

One Hundred Seventeenth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday,
the third day of January, two thousand and twenty two*

An Act

To modify the requirements for the Administrator of the Small Business Administration relating to declaring a disaster in a rural area, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Disaster Assistance for Rural Communities Act”.

SEC. 2. DISASTER DECLARATION IN RURAL AREAS.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after paragraph (15) the following:

“(16) DISASTER DECLARATION IN RURAL AREAS.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘rural area’ means any county or other political subdivision of a State, the District of Columbia, or a territory or possession of the United States that is designated as a rural area by the Bureau of the Census; and

“(ii) the term ‘significant damage’ means, with respect to property, uninsured losses of not less than 40 percent of the estimated fair replacement value or pre-disaster fair market value of the damaged property, whichever is lower.

“(B) DISASTER DECLARATION.—For the purpose of making loans under paragraph (1) or (2), the Administrator may declare a disaster in a rural area for which a major disaster was declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) and for which individual assistance was not authorized under section 408 of such Act (42 U.S.C. 5174) if—

“(i) the Governor of the State or the Chief Executive of the Indian tribal government in which the rural area is located requests such a declaration; and

“(ii) any home, small business concern, private nonprofit organization, or small agricultural cooperative has incurred significant damage in the rural area.

“(C) SBA REPORT.—Not later than 120 days after the date of enactment of this paragraph, and every year thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of

Representatives a report on, with respect to the 1-year period preceding submission of the report—

“(i) any economic injury that resulted from a major disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) in a rural area;

“(ii) each request for assistance made by the Governor of a State or the Chief Executive of an Indian tribal government under subparagraph (B)(i) and the response of the Administrator, including the timeline for each response; and

“(iii) any regulatory changes that will impact the ability of communities in rural areas to obtain disaster assistance under this subsection.”.

(b) REGULATIONS.—Not later than 120 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall issue regulations to carry out the amendment made by subsection (a).

(c) GAO REPORT.—

(1) DEFINITION OF RURAL AREA.—In this subsection, the term “rural area” means any county or other political subdivision of a State, the District of Columbia, or a territory or possession of the United States that is designated as a rural area by the Bureau of the Census.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on—

(A) any unique challenges that communities in rural areas face compared to communities in urbanized areas when seeking to obtain disaster assistance under section 7(b) of the Small Business Act (15 U.S.C. 636(b)); and

(B) legislative recommendations for improving access to disaster assistance for communities in rural areas.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*