

**AMENDMENT TO H.R. 4**  
**OFFERED BY MS. JACKSON LEE OF TEXAS**

At the end of the bill, add the following:

1       **TITLE IX—SMALL BUSINESS**  
2                               **RECOVERY**

3 **SEC. 901. SHORT TITLE.**

4       This title may be cited as the “Small Business Dis-  
5 aster Recovery Grants Act”.

6 **SEC. 902. DEFINITIONS.**

7       In this title, the following definitions apply:

8               (1) CLAIM.—The term “claim” means a claim  
9       by an injured concern under this title for payment  
10       for substantial economic injury suffered by the in-  
11       jured concern as a result of Hurricanes Harvey,  
12       Maria, Irma, the California Wildfires of 2017 and  
13       any future major disaster declared under section  
14       401 of the Robert T. Stafford Disaster Relief and  
15       Energy Assistance Act (42 U.S.C. 5170).

16              (2) CLAIMANT.—The term “claimant” means  
17       an injured concern that submits a claim under sec-  
18       tion 904(b).

1           (3) ADMINISTRATOR.—The term “Adminis-  
2           trator” means the Administrator of the Small Busi-  
3           ness Administration.

4           (4) INJURED CONCERN.—The term “injured  
5           concern”—

6                   (A) means a small business concern that is  
7           located in an area that is a qualified disaster  
8           area as a result of Hurricanes Harvey, Maria,  
9           Irma, the California Wildfires of 2017 and any  
10          future major disaster declared under section  
11          401 of the Robert T. Stafford Disaster Relief  
12          and Energy Assistance Act (42 U.S.C. 5170);  
13          and

14                   (B) does not include—

15                           (i) a lender that holds a mortgage on  
16                           or security interest in real or personal  
17                           property affected by Hurricanes Harvey,  
18                           Maria, Irma, the California Wildfires of  
19                           2017 and any future major disaster de-  
20                           clared under section 401 of the Robert T.  
21                           Stafford Disaster Relief and Energy As-  
22                           sistance Act (42 U.S.C. 5170); or

23                           (ii) a person that holds a lien on real  
24                           or personal property affected by Hurri-  
25                           canes Harvey, Maria, Irma, the California

1 Wildfires of 2017 and any future major  
2 disaster declared under section 401 of the  
3 Robert T. Stafford Disaster Relief and En-  
4 ergy Assistance Act (42 U.S.C. 5170).

5 (5) OFFICE.—The term “Office” means the Of-  
6 fice of Small Business Disaster Recovery Grants es-  
7 tablished by section 903.

8 **SEC. 903. OFFICE OF SMALL BUSINESS DISASTER RECOV-**  
9 **ERY GRANTS.**

10 (a) IN GENERAL.—There is established within the  
11 Small Business Administration an office to be known as  
12 the “Office of Small Business Disaster Recovery Grants”.

13 (b) PURPOSE.—The Office shall receive, process, and  
14 pay claims in accordance with section 904.

15 (c) FUNDING.—The Office—

16 (1) shall be funded from funds made available  
17 under this title; and

18 (2) may reimburse any other Federal agency  
19 for provision of assistance in the receipt and proc-  
20 essing of claims.

21 (d) PERSONNEL.—

22 (1) IN GENERAL.—The Office may appoint and  
23 fix the compensation of such temporary personnel as  
24 are necessary to carry out the duties of the Office,  
25 without regard to the provisions of title 5, United

1 States Code, governing appointments in the competi-  
2 tive service.

3 (2) PERSONNEL FROM OTHER AGENCIES.—On  
4 the request of the Administrator, the head of any  
5 other Federal agency may detail, on a reimbursable  
6 basis, any of the personnel of the agency to the Fed-  
7 eral Emergency Management Agency to assist the  
8 Office in carrying out the duties of the Office under  
9 this title.

10 (3) EFFECT ON OTHER SBA DUTIES.—The es-  
11 tablishment of the Office shall not diminish the au-  
12 thority of, or funding available to, the Administrator  
13 to carry out the responsibilities of the Small Busi-  
14 ness Act.

15 **SEC. 904. COMPENSATION FOR VICTIMS OF CERTAIN DISAS-**  
16 **TERS.**

17 (a) IN GENERAL.—Each injured concern may receive  
18 compensation for substantial economic injury suffered as  
19 a result of Hurricanes Harvey, Maria, Irma, the California  
20 Wildfires of 2017 and any future major disaster declared  
21 under section 401 of the Robert T. Stafford Disaster Re-  
22 lief and Energy Assistance Act (42 U.S.C. 5170), as de-  
23 termined by the Administrator.

24 (b) SUBMISSION OF CLAIMS.—Not later than 1 year  
25 after the date on which interim final regulations are pro-

1 mulgated under subsection (h), an injured concern may  
2 submit to the Administrator a written claim for compensa-  
3 tion for substantial economic injury suffered as a result  
4 of Hurricanes Harvey, Maria, Irma, the California  
5 Wildfires of 2017 and any future major disaster declared  
6 under section 401 of the Robert T. Stafford Disaster Re-  
7 lief and Energy Assistance Act (42 U.S.C. 5170).

8 (c) HANDLING OF CLAIMS.—The Administrator shall  
9 investigate, adjust, grant, deny, settle, or compromise any  
10 claim submitted under subsection (b).

11 (d) AMOUNT OF GRANT.—

12 (1) IN GENERAL.—Any grant made to an in-  
13 jured concern—

14 (A) shall be limited to the amount nec-  
15 essary to compensate the injured concern for  
16 substantial economic injury described in para-  
17 graph (2) suffered as a result of Hurricanes  
18 Harvey, Maria, Irma, the California Wildfires  
19 of 2017 and any future major disaster declared  
20 under section 401 of the Robert T. Stafford  
21 Disaster Relief and Energy Assistance Act (42  
22 U.S.C. 5170);

23 (B) shall not include—

1 (i) interest on the amount of the pay-  
2 ment before the date of settlement or pay-  
3 ment of a claim; or

4 (ii) punitive damages or any other  
5 form of noncompensatory damages; and

6 (C) shall not exceed \$100,000, except in  
7 the case of a grant application for which the  
8 Administrator determines that a greater  
9 amount up to \$250,000 is appropriate.

10 (2) SUBSTANTIAL ECONOMIC INJURY.—Under  
11 paragraph (1), an injured concern may receive pay-  
12 ment for substantial economic injury consisting of  
13 one or more of the following:

14 (A) An uninsured or underinsured property  
15 loss.

16 (B) Damage to or destruction of physical  
17 infrastructure.

18 (C) Damage to or destruction of tangible  
19 assets or inventory.

20 (D) A business interruption loss.

21 (E) Overhead costs.

22 (F) Employee wages for work not per-  
23 formed.

24 (G) An insurance deductible.

25 (H) A temporary relocation expense.

1 (I) Debris removal and other cleanup  
2 costs.

3 (J) Any other type of substantial economic  
4 injury that the Administrator determines to be  
5 appropriate.

6 (3) BURDEN OF PROOF.—

7 (A) IN GENERAL.—A claimant shall have  
8 the burden of demonstrating substantial eco-  
9 nomic injury.

10 (B) ABSENCE OF DOCUMENTS.—If docu-  
11 mentary evidence substantiating substantial  
12 economic injury is not reasonably available, the  
13 Administrator may pay a claim based on an af-  
14 fidavit or other documentation executed by the  
15 claimant.

16 (e) PAYMENT OF CLAIMS.—

17 (1) DETERMINATION AND PAYMENT OF  
18 AMOUNT.—

19 (A) IN GENERAL.—To the maximum ex-  
20 tent practicable, not later than 180 days after  
21 the date on which a claim is submitted under  
22 subsection (b), the Administrator shall—

23 (i) determine the amount, if any, to  
24 be paid for the claim; and

25 (ii) pay the amount.

1 (B) PRIORITY.—The Administrator may  
2 establish priorities for processing and paying  
3 claims based on—

4 (i) an assessment of the needs of the  
5 claimants; and

6 (ii) any other criteria that the Admin-  
7 istrator determines to be appropriate.

8 (C) PARAMETERS OF DETERMINATION.—  
9 In determining and paying a claim, the Admin-  
10 istrator shall determine only—

11 (i) whether the claimant is an injured  
12 concern; and

13 (ii) whether the injuries that are the  
14 subject of the claim resulted from Hurri-  
15 canes Harvey, Maria, Irma, the California  
16 Wildfires of 2017 and any future major  
17 disaster declared under section 401 of the  
18 Robert T. Stafford Disaster Relief and En-  
19 ergy Assistance Act (42 U.S.C. 5170).

20 (D) INSURANCE AND OTHER BENEFITS.—

21 (i) IN GENERAL.—Subject to clause  
22 (ii), to prevent recovery by a claimant in  
23 excess of the equivalent of actual amount  
24 of the substantial economic injury suffered  
25 by the claimant in accordance with sub-



1 section (d), the Administrator shall reduce  
2 the amount to be paid for the claim by an  
3 amount that is equal to the sum of the  
4 payments or settlements of any kind that  
5 were paid, or will be paid, with respect to  
6 the claim, including payments by an insur-  
7 ance company.

8 (ii) GOVERNMENT LOANS.—Clause (i)  
9 shall not apply to the receipt by a claimant  
10 of any Federal, State, or local government  
11 loan that is required to be repaid by the  
12 claimant.

13 (2) ADVANCE OR PARTIAL PAYMENTS.—At the  
14 request of a claimant, the Administrator may make  
15 one or more advance or partial payments before the  
16 final approval of a grant.

17 (f) RECOVERY OF FUNDS IMPROPERLY PAID OR MIS-  
18 USED.—The Administrator may recover any portion of a  
19 payment on a grant that was improperly paid to the claim-  
20 ant as a result of—

21 (1) fraud or misrepresentation on the part of  
22 the claimant or a representative of the claimant;

23 (2) a material mistake on the part of the Ad-  
24 ministrator;

1           (3) the payment of insurance or benefits de-  
2           scribed in subsection (e)(1)(D) that were not taken  
3           into account in determining the amount of the pay-  
4           ment; or

5           (4) the failure of the claimant to cooperate in  
6           an audit.

7           (g) APPEALS OF DECISIONS.—

8           (1) RIGHT OF APPEAL.—A claimant may appeal  
9           a decision concerning payment of a claim by filing,  
10          not later than 60 days after the date on which the  
11          claimant is notified that the claim of the claimant  
12          will or will not be paid, a notice of appeal in the case  
13          of a decision on a claim relating to a business loss,  
14          with the Administrator of the Federal Emergency  
15          Management Administration.

16          (2) PERIOD FOR DECISION.—A decision con-  
17          cerning an appeal under paragraph (1) shall be ren-  
18          dered not later than 90 days after the date on which  
19          the notice of appeal is received.

20          (h) REGULATIONS.—Notwithstanding any other pro-  
21          vision of law, not later than 45 days after the date of en-  
22          actment of this Act—

23                 (1) the Administrator shall promulgate and  
24                 publish in the Federal Register interim final regula-  
25                 tions for the processing and payment of claims; and

1           (2) the Administrator and the Administrator of  
2           the Federal Emergency Management Agency shall  
3           jointly promulgate and publish in the Federal Reg-  
4           ister procedures under which a dispute concerning  
5           payment of a claim may be settled through an ap-  
6           peals process described in subsection (g).

7           (i) PUBLIC INFORMATION.—At the time of publica-  
8           tion of interim final regulations under subsection (h), the  
9           Administrator shall publish a clear, concise, and easily un-  
10          derstandable explanation of the grant program established  
11          under this title the procedural and other requirements of  
12          the regulations promulgated under subsection (h). Such  
13          explanation shall be—

14                 (1) disseminated through brochures, pamphlets,  
15                 radio, television, the print news media, and such  
16                 other media as the Administrator determines to be  
17                 likely to reach prospective claimants; and

18                 (2) provided in English, Spanish, and any other  
19                 language that the Administrator determines to be  
20                 appropriate.

21           (j) COORDINATION.—In carrying out this section, the  
22          Administrator shall coordinate with the Administrator of  
23          the Federal Emergency Management Agency, other Fed-  
24          eral, State and local agencies, and any other individual  
25          or entity, as the Administrator determines to be necessary

1 to ensure the efficient administration of the claims pro-  
2 cess.

3 (k) APPLICABILITY OF DEBT COLLECTION REQUIRE-  
4 MENTS.—

5 (1) IN GENERAL.—Section 3716 of title 31,  
6 United States Code, shall not preclude any payment  
7 on a claim.

8 (2) ASSIGNMENT AND EXEMPTION FROM  
9 CLAIMS OF CREDITORS.—

10 (A) ASSIGNMENT.—No assignment, re-  
11 lease, or commutation of a payment due or pay-  
12 able under this title shall be valid.

13 (B) EXEMPTION.—

14 (i) IN GENERAL.—A payment under  
15 this title shall be exempt from all claims of  
16 creditors and from levy, execution, attach-  
17 ment, or other remedy for recovery or col-  
18 lection of a debt.

19 (ii) NONWAIVABLE EXEMPTION.—The  
20 exemption provided by clause (i) may not  
21 be waived.

22 **SEC. 905. REPORTS AND AUDITS.**

23 (a) REPORTS.—Not later than 1 year after the date  
24 of promulgation of interim final regulations under section  
25 904(h) and annually thereafter, the Administrator shall

1 submit to Congress a report that describes the claims sub-  
2 mitted under section 904(b) during the year preceding the  
3 date of submission of the report, including, with respect  
4 to each claim—

5 (1) the amount claimed;

6 (2) a brief description of the nature of the  
7 claim; and

8 (3) the status or disposition of the claim, in-  
9 cluding the amount of any payment on the claim.

10 (b) AUDITS.—The Comptroller General of the United  
11 States shall—

12 (1) conduct an annual audit of the payment of  
13 all claims submitted under section 904(b); and

14 (2) not later than 120 days after the date on  
15 which the Administrator submits the initial report  
16 required by subsection (a) and annually thereafter,  
17 submit to Congress a report on the results of the  
18 audit.

19 **SEC. 906. AUTHORIZATION OF APPROPRIATIONS.**

20 (a) IN GENERAL.—There are authorized to be appro-  
21 priated to carry out this title—

22 (1) to the Office of Small Business Disaster Re-  
23 covery Grants established under section 903 to ad-  
24 minister the claims process, \$25,000,000; and

25 (2) for payment of claims, \$975,000,000.

1 (b) AVAILABILITY.—Amounts made available under  
2 subsection (a) shall remain available until expended.

3 **SEC. 907. TERMINATION OF AUTHORITY.**

4 The authority provided by this title terminates effec-  
5 tive 30 months after the date of enactment of this Act.

