

tion of, at a minimum, not less than 50 percent of the individuals in the disaster reserve corps and shall test, at maximum capacity, all of the information technology and telecommunications systems of the Administration that are vital to the activities of the Administration during such a disaster.

**(2) Report**

The Administrator shall include a report on the disaster simulation exercises conducted under paragraph (1) each time the Administration submits a report required under section 657o of this title, as added by this Act.

(Pub. L. 110-234, title XII, §12072, May 22, 2008, 122 Stat. 1411; Pub. L. 110-246, §4(a), title XII, §12072, June 18, 2008, 122 Stat. 1664, 2173.)

REFERENCES IN TEXT

The date of enactment of this Act, referred to in subsec. (a), is the date of enactment of Pub. L. 110-246, which was approved June 18, 2008.

Section 657o of this title, as added by this Act, referred to in subsec. (c)(2), is section 657o of this title, as added by Pub. L. 110-246.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Food, Conservation, and Energy Act of 2008, and also as part of the Small Business Disaster Response and Loan Improvements Act of 2008, and not as part of the Small Business Act which comprises this chapter.

EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of Title 7, Agriculture.

**§ 636h. Disaster planning responsibilities**

**(a) Assignment of Small Business Administration disaster planning responsibilities**

The disaster planning function of the Administration shall be assigned to an individual appointed by the Administrator who—

- (1) is not an employee of the Office of Disaster Assistance of the Administration;
- (2) has proven management ability;
- (3) has substantial knowledge in the field of disaster readiness and emergency response; and
- (4) has demonstrated significant experience in the area of disaster planning.

**(b) Responsibilities**

The individual assigned the disaster planning function of the Administration shall report directly and solely to the Administrator and shall be responsible for—

- (1) creating, maintaining, and implementing the comprehensive disaster response plan of the Administration described in section 636g of this title;
- (2) ensuring there are in-service and pre-service training procedures for the disaster response staff of the Administration;
- (3) coordinating and directing the training exercises of the Administration relating to disasters, including disaster simulation exer-

cises and disaster exercises coordinated with other government departments and agencies; and

(4) other responsibilities relevant to disaster planning and readiness, as determined by the Administrator.

**(c) Coordination**

In carrying out the responsibilities described in subsection (b), the individual assigned the disaster planning function of the Administration shall coordinate with—

- (1) the Office of Disaster Assistance of the Administration;
- (2) the Administrator of the Federal Emergency Management Agency; and
- (3) other Federal, State, and local disaster planning offices, as necessary.

**(d) Resources**

The Administrator shall ensure that the individual assigned the disaster planning function of the Administration has adequate resources to carry out the duties under this section.

**(e) Report**

Not later than 30 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

- (1) a description of the actions of the Administrator to assign an individual the disaster planning function of the Administration;
- (2) information detailing the background and expertise of the individual assigned; and
- (3) information on the status of the implementation of the responsibilities described in subsection (b).

(Pub. L. 110-234, title XII, §12073, May 22, 2008, 122 Stat. 1413; Pub. L. 110-246, §4(a), title XII, §12073, June 18, 2008, 122 Stat. 1664, 2175.)

REFERENCES IN TEXT

The date of enactment of this Act, referred to in subsec. (e), is the date of enactment of Pub. L. 110-246, which was approved June 18, 2008.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Food, Conservation, and Energy Act of 2008, and also as part of the Small Business Disaster Response and Loan Improvements Act of 2008, and not as part of the Small Business Act which comprises this chapter.

EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of Title 7, Agriculture.

**§ 636i. Small business bonding threshold**

**(a) In general**

Except as provided in subsection (b), and notwithstanding any other provision of law, for any procurement related to a major disaster, the Administrator may, upon such terms and conditions as the Administrator may prescribe, guar-

antee and enter into commitments to guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any total work order or contract amount at the time of bond execution that does not exceed \$5,000,000.

**(b) Increase of amount**

Upon request of the head of any Federal agency other than the Administration involved in reconstruction efforts in response to a major disaster, the Administrator may guarantee and enter into a commitment to guarantee any security against loss under subsection (a) on any total work order or contract amount at the time of bond execution that does not exceed \$10,000,000.

**(c) Limitation on use of other funds**

The Administrator may carry out this section only with amounts appropriated in advance specifically to carry out this section.

(Pub. L. 110-234, title XII, §12079, May 22, 2008, 122 Stat. 1416; Pub. L. 110-246, §4(a), title XII, §12079, June 18, 2008, 122 Stat. 1664, 2178.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Food, Conservation, and Energy Act of 2008, and also as part of the Small Business Disaster Response and Loan Improvements Act of 2008, and not as part of the Small Business Act which comprises this chapter.

EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of Title 7, Agriculture.

**§ 636j. Expedited disaster assistance loan program**

**(a) Definition**

In this section, the term “program” means the expedited disaster assistance business loan program established under subsection (b).

**(b) Creation of program**

The Administrator shall take such administrative action as is necessary to establish and implement an expedited disaster assistance business loan program under which the Administration may, on an expedited basis, guarantee timely payment of principal and interest, as scheduled on any loan made to an eligible small business concern under paragraph (9) of section 636(b) of this title, as added by this Act.

**(c) Consultation required**

In establishing the program, the Administrator shall consult with—

- (1) appropriate personnel of the Administration (including District Office personnel of the Administration);
- (2) appropriate technical assistance providers (including small business development centers);
- (3) appropriate lenders and credit unions;
- (4) the Committee on Small Business and Entrepreneurship of the Senate; and

(5) the Committee on Small Business of the House of Representatives.

**(d) Rules**

**(1) In general**

Not later than 1 year after the date of enactment of this Act, the Administrator shall issue rules in final form establishing and implementing the program in accordance with this section. Such rules shall apply as provided for in this section, beginning 90 days after their issuance in final form.

**(2) Contents**

The rules promulgated under paragraph (1) shall—

(A) identify whether appropriate uses of funds under the program may include—

- (i) paying employees;
- (ii) paying bills and other financial obligations;
- (iii) making repairs;
- (iv) purchasing inventory;
- (v) restarting or operating a small business concern in the community in which it was conducting operations prior to the applicable major disaster, or to a neighboring area, county, or parish in the disaster area; or
- (vi) covering additional costs until the small business concern is able to obtain funding through insurance claims, Federal assistance programs, or other sources; and

(B) set the terms and conditions of any loan made under the program, subject to paragraph (3).

**(3) Terms and conditions**

A loan guaranteed by the Administration under this section—

(A) shall be for not more than \$150,000;

(B) shall be a short-term loan, not to exceed 180 days, except that the Administrator may extend such term as the Administrator determines necessary or appropriate on a case-by-case basis;

(C) shall have an interest rate not to exceed 300 basis points above the interest rate established by the Board of Governors of the Federal Reserve System that 1 bank charges another for reserves that are lent on an overnight basis on the date the loan is made;

(D) shall have no prepayment penalty;

(E) may only be made to a borrower that meets the requirements for a loan under section 636(b) of this title, as amended by this Act;

(F) may be refinanced as part of any subsequent disaster assistance provided under section 636(b) of this title, as amended by this Act;

(G) may receive expedited loss verification and loan processing, if the applicant is—

(i) a major source of employment in the disaster area (which shall be determined in the same manner as under section 636(b)(3)(B)<sup>1</sup> of this title); or

(ii) vital to recovery efforts in the region (including providing debris removal serv-

<sup>1</sup> So in original. Probably should be “636(b)(3)(E)”.