

117TH CONGRESS
1ST SESSION

S. 2212

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

IN THE SENATE OF THE UNITED STATES

JUNE 24, 2021

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

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for the authority to reimburse local governments or electric cooperatives 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 “FEMA Loan Interest
5 Payment Relief Act”.

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

3 (a) IN GENERAL.—Title IV of the Robert T. Stafford
 4 Disaster Relief and Emergency Assistance Act (42 U.S.C.
 5 5170 et seq.) is amended by adding at the end the fol-
 6 lowing:

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

9 “(a) IN GENERAL.—The President, acting through
 10 the Administrator of the Federal Emergency Management
 11 Agency, shall provide financial assistance to a local gov-
 12 ernment or electric cooperative as reimbursement for
 13 qualifying interest.

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

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

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

21 “(B) the interest that would have been
 22 paid to a lender if such qualifying loan had an
 23 interest rate equal to the prime rate most re-
 24 cently published on the Federal Reserve Statis-
 25 tical Release on selected interest rates.

1 “(2) QUALIFYING LOAN.—The term ‘qualifying
2 loan’ means a loan—

3 “(A) obtained by a local government or
4 electric cooperative; and

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

10 (b) RULE OF APPLICABILITY.—Any qualifying inter-
11 est (as such term is defined in section 431 of the Robert
12 T. Stafford Disaster Relief and Emergency Assistance
13 Act, as added by this Act) incurred by a local government
14 or electric cooperative in the 5 years preceding the date
15 of enactment of this Act shall be treated as eligible for
16 financial assistance for purposes of such section.

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