

110TH CONGRESS
1ST SESSION

H. R. 564

To amend the Small Business Act to ensure that when a small business participating in the 8(a) business development program is affected by a catastrophic incident, the period in which it can participate is extended by 18 months.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 2007

Mr. JEFFERSON introduced the following bill; which was referred to the
Committee on Small Business

A BILL

To amend the Small Business Act to ensure that when a small business participating in the 8(a) business development program is affected by a catastrophic incident, the period in which it can participate is extended by 18 months.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Disadvantaged Busi-
5 ness Disaster Eligibility Act”.

1 **SEC. 2. AVAILABILITY OF DISASTER LOANS FOR CATA-**
2 **STROPHIC INCIDENTS.**

3 Section 7 of the Small Business Act (15 U.S.C. 636)
4 is amended in subsection (j)(10) by adding at the end the
5 following new subparagraph:

6 “(K) EXTENSION OF PARTICIPATION FOR
7 CATASTROPHIC INCIDENTS.—

8 “(i) DEFINITION.—In this subpara-
9 graph, the term ‘catastrophic incident’
10 means a disaster that—

11 “(I) results in extraordinary lev-
12 els of mass casualties, damage, or dis-
13 ruption severely affecting the popu-
14 lation, infrastructure, environment,
15 economy, national morale, or govern-
16 ment functions;

17 “(II) has the potential to result
18 in sustained national impacts over a
19 prolonged period of time;

20 “(III) almost immediately ex-
21 ceeds resources normally available to
22 State, local, tribal, and private-sector
23 authorities in the impacted area; and

24 “(IV) significantly interrupts
25 governmental operations and emer-

1 agency services to such an extent that
2 national security could be threatened.

3 “(ii) EXTENSION OF PARTICIPA-
4 TION.—If a small business concern is af-
5 fected by a catastrophic incident while par-
6 ticipating in any program or activity under
7 the authority of this paragraph, the period
8 during which the small business concern is
9 permitted continuing participation and eli-
10 gibility in such program or activity shall be
11 extended for an additional 18 months.”.

12 **SEC. 3. RETROACTIVITY FOR VICTIMS OF HURRICANES**
13 **KATRINA, RITA, AND WILMA.**

14 (a) RETROACTIVITY.—Subparagraph (K) of section
15 7(j)(10) of the Small Business Act, as added by section
16 2 of this Act, applies to all catastrophic incidents occur-
17 ring on or after August 29, 2005.

18 (b) HURRICANES KATRINA, RITA, AND WILMA.—For
19 purposes of such subparagraph (K), Hurricanes Katrina,
20 Rita, and Wilma of 2005 are hereby deemed to be cata-
21 strophic incidents.

22 (c) REVIEW AND COMPLIANCE.—The Administrator
23 of the Small Business Administration shall ensure that the
24 case of every small business concern participating before
25 the date of the enactment of this Act in a program or

- 1 activity covered by such subparagraph (K) is reviewed and
- 2 brought into compliance with this section.

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