governments for the purpose of carrying out the
provisions of paragraph (4).

(b) Emergency work performed under subsection (a)
(4) of this section shall not preclude Federal assistance under
any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under section 203(a) from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) Any Federal agency designated by the President to exercise authority under this Act may establish such special groups, interdepartmental or otherwise, as it deems appropriate to assist in carrying out the provisions of law relating to Federal disaster preparedness and assistance, and the funds of any such agency may be utilized for the necessary expenses of any group so established.
(f) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(g) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine
the activities of Federal agencies in providing disaster assist-
ance. The President may direct any Federal agency to utilize
its available personnel, equipment, supplies, facilities, and
other resources in accordance with the authority herein con-
tained. The President may prescribe such rules and regula-
tions as may be necessary and proper to carry out any of the
provisions of this Act, and he may exercise any power or
authority conferred on him by any section of this Act either
directly or through such Federal agency as he may designate.

(h) The President, acting through the Office of Emer-
gency Preparedness, shall conduct periodic reviews (at least
annually) of the activities of Federal and State departments
or agencies providing disaster assistance, in order to assure
maximum coordination of such programs, and to evaluate
progress being made in the development of Federal, State,
and local preparedness to cope with major disasters.

USE OF LOCAL FIRMS AND INDIVIDUALS

Sec. 204. In the expenditure of Federal funds for debris
clearance, distribution of supplies, reconstruction, and other
major disaster assistance activities which may be carried out
by contract with private organizations, firms, or individuals,
preference shall be given, to the extent feasible and practica-
ble, to those organizations, firms, and individuals who reside
or do business primarily in the disaster area.
FEDERAL GRANT-IN-AID PROGRAMS

Sec. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster proclamation, such conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

Sec. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than $250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program,
and shall, through such agency, submit a State plan to the
President, which shall—

(1) set forth a comprehensive and detailed State
program for preparation against, and relief following, a
major disaster, including provisions for emergency and
long-term assistance to individuals, businesses, and local
governments; and

(2) include provision for the appointment of a State
coordinating officer to act in cooperation with the Fed-
eral coordinating officer appointed under section 201 of
this Act.

(d) From time to time the Director shall make a report
to the President, for submission to the Congress, containing
his recommendations for programs for the Federal role
in the implementation and funding of comprehensive disaster
relief plans, and such other recommendations relating to
the Federal role in disaster relief activities as he deems
warranted.

(e) The President is authorized to make grants not to
exceed $25,000 per annum to any State in an amount not to
exceed 50 per centum of the cost for the purpose of im-
proving, maintaining, and updating that State's disaster
assistance plans.
USE AND COORDINATION OF RELIEF ORGANIZATIONS

Sec. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities, whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

Sec. 208. (a) The Director, in consultation with the head of each Federal agency administering any program pro-
viding financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Fed-
eral Government for that part of the assistance which he
deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

Sec. 209. (a) The Director shall issue, and may alter
and amend, such regulations as may be necessary for the guid-
ance of personnel carrying out emergency relief functions
at the site of a major disaster. Such regulations shall include
provisions for insuring that the distribution of supplies, the
processing of applications, and other relief and assistance
activities shall be accomplished in an equitable and impartial
manner, without discrimination on the grounds of race, color,
religion, nationality, sex, age, or economic status prior to
a major disaster.

(b) As a condition of participation in the distribution
of assistance or supplies under section 207, relief organiza-
tions shall be required to comply with regulations relating
to nondiscrimination promulgated by the Director, and such
other regulations applicable to activities within a major dis-
aster area as he deems necessary for the effective coordina-
tion of relief efforts.

ADVISORY PERSONNEL

Sec. 210. The Director is authorized to assign advisory
personnel to the chief executive officer of any State or local
government within a major disaster area, upon request by
such officer, whenever the Director determines that such
assignment is desirable in order to insure full utilization of
relief and assistance resources and programs.

**DISASTER WARNINGS**

**Sec. 211.** The President is authorized to utilize or to
make available to Federal, State, and local agencies the fa-
cilities of the civil defense communications system established
and maintained pursuant to section 201(c) of the Federal
2281(c)), for the purpose of providing needed warning to
governmental authorities and the civilian population in areas
endangered by imminent major disasters.

**PART B—EMERGENCY RELIEF**

**PREDISASTER ASSISTANCE**

**Sec. 221.** To avert or lessen the effects of a major dis-
aster, the President is authorized, without declaring a major
disaster, to utilize Federal resources in providing disaster
assistance to any State to assist such State or any local gov-
ernment thereof in circumstances which clearly indicate the
imminent occurrence of a major disaster.

**EMERGENCY COMMUNICATIONS**

**Sec. 222.** The Director is authorized to establish emer-
gency communications in any major disaster area in order
to carry out the functions of his office, and to make such
communications available to State and local government
officials and other persons as he deems appropriate.
EMERGENCY PUBLIC TRANSPORTATION

Sec. 223. The Director is authorized to provide public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL GRANTS

Sec. 224. The President, whenever he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing debris on privately owned lands or waters as a result of a major disaster, and is authorized to make payments through such State or local government for the removal of debris from community areas which may include the private property of an individual. No benefits will be available under this section unless such State or local government arranges unconditional authorization for removal of debris from such property and agrees to indemnify the Federal Government against any claims arising from such debris removal.

FIRE SUPPRESSION GRANTS

Sec. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland
which threatens such destruction as would constitute a major
disaster.

TEMPORARY HOUSING ASSISTANCE

Sec. 226. (a) The Director is authorized to provide on a temporary basis, as prescribed in this section, dwelling accommodations for individuals and families who, as a result of a major disaster, are in need of assistance by (1) using any unoccupied housing owned by the United States under any program of the Federal Government, (2) arranging with a local public housing agency for using unoccupied public housing units, or (3) acquiring existing dwellings or mobile homes or other readily fabricated dwellings, by purchase or lease. Notwithstanding any other provision of law, any existing dwellings, mobile homes, or readily fabricated dwellings acquired by purchase may be sold directly to individuals and families who are occupants of such temporary accommodations at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

(b) After the initial ninety days of occupancy without
charge, rentals shall be established for such accommodations, under such rules and regulations as the Director may pre-
scribe, taking into account the financial resources of the oc-
cupant. In case of financial hardship, rentals may be com-
promised, adjusted, or waived for a period not to exceed
twelve months from the date of occupancy, but in no case
shall any such individual or family be required to incur a
monthly housing expense (including any fixed expense relat-
ing to the amortization of debt owing on a house destroyed
or damaged in a major disaster) which is in excess of .25 per
centum of the monthly income of the occupant or occupants.

(c) The Director is further authorized to provide assist-
ance on a temporary basis in the form of mortgage or rental
payments to or on behalf of individuals and families who, as
a result of financial hardship caused by a major disaster,
have received written notice of dispossession or eviction from
a residence by reason of foreclosure of any mortgage or lien,
cancellation of any contract of sale, or termination of any
lease, oral or written. Such assistance shall be provided for a
period of not to exceed one year or for the duration of the
period of financial hardship, whichever is the lesser. The Di-
rector shall, for the purposes of this subsection and in further-
ance of the purposes of section 240 of this Act, provide re-
employment assistance services to individuals who are unem-
ployed as a result of a major disaster.
PART C—RECOVERY ASSISTANCE

SMALL BUSINESS DISASTER LOANS

Sec. 231. (a) In the administration of the disaster loan program under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administrator—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of $500, cancel the principal of the loan, except that the total amount so canceled shall not exceed $2,500, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may make any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) in the case of the total destruction of, or substantial property damage to, a home or business concern, may refinance any mortgage or other liens outstanding against the destroyed or damaged property if such
refinancing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this subsection.

(b) Section 7 of the Small Business Act is amended—
(1) by revising paragraph (2) of subsection (b) to read as follows:

"(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small business concern located in an area affected by a disaster, if the Administration determines that the concern has suffered a substantial economic injury as a result of such disaster;";

(2) by striking from the second sentence of subsection (b) the following: "meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection,"; and

(3) by striking from subsection (f) the following: "in the case of property loss or damage as the result of a disaster which is a ‘major disaster’ as defined in section
2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961–1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster, to property, including household furnishings, the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of $500, cancel the principal of the loan, except that the total amount so cancelled shall not exceed $2,500, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and
(3) in the case of the total destruction of, or substan
tial property damage to a home or business con-
cern may refinance any mortgage or other liens outstanding against the destroyed or damaged property if such refinancing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS’ ADMINISTRATION

SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

“(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;”

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

“(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the
Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a)(2) of this section, extend on an individual case basis such forbearance or indulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner."

**DISASTER LOAN INTEREST RATES**

Sec. 234. (a) Any loan made under the authority of sections 231, 232, 236(b), 237, or 241 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of ten to twelve years less not to exceed 2 per centum per annum.

(b) The next to the last sentence of section 7(b) of the Small Business Act is amended by striking out all that follows "exceed" and inserting in lieu thereof the following: "a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of ten to twelve years less not to exceed 2 per centum per annum."

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AGE OF APPLICANT FOR LOANS

Sec. 235. In the administration of any Federal disaster loan program under the authority of sections 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

Sec. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Inde-
pendent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

Sec. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition
to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan.

FOOD COUPONS AND DISTRIBUTION

Sec. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

(b) The President, through the Secretary of Agriculture is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the
households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

Sec. 239. Whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, he shall assure the availability of such legal services as may be needed by these individuals because of conditions created by a major disaster. Whenever feasible, and consistent with the goals of the program authorized by this section, the Director shall assure that the programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

Sec. 240. The President is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed the maximum amount and the maximum duration of payment under the unemployment compensation...
or half the term of the loan, whichever is less. Any loans under this section may be made for a local government's fiscal year in which the disaster occurred and for each of the following two fiscal years. Loans for any year shall not exceed the difference between the average annual property tax revenue received by the local government for the three-year period preceding the major disaster and the local government's accrued property tax revenue for each of the three years following the major disaster. For purposes of computations under this section, the tax rate and tax assessment valuation factors in effect at the time of the disaster shall not be reduced during the three-year period following the disaster.

(c)(1) The President may transfer to the Fund such sums as he may determine to be necessary from the appropriations available to him for disaster relief. All amounts received as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived from operations in connection with this section shall be deposited to the Fund.

(2) All loans, expenses, and payments pursuant to operations under this section shall be paid from the Fund. From time to time, and at least at the close of each fiscal year, there shall be paid from the Fund into the Treasury, as miscellaneous receipts, interest on the average amount
of appropriations accumulated as capital to the Fund, less
the average undisbursed cash balance in the fund during
the year. The rate of such interest shall not exceed any
rate determined under section 234 for loans from the Fund.
Interest payments may be deferred with the approval of the
Secretary of the Treasury, but any interest payments so de-
ferred shall themselves bear interest. If at any time the Presi-
dent determines that moneys in the Fund exceed the present
and any reasonably prospective future requirements of the
Fund, such excess may be transferred to the general fund of
the Treasury or to the appropriations available to the Presi-
dent for disaster relief.

(d) There are hereby authorized to be appropriated
such sums, not to exceed $100,000,000, as may be neces-
sary to carry out the provisions of this section.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract
between the Secretary of Agriculture or the Secretary of
the Interior and a timber purchaser does not provide relief
from major physical change not due to negligence of the
purchaser prior to approval of construction of any section
of specified road or of any other specified development fa-
cility and, as a result of a major disaster, a major physical
change results in additional construction work in connection
with such road or facility by such purchaser with an esti-
mated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one to three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency
Preparedness, is authorized to make grants to any State or
local government for the purpose of removing from privately
owned lands timber damaged as a result of a major disaster,
and such State or local government is authorized upon appli-
cation, to make payments out of such grants to any person
for reimbursement of expenses actually incurred by such
person in the removal of damaged timber, not to exceed the
amount that such expenses exceed the salvage value of such
timber.

PUBLIC LAND ENTRYMEN

Sec. 243. The Secretary of the Interior is authorized to
give any public land entryman such additional time in which
to comply with any requirement of law in connection with
any public land entry for lands affected by a major disaster
as the Secretary finds appropriate because of interference
with the entryman’s ability to comply with such requirement
as a result of such major disaster.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE
RESTORATION

Sec. 244. (a) No loan or grant made by any Federal
agency, or by any relief organization operating under the
supervision of the Director, for the repair, restoration, recon-
struction, or replacement of any residential structure located
in a major disaster area shall be made unless such structure
will be repaired, restored, reconstructed, or replaced in ac-
cordance with such minimum standards of safety, decency, and sanitation as the Secretary of Housing and Urban Development may prescribe by regulation for such purpose, and in conformity with applicable building codes and specifications.

(b) In order to carry out the provisions of this section, the Secretary of Housing and Urban Development is authorized—

(1) to consult with such other officials in the Federal, State, and local governments as he deems necessary, in order that regulations prescribed under this section shall—

(A) carry out the purpose of this section; and

(B) have the necessary flexibility to be consistent with requirements of other building regulations, codes, and program requirements applicable; and

(2) to promulgate such regulations as may be necessary.

PART D—RESTORATION OF PUBLIC FACILITIES

FEDERAL FACILITIES

Sec. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major
disaster if he determines that such repair, reconstruction, restor-
tation, or replacement is of such importance and urgency
that it cannot reasonably be deferred pending the enactment
of specific authorizing legislation or the making of an appro-
priation for such purposes. In order to carry out the pro-
visions of this section, such repair, reconstruction, restora-
tion, or replacement may be begun notwithstanding a lack
or an insufficiency of funds appropriated for such purpose,
where such lack or insufficiency can be remedied by the
transfer, in accordance with law, of funds appropriated for
another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

Sec. 252. (a) The President is authorized to make
contributions to State or local governments to repair, restore,
reconstruct, or replace public facilities belonging to such
State or local governments which were damaged or
destroyed by a major disaster, except that the Federal contri-
bution therefor shall not exceed 50 per centum of the net
cost of restoring any such facility to its capacity prior to
such disaster and in conformity with applicable codes and
specifications.

(b) In the case of any such public facilities which were
in the process of construction when damaged or destroyed
by a major disaster, the Federal contribution shall not exceed
50 per centum of the net costs of restoring such facilities
substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other essential public facility.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

Sec. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;
(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or

(5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

Sec. 254. Notwithstanding any other provision of law or regulation promulgated thereunder, no person otherwise eligible for relocation assistance payments authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a major disaster as determined by the President.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS

Sec. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii) is amended to read as follows: “(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Assistance Act of 1970”.

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso “section 2(a) of the Act entitled ‘An Act
to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out the last paragraph "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855-1855g)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu
thereof “pursuant to section 102(1) of the Disaster Assistance Act of 1970”.

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out “section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))” and inserting in lieu thereof “section 102(1) of the Disaster Assistance Act of 1970”.

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out “section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))” and inserting in lieu thereof “section 102(1) of the Disaster Assistance Act of 1970”.

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

“(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Assistance Act of 1970,”.

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out “the Act of September 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof “the Disaster Assistance Act of 1970”.

(j) Section 5708(a) of the Internal Revenue Code of
1 1954 (26 U.S.C. 5708(a)), relating to losses caused by
disaster, is amended by striking out “the Act of Septem-
ber 30, 1950 (42 U.S.C. 1855)” and inserting in lieu
thereof “the Disaster Assistance Act of 1970”.

330; 48 U.S.C. 1681), is amended by striking out of the
last sentence “section 2 of the Act of September 30, 1950
(64 Stat. 1109), as amended (42 U.S.C. 1855a)” and in-
serting in lieu thereof “section 102(1) of the Disaster Assist-
ance Act of 1970”.

(l) Whenever reference is made in any provision of law
(other than this Act), regulation, rule, record, or document
of the United States to the Act of September 30, 1950 (64
Stat. 1109), or any provision of such Act, such reference
shall be deemed to be a reference to the Disaster Assistance
Act of 1970 or to the appropriate provision of the Disaster
Assistance Act of 1970 unless no such provision is included
therein.

REPEAL OF EXISTING LAW

Sec. 302. The following Acts are hereby repealed:

(1) the Act of September 30, 1950 (64 Stat.
1109);

(2) the Disaster Relief Act of 1966, except section
7 (80 Stat. 1316); and
(3) the Disaster Relief Act of 1969 (83 Stat. 125).

AUTHORIZATION OF APPROPRIATIONS

SEC. 303. Except as provided otherwise in this Act, there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(c), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969.
A BILL

To create, within the Office of the President, an Office of Disaster Assistance, to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

By Mr. Bayh, Mr. Bible, Mr. Brooke, Mr. Cranston, Mr. Dodd, Mr. Eagleton, Mr. Eastland, Mr. Fong, Mr. Gravel, Mr. Harris, Mr. Hart, Mr. Hartke, Mr. Hughes, Mr. Inouye, Mr. Jackson, Mr. Javits, Mr. Kennedy, Mr. Magnuson, Mr. McGovern, Mr. McIntyre, Mr. Miller, Mr. Mondale, Mr. Muskie, Mr. Pell, Mr. Randolph, Mr. Spong, Mr. Stevens, Mr. Tydings, Mr. Williams of New Jersey, Mr. Yarbrough, and Mr. Young of Ohio

MARCH 20, 1970
Read twice and referred to the Committee on Public Works

AUGUST 31, 1970
Reported with an amendment
An Act

To revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Act of 1970".

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which, in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for Federal disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;
(3) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;
(4) "Governor" means the chief executive of any State;
(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;
(6) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and
(7) "Director" means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

FEDERAL COORDINATING OFFICER

SEC. 201. (a)Immediately upon his designation of a major disaster area, the President shall appoint a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.
(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

(1) make an initial appraisal of the types of relief most urgently needed;
(2) establish such field offices as he deems necessary and as are authorized by the Director;
(3) coordinate the administration of relief, including activities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and
(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

SEC. 202. The Director is authorized to form emergency support teams of Federal personnel to be deployed in a major disaster area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act. Upon request of the Director, the head of any Federal department or agency is authorized to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the discretion of the Director, such personnel within the administrative jurisdiction of the head of the Federal department or agency as the Director may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.
December 31, 1970 - 3 - Pub. Law 91-606

COOPERATION OF FEDERAL AGENCIES IN RENDERING EMERGENCY ASSISTANCE

Sec. 203. (a) In any major disaster, Federal agencies are hereby authorized, on direction of the President, to provide assistance by—
(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;
(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;
(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government to State and local governments for use or distribution by them for the purposes of this Act; and
(4) performing on public or private lands or waters any emergency work essential for the protection and preservation of life and property, including—
(A) clearing and removing debris and wreckage in accordance with section 224;
(B) making repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards;
(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and
(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a)(4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, with—
out regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(f) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources in accordance with the authority, herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(g) The President, acting through the Office of Emergency Preparedness, shall conduct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

(h) The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunamis, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this subsection, and from time to time, the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

USE OF LOCAL FIRMS AND INDIVIDUALS

Sec. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

Sec. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the dura-
tion of a major disaster proclamation, such administrative procedural conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

SEC. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than $250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed $25,000 per annum to any State.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the
services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

**DUPICATION OF BENEFITS**

**SEC. 208.** (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

**Nondiscrimination in Disaster Assistance**

**SEC. 209.** (a) The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.

**Disaster Warnings**

**SEC. 210.** The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.
SEC. 221. If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

EMERGENCY COMMUNICATIONS

SEC. 222. The Director is authorized during, or in anticipation of, an emergency to establish temporary communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. The Director is authorized to provide temporary public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL

SEC. 224. (a) The President, whenever he determines it to be in the public interest, is authorized—

1. through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

2. to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value...
of the accommodations being furnished, adjusted to take into consider-
ation the financial ability of the occupant. Notwithstanding any other
 provision of law, any such emergency housing acquired by purchase
may be sold directly to individuals and families who are occupants
thereof at prices that are fair and equitable. Any mobile home or
readily fabricated dwelling shall be placed on a site complete with
utilities provided by State or local government, or by the owner or
occupant of the site who was displaced by the major disaster, without
charge to the United States. However, the Director may elect to pro-
vide other more economical and accessible sites at Federal expense
when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a tem-
porary basis in the form of mortgage or rental payments to or on
behalf of individuals and families who, as a result of financial hard-
ship caused by a major disaster, have received written notice of dis-
possession or eviction from a residence by reason of foreclosure of any
mortgage or lien, cancellation of any contract of sale, or termination
of any lease, entered into prior to the disaster. Such assistance shall be
provided for a period of not to exceed one year or for the duration of
the period of financial hardship, whichever is the lesser. The President
is authorized for the purposes of this subsection and in furtherance of
the purposes of section 240 of this Act, to provide reemployment assist-
sance services under other laws to individuals who are unemployed as
a result of a major disaster.

SMALL BUSINESS DISASTER LOANS

Sec. 231. In the administration of the disaster loan program under
section 7(b) (1), (2), and (4) of the Small Business Act, as amended
(15 U.S.C. 636(b)), in the case of property loss or damage or injury
resulting from a major disaster as determined by the President or a
disaster as determined by the Administrator, the Small Business
Administration—

(1) to the extent such loss or damage or injury is not compen-
sated for by insurance or otherwise, (A) shall, on that part of
any loan in excess of $500, cancel the principal of the loan, except
that the total amount so canceled shall not exceed $2,500, except
that this clause (A) shall apply only to loans made to cover
losses and damage and injury resulting from major disasters as
determined by the President, and (B) may defer interest pay-
ments or principal payments, or both, in whole or in part, on
any loan made under this section during the first three years of the
term of the loan except that any such deferred payments shall bear
interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compen-
sated for by insurance or otherwise, may grant any loan for
repair, rehabilitation, or replacement of property damaged, or
destroyed, without regard to whether the required financial assist-
ance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial prop-
erty damage of a home or business concern, refinance any mort-
gage or other liens outstanding against the destroyed or damaged
property if such property is to be repaired, rehabilitated, or
replaced, except that the amount refinanced shall not exceed the
amount of the physical loss sustained. Any such refinancing shall
be subject to the provisions of clauses (1) and (2) of this section.
Sec. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1473), in the case of loss or damage, resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture——

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of $500, cancel the principal of the loan, except that the total amount so canceled shall not exceed $2,500, except that this clause (A) shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

Sec. 233. (1) Section 1820(a) (2) of title 38, United States Code, is amended to read as follows:

“(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;”

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

“(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a) (2) of this section, extend on an individual case basis such forbearance or indulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner.”
DISASTER LOAN INTEREST RATES

Sec. 231. Any loan made under sections 231 and 232 of this Act shall not exceed the current cost of repairing or replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any loan made under sections 231, 232, 236(b) and 237 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 2 percentum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

AGE OF APPLICANT FOR LOANS

Sec. 235. In the administration of any Federal disaster loan program under the authority of section 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

Sec. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

Sec. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of
loans which may otherwise be imposed by any other provision of law or
regulation promulgated pursuant thereto.
(b) Assistance under this section shall be in addition to any other
Federal disaster assistance, except that such other assistance may be
adjusted or modified to the extent deemed appropriate by the Director
under the authority of section 208 of this Act. Any loan made under
this section shall be subject to the interest requirements of section 234
of this Act, but the President, if he deems it necessary, may defer
payments of principal and interest for a period not to exceed three
years after the date of the loan. Any such deferred payments shall
bear interest at the rate determined under section 234 of this Act.

FOOD COUPONS AND DISTRIBUTION

Sec. 238. (a) Whenever the President determines that, as a result
of a major disaster, low-income households are unable to purchase
adequate amounts of nutritious food, he is authorized, under such
terms and conditions as he may prescribe, to distribute through the
Secretary of Agriculture coupon allotments to such households pursuant
to the provisions of the Food Stamp Act of 1964 and to make
surplus commodities available pursuant to the provisions of section 203
of this Act.
(b) The President, through the Secretary of Agriculture, is author­
ized to continue to make such coupon allotments and surplus com­
modities available to such households for so long as he determines
necessary, taking into consideration such factors as he deems appro­
priate, including the consequences of the major disaster on the earning
power of the households to which assistance is made available under
this section.
(c) Nothing in this section shall be construed as amending or other­
wise changing the provisions of the Food Stamp Act of 1964 except
as they relate to the availability of food stamps in a major disaster
area.

LEGAL SERVICES

Sec. 239. Whenever the Director determines that low-income indi­
viduals are unable to secure legal services adequate to meet their needs
as a consequence of a major disaster, consistent with the goals of the
programs authorized by this Act, the Director shall assure that such
programs are conducted with the advice and assistance of appropriate
Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

Sec. 240. The President is authorized to provide to any individual
unemployed as a result of a major disaster, such assistance as he deems
appropriate while such individual is unemployed. Such assistance as
the President shall provide shall not exceed to maximum amount
and the maximum duration of payment under the unemployment com­
ensation program of the State in which the disaster occurred, and
the amount of assistance under this section to any such individual
shall be reduced by any amount of unemployment compensation or of
private income protection insurance compensation available to such
individual for such period of unemployment.
COMMUNITY DISASTER GRANTS

SEC. 241. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one of three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is
authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

**MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION**

Sec. 243. No loan or grant made by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable building codes and specifications.

**FEDERAL FACILITIES**

Sec. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

**STATE AND LOCAL GOVERNMENT FACILITIES**

Sec. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with applicable codes, specifications, and standards.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section “public facility” includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other public building, structure, or system, other than one used exclusively for recreation purposes.
PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

Sec. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;
(2) the United States Housing Act of 1937 for the provision of low-rent housing;
(3) section 702 of the Housing Act of 1954 for assistance in public works planning;
(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or
(5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

Sec. 254. Notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS

Sec. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Relief Act of 1970";

(b) Section 5(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting "section 102(1) of the Disaster Relief Act of the National Housing Act (12 U.S.C. 1706c) striking out "section 2(a) of the Act entitled Federal assistance to States and local govern-" and for other purposes' (Public Law 875, approved September 30, 1950), as amended" reff of "section 102(1) of the Disaster Relief

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(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out “pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))” and inserting in lieu thereof “pursuant to section 102(1) of the Disaster Relief Act of 1970”.
(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 241(a) is amended by striking out “pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))” and inserting in lieu thereof “pursuant to section 102(1) of the Disaster Relief Act of 1970”.
(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 646(a)) is amended by striking out “pursuant to section 102(1) of the Disaster Relief Act of 1970”.
(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

“(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief Act of 1970,”.
(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out “the Act of September 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof “the Disaster Relief Act of 1970”.
(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out “the Act of September 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof “the Disaster Relief Act of 1970”.
(l) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Relief Act of 1970 or to the appropriate provision of the Disaster Relief Act of 1970 unless no such provision is included therein.

REPEAL OF EXISTING LAW

Sec. 302. The following Acts are hereby repealed:
(1) the Act of September 30, 1950 (64 Stat. 1109); 42 USC 1855.
(2) the Disaster Relief Act of 1966, except section 7 (80 Stat. 1316); and 42 USC 1855aa note.

PRIOR ALLOCATION OF FUNDS

Sec. 303. Funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in other-
64 Stat. 1109. wise carrying out the purposes of such Act of September 30, 1950, or 42 USC 1855. this Act.

EFFECTIVE DATE

Sec. 304. This Act shall take effect immediately upon its enactment, except that sections 226(b), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969, and sections 231, 232, and 233 shall take effect as of April 1, 1970.

Approved December 31, 1970.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 91-1524 (Comm. on Public Works) and No. 91-1752 (Comm. of Conference).
SENATE REPORT No. 91-1157 (Comm. on Public Works).
Sept. 9, considered and passed Senate,
Oct. 5, considered and passed House, amended,
Dec. 17, House agreed to conference report,
Dec. 18, Senate agreed to conference report.
IN THE SENATE OF THE UNITED STATES

FEBRUARY 22 (legislative day, FEBRUARY 17), 1971

Mr. BAYH (for himself, Mr. CRANSTON, and Mr. TUNNEY) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

A BILL

To provide for a national program of disaster insurance.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

That this Act may be cited as the "Federal Disaster Insur-
ance Act of 1971".

PURPOSE

Sec. 2. It is the purpose of this Act to provide for a
Federal insurance program covering property loss or damage
resulting from a disaster if such insurance is not made
available to the public at reasonable rates by the insurance
industry.
DEFINITIONS

SEC. 3. As used in this Act—

(1) "disaster" means any flood, high waters, wind-driven waters, tidal wave, drought, hurricane, tornado, earthquake, storm, or other catastrophe as defined by the Secretary in regulations issued pursuant to this Act;

(2) "United States" means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Canal Zone;

(3) "State" means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Canal Zone;

(4) "Governor" means the chief executive of any State; and

(5) "Secretary" means the Secretary of Housing and Urban Development.

BASIC AUTHORITY

SEC. 4. (a) The Secretary is authorized to establish and carry out a disaster insurance program which will enable interested persons to purchase insurance against loss resulting from physical damage to or loss of real property and personal property related thereto arising from any disaster occurring in the United States.
(b) In carrying out the disaster insurance program the Secretary shall, to the maximum extent practicable, encourage and arrange for—

1. appropriate financial participation and risk-sharing in the program by insurance companies or other insurers; and

2. other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

SCOPE OF PROGRAM

Sec. 5. (a) In carrying out the disaster insurance program the Secretary shall initially make disaster insurance available to cover residential properties which are designed for the occupancy of from one to four families.

(b) If on the basis of—

1. studies and investigations undertaken and carried out and information received or exchanged under section 7, and

2. such other information as may be necessary, the Secretary determines that it would be feasible to extend the disaster insurance program to cover other properties, he may take such action under this Act as may be necessary in order to make disaster insurance available to
cover, on such basis as may be feasible, any types and classes of—

(A) other residential properties;
(B) business properties;
(C) agricultural properties;
(D) properties occupied by private nonprofit organizations; and
(E) properties owned by State and local governments and agencies thereof.

Any such extensions of the program to any types and classes of such properties shall be established by order.

NATURE AND LIMITATION OF INSURANCE COVERAGE

Sec. 6. (a) The Secretary shall, after consultation with appropriate representatives of the insurance authorities of the respective States, provide by order for general terms and conditions of insurability which shall be applicable to properties eligible for disaster insurance coverage under section 5, including—

(1) the types, classes, and locations of any such properties which shall be eligible for disaster insurance;
(2) the nature of and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;
(3) the classification, limitation, and rejection of any risks which may be necessary;
(4) appropriate minimum premiums;
(5) appropriate loss-deductibles; and
(6) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the provisions of this Act.

(b) In addition to any other terms and conditions under subsection (a), such orders shall provide that—

(1) any disaster insurance coverage based on chargeable premium rates (under section 8) which are less than estimated premium rates (under section 7(a) (1)), shall not exceed—

(A) in the case of residential properties which are designed for the occupancy of from one to four families;

(i) $15,000 aggregate liability for any dwelling unit, and $30,000 for any single dwelling structure containing more than one dwelling unit; and

(ii) $5,000 aggregate liability per dwelling unit for any personal property related thereto; and

(B) in the case of any other properties which may become eligible for disaster insurance coverage under section 5, $30,000 aggregate liability for any single structure; and
(2) any disaster insurance coverage which may be made available in excess of any of the limits specified in subparagraphs (1) (A) and (B) of this subsection shall be based only on chargeable premium rates (under section 8) which are not less than estimated premium rates (under section 7 (a) (1)).

ESTIMATES OF PREMIUM RATES

Sec. 7. (a) The Secretary is authorized to undertake and carry out such studies and investigations and to receive or exchange such information as may be necessary to estimate on an area, subdivision, or other appropriate basis—

(1) the risk premium rates for disaster insurance which—

(A) based on consideration of the risk involved and accepted actuarial principles, and

(B) including—

(i) applicable operating costs and allowances which, in his discretion, should properly be reflected in such rates, and

(ii) any administrative expenses (or portion of such expenses) of carrying out the disaster insurance program which, in his discretion, should properly be reflected in such rates,

would be required in order to make such insurance available on an actuarial basis for any types and classes of
properties for which insurance coverage shall be available under section 5, and

(2) the rates, if less than the rates estimated under paragraph (1) which would encourage prospective insureds to purchase disaster insurance, and would be consistent with the purposes of this Act.

(b) In carrying out subsection (a), the Secretary shall, to the maximum extent feasible and on a reimbursement basis, utilize the services of the Department of the Army, the Department of the Interior, the Department of Agriculture, the Department of Commerce, the Tennessee Valley Authority, and, as appropriate, other Federal departments or agencies, and for such purposes, may enter into contracts or other appropriate arrangements with any person.

ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

Sec. 8. (a) On the basis of estimates made under section 7 and such other information as may be necessary, the Secretary from time to time shall, after consultation with appropriate representatives of the insurance authorities of the respective States, by order prescribe—

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 5 (at less than the estimated risk premium rates under section 7 (a) (1), if necessary), and
(2) the terms and conditions under which and areas (including subdivisions thereof) within which such rates shall apply.

(b) Such rates shall, insofar as practicable, be—

(1) based on a consideration of the respective risks involved,

(2) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses, or, if less than such amount, consistent with the objective of making disaster insurance available, where necessary, at reasonable rates so as to encourage prospective insureds to purchase such insurance, and

(3) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated risk premium rates under paragraph (1) of section 7(a), and the estimated rates under paragraph (2) of such section.

(c) If any chargeable premium rate prescribed under this section—

(1) is at a rate which is not less than the estimated risk premium rate under section 7(a)(1), and

(2) includes any amount for administrative expenses of carrying out the disaster insurance programs
which have been estimated under clause (ii) of section 7 (a) (1) (B),
a sum equal to such amount shall be paid to the Secretary,
and he shall deposit such sum in the fund authorized under
section 10.

TREASURY BORROWING AUTHORITY

Sec. 9. (a) The Secretary is authorized to issue to the
Secretary of the Treasury from time to time and have out-
standing at any one time, in an amount not exceeding
$500,000,000 (or such greater amount as may be ap-
proved by the President), notes or other obligations in
such forms and denominations, bearing such maturities, and
subject to such terms and conditions as may be prescribed
by the Administrator, with the approval of the Secretary
of the Treasury. Such notes or other obligations shall bear
interest at a rate determined by the Secretary of the Treas-
ury, taking into consideration the current average market
yield on the outstanding marketable obligations of the United
States of comparable maturities during the month preceding
the issuance of such notes or other obligations. The Secretary
of the Treasury is authorized and directed to purchase any
notes and other obligations to be issued under this subsection,
and for such purpose he is authorized to use as a public debt
S. 903—2
transaction the proceeds from the sale of any securities issued
under the Second Liberty Bond Act, as amended, and the
purposes for which securities may be issued under such Act,
as amended, are extended to include any purchases of such
notes and obligations.
The Secretary of the Treasury may at any time sell any
of the notes or other obligations acquired by him under this
section. All redemptions, purchases, and sales by the Secre-
tary of the Treasury of such notes or other obligations shall
be treated as public debt transactions of the United States.
(b) Any funds borrowed by the Secretary under this
authority shall, from time to time, be deposited in the disaster
insurance fund established under section 10.

DISASTER INSURANCE FUND

Sec. 10. (a) To carry out the disaster insurance pro-
gram authorized by this Act, the Secretary is authorized to
establish in the Treasury of the United States a disaster insur-
ance fund which shall be available, without fiscal year
limitation—
(1) to repay to the Secretary of the Treasury such
sums as may be borrowed from him (together with
interest) in accordance with the authority provided in
section 9 of this title; and
(2) to pay such administrative expenses (or por-
tion of such expenses) of carrying out the disaster insurance program as he may deem necessary; and

(3) to pay claims and other expenses and costs of the disaster insurance program, as the Secretary deems necessary.

(b) The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 9 of this Act as may from time to time be deposited in the fund;

(2) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(3) interest which may be earned on investments of the fund pursuant to subsection (e);

(4) such sums as are required to be paid to the Secretary under section 8 (c) ; and

(5) receipts from any other operations under this Act which may be credited to the fund (including premiums and salvage proceeds, if any, resulting from reinsurance coverage).

(c) If, after all outstanding obligations have been liquidated, the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of
1 the Treasury in obligations issued or guaranteed by the
2 United States.

PAYMENT OF CLAIMS

SEC. 11. The Secretary is authorized to issue orders
4 establishing the general method or methods by which proved
5 and approved claims for losses may be adjusted and paid
6 for any damage to or loss of property which is covered by
7 disaster insurance made available under the provisions of
8 this Act.

DISSEMINATION OF DISASTER INSURANCE INFORMATION

SEC. 12. The Secretary shall take such action as may be
12 necessary in order to make information and data available
13 to the public and to any State or local agency or official, with
14 regard to—
15
16 (1) the disaster insurance program, its coverage
17 and objectives, and
18
19 (2) estimated and chargeable disaster insurance
20 premium rates, including the basis for and differences
21 between such rates in accordance with the provisions
22 of section 8.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF

BENEFITS

SEC. 13. (a) Notwithstanding the provisions of any
24 other law, no Federal disaster assistance shall be made avail-
25 able to any owner of real property for the physical loss, de-
struction, or damage of such property, to the extent that such
loss, destruction, or damage—
(1) is covered by a valid claim which may be
adjusted and paid under disaster insurance made avail-
able under the authority of this Act, or
(2) could have been covered by a valid claim
under disaster insurance which had been made avail-
able under the authority of this Act, if—
(A) such loss, destruction, or damage oc-
curred subsequent to one year following the date
disaster insurance was made available in the area
(or subdivision thereof) in which such property
or the major part thereof was located, and
(B) such property was eligible for disaster in-
surance under this Act at that date,
and in such circumstances the extent that such loss,
destruction, or damage could have been covered shall
be presumed (for purposes of this subsection) to be an
amount not less than the maximum limit of insurable
loss or damage applicable to such property in such area
(or subdivision thereof) at the time insurance was made
available in such area (or subdivision thereof).
(b) For purposes of this section “Federal disaster as-
sistance” shall include any Federal financial assistance which
may be made available to any person as a result of—
(1) a major disaster proclaimed by the President,

(2) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), and

(3) a disaster with respect to which loans may be made under section 7(h) of the Small Business Act, as amended (15 U.S.C. 636 (h)).

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

Sec. 14. No new disaster insurance coverage shall be provided under this Act for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in disaster-prone areas.

COORDINATION WITH OTHER PROGRAMS

Sec. 15. (a) The Secretary shall coordinate the administration of this Act with the authority conferred on him by the National Flood Insurance Act of 1968.

(b) In carrying out this Act, the Secretary shall consult with other departments and agencies of the Federal Government, and interstate, State, and local agencies having responsibilities for disaster assistance in order to assure that the programs of such agencies and the disaster insurance
program authorized under this Act are mutually consistent.

(c) The Veterans' Administration, the Federal Housing Administration, and any other Federal agency administering a program under which loans or mortgages on residential or other structures are guaranteed or insured by the Federal Government, shall, by regulation, require that any such structure be insured under the disaster insurance program administered by the Secretary.

TERMINATION OF AUTHORITY

SEC. 16. The Secretary shall not establish or carry out the disaster insurance program authorized by this Act if he finds and certifies to the President and the Congress not later than June 30, 1973, that disaster insurance with coverage equal to or more extensive than that which would be provided under this Act has been made available on reasonable terms by private insurance companies. The provisions of this Act shall have no effect from and after such certification by the Secretary.

JUDICIAL REVIEW

SEC. 17. Orders under this Act shall be established and issued in accordance with the provisions of section 553 of title 5, United States Code. In case of controversy as to the validity of any such order, a person who is adversely affected thereby may, at any time prior to the sixtieth day after such order is issued, file a petition with the United States
1 District Court for the District of Columbia for judicial review of such order in accordance with the provisions of chapter 7 of such title.

IMPLEMENTATION

SEC. 18. After such consultation with representatives of the insurance industry as may be necessary, the Secretary shall implement the disaster insurance program unless he has certified to the President under section 16 that such program is unnecessary. In implementing such program, the Secretary is authorized, to the extent not inconsistent with this Act, to establish an industry program for disaster insurance with Federal financial assistance or a Government program for disaster insurance with industry assistance in the same manner and under the same terms and conditions as he is authorized to establish programs under chapter II of the National Flood Insurance Act of 1968.

PAYMENTS

SEC. 19. Any payments under this Act may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary may determine.

GOVERNMENT CORPORATION CONTROL ACT

SEC. 20. The provisions of the Government Corporation Control Act shall apply to the program authorized under this
Act to the same extent as they apply to wholly owned Government corporations.

FINALITY OF CERTAIN FINANCIAL TRANSACTIONS

Sec. 21. Notwithstanding the provisions of any other law—

(1) any financial transaction authorized to be carried out under this Act, and

(2) any payment authorized to be made or to be received in connection with any such financial transaction,

shall be final and conclusive upon all officers of the Government.

ADMINISTRATIVE EXPENSES

Sec. 22. Any administrative expenses which may be sustained by the Federal Government in carrying out the disaster insurance program authorized under this Act may be paid out of appropriated funds.

AUTHORIZATION OF APPROPRIATIONS

Sec. 23. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act, including sums—

(1) to cover administrative expenses of carrying out the disaster insurance program;

(2) to cover reimbursement of premium equalization payments made from the disaster insurance fund and
18

1 reinsurance claims paid under excess loss reinsurance coverage; and

3 (3) to make such other payments as may be necessary to carry out the purposes of this Act.

(b) All such sums shall be available without fiscal year limitation.
A BILL

To provide for a national program of disaster insurance.

By Mr. Bayh, Mr. Cranston, and Mr. Tunney

FEBRUARY 22 (legislative day, FEBRUARY 17), 1971
Read twice and referred to the Committee on Banking, Housing and Urban Affairs
IN THE SENATE OF THE UNITED STATES

MARCH 12, 1971

Mr. Tunney (for himself, Mr. Bayh, Mr. Anderson, Mr. Brooke, Mr. Bible, Mr. Burdick, Mr. Chiles, Mr. Cranston, Mr. Eastland, Mr. Gravel, Mr. Gurney, Mr. Harris, Mr. Hart, Mr. Hartke, Mr. Hollings, Mr. Hughes, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Kennedy, Mr. Magnuson, Mr. Mansfield, Mr. McGee, Mr. McGovern, Mr. Miller, Mr. Muskie, Mr. Pell, Mr. Randolph, Mr. Schweiker, Mr. Spong, Mr. Stevens, Mr. Tower, and Mr. Williams) introduced the following bill; which was read twice and referred to the Committee on Public Works

A BILL

To provide Federal financial assistance for the reconstruction or repair of private nonprofit medical care facilities which are damaged or destroyed by a major disaster.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

That title II of the Disaster Relief Act of 1970 is amended by adding at the end thereof the following new section:

"PRIVATE MEDICAL CARE FACILITIES

"Sec. 255. (a) The President is authorized to make grants for the repair, reconstruction, or replacement of any..."
medical care facility which is operated on a nonprofit basis by an organization exempt from taxation under section 501 (c), (d), or (e) of the Internal Revenue Code of 1954 and which is damaged or destroyed by a major disaster. Such assistance shall be made available only on application, and subject to such rules and regulations as the President may prescribe.

"(b) A grant made under the provisions of subsection (a) shall not exceed—

"(1) 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with applicable codes, specifications, and standards; or

"(2) in the case of any such facility which was under construction when so damaged or destroyed, 50 per centum of the net cost of restoring such facility substantially to its condition prior to such disaster, and of completing construction not performed prior to such disaster to the extent that the cost of completing such construction is increased over the original construction cost due to changed conditions resulting from such disaster.

"(c) For purposes of this section, 'medical care facility' includes, without limitation, any hospital, diagnostic or treat-
ment center, or rehabilitation facility as such terms are defined in section 625 of the Public Health Service Act, and any similar facility offering diagnosis or treatment of mental or physical injury or disease.”

Sec. 2. The amendment made by the first section of this Act shall take effect as of January 1, 1971.
A BILL

To provide Federal financial assistance for the reconstruction or repair of private nonprofit medical care facilities which are damaged or destroyed by a major disaster.

By Mr. Tunney, Mr. Bayh, Mr. Anderson, Mr. Brooke, Mr. Bille, Mr. Burdick, Mr. Chiles, Mr. Cranston, Mr. Eastland, Mr. Gravel, Mr. Gurney, Mr. Harris, Mr. Hart, Mr. Hartke, Mr. Hollings, Mr. Hughes, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Kennedy, Mr. Magnuson, Mr. Mansfield, Mr. McGee, Mr. McGovern, Mr. Miller, Mr. Muskie, Mr. Pell, Mr. Randolph, Mr. Schweiker, Mr. Spong, Mr. Stevens, Mr. Tower, and Mr. Williams

MARCH 12, 1971
Read twice and referred to the Committee on Public Works
IN THE SENATE OF THE UNITED STATES

MARCH 30, 1971

Mr. Tunney (for himself, Mr. Bayh, and Mr. Cranston) introduced the following bill; which was read twice and referred to the Committee on Public Works

A BILL

To amend the Disaster Relief Act of 1970 to provide additional authority for the cancellation of disaster and emergency loans.

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

That (a) section 231 (1) of the Disaster Relief Act of 1970 is amended to read as follows:

"(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall, in the case of any loan in a principal amount of not less than $500 nor more than $3,000, cancel that part of the loan which is in excess of $500, and, in the case of any loan in a principal amount of more than
$3,000, cancel $2,500 of the principal amount of the loan plus 50 per centum of that part of the loan which is in excess of $3,000; except that the total amount canceled under this clause (A) shall not exceed $20,000, and the authority conferred by this clause (A) shall be exercised only with respect to loans made to cover losses and damage and injury resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.”

(b) Section 232 (1) of such Act is amended to read as follows:

“(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, in the case of any loan in a principal amount of not less than $500 nor more than $3,000, cancel that part of the loan which is in excess of $500, and, in the case of any loan in a principal amount of more than $3,000, cancel $2,500 of the principal amount of the loan plus 50 per centum of that part of the loan which is in excess of $3,000; except that the total amount canceled under this clause (A) shall not exceed $20,000, and the authority
conferred by this clause (A) shall be exercised only with respect to loans made to cover losses and damage resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.”

Sec. 2. The amendments made by the first section of this Act shall be effective on and after January 1, 1971.
A BILL

To amend the Disaster Relief Act of 1970 to provide additional authority for the cancellation of disaster and emergency loans.

By Mr. Tunney, Mr. Bayh, and Mr. Cranston

March 30, 1971
Read twice and referred to the Committee on Public Works