major disaster or emer-
14 gency declared by the President under section 401
15 of this Act.”.

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