

112TH CONGRESS
2^D SESSION

H. R. 6296

AN ACT

To amend the Small Business Act to provide the interest rate for certain disaster related loans, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Disaster Loan Fair-
3 ness Act of 2012”.

4 **SEC. 2. INTEREST RATE FOR CERTAIN DISASTER RELATED**
5 **LOANS.**

6 Section 7(d) of the Small Business Act is amended
7 by adding at the end the following:

8 “(8)(A) Upon application, the Administration shall
9 grant an interest rate determined under this paragraph
10 with respect to any qualifying disaster loan.

11 “(B) For the purposes of this paragraph a qualifying
12 disaster loan is the Administration’s share of a loan—

13 “(i) for which the interest rate would be set
14 pursuant to paragraph (5) but for the operation of
15 this paragraph;

16 “(ii) which is or was made with respect to activ-
17 ity in an area when the President has declared a
18 major disaster in that area under section 401 of the
19 Stafford Act; and

20 “(iii) which is or was made during the period
21 beginning January 1, 2011, and ending on the date
22 that is 4 years after the date of the enactment of
23 the Disaster Loan Fairness Act of 2012.

24 “(C) The Administrator shall determine the interest
25 rate for each calendar year to be the lesser of—

26 “(i) 4 percent; and

1 “(ii) a rate equivalent to $\frac{1}{2}$ the rate prevailing
2 in the private market for similar loans for those un-
3 able to attain credit elsewhere and $\frac{3}{4}$ of that pre-
4 vailing rate for those able to attain credit elsewhere.

5 “(D) The Administrator shall refund excess interest
6 payments to borrowers whose interest rate on already
7 made loans is lowered by reason of the operation of the
8 paragraph.

9 “(E) Not later than one year after the date of the
10 enactment of the Disaster Loan Fairness Act of 2012, the
11 Administrator shall report to Congress as part of the an-
12 nual report under Section 10(a) on whether the interest
13 rate provided by this paragraph has resulted in any or
14 all of the following:

15 “(i) A greater number of applications for dis-
16 aster related loans.

17 “(ii) A greater number of approvals of disaster
18 related loans.

19 “(iii) A decreased default rate on disaster re-
20 lated loans.”.

21 **SEC. 3. TERMINATION OF USE OF PUBLIC FUNDS FOR PO-**
22 **LITICAL PARTY NOMINATING CONVENTIONS.**

23 Section 9008 of the Internal Revenue Code of 1986
24 is amended by adding at the end the following new sub-
25 section:

1 “(i) TERMINATION OF USE OF FUNDS FOR CONVEN-
2 TIONS.—Notwithstanding any other provision of this sec-
3 tion, in the case of any presidential election held after
4 2012—

5 “(1) the Secretary shall not make any pay-
6 ments under subsection (b)(3) to any national com-
7 mittee of a major party or minor party;

8 “(2) on November 1 of the year prior to the
9 year in which the election is held, the Secretary shall
10 determine—

11 “(A) in the case of the first such election,
12 the amount which is equal to the aggregate
13 amount of the payments which were made
14 under subsection (b)(3) to the national commit-
15 tees of a major party or minor party for the
16 presidential election held in 2012, adjusted in
17 the manner described in subsection (b)(5), or

18 “(B) in the case of any subsequent elec-
19 tion, the amount which is equal to the amount
20 determined under subparagraph (A), adjusted
21 in the manner described in subsection (b)(5);
22 and

23 “(3) at the time the Secretary makes the deter-
24 mination under paragraph (2), an amount equal to
25 the amount determined under paragraph (2) shall be

1 permanently rescinded from the fund and returned
2 to the general fund.”.

Passed the House of Representatives September 19,
2012.

Attest:

Clerk.

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