#### 116TH CONGRESS 1ST SESSION

# S. 356

To establish a grant program to provide assistance to States to prevent and repair damage to structures due to pyrrhotite.

#### IN THE SENATE OF THE UNITED STATES

February 6, 2019

Mr. Murphy (for himself, Mr. Blumenthal, Ms. Warren, and Mr. Mar-Key) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

## A BILL

To establish a grant program to provide assistance to States to prevent and repair damage to structures due to pyrrhotite.

- 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 "Aid to Homeowners
- 5 with Crumbling Foundations Act of 2019".
- 6 SEC. 2. GRANT PROGRAM.
- 7 (a) Definitions.—In this section—
- 8 (1) the term "covered State" means a State
- 9 that administers a crumbling foundations assistance
- fund;

- 1 (2) the term "crumbling foundations assistance 2 fund" means a fund established by a State the pur-3 pose of which is to receive public or private contribu-4 tions to provide financial assistance to owners of residential buildings in the State to repair or replace 5 6 the concrete foundations of those residential build-7 ings that have deteriorated due to the presence of 8 pyrrhotite;
  - (3) the term "residential building" means any family dwelling, including any building, condominium unit, or dwelling in a planned unit development; and
- (4) the term "Secretary" means the Secretary
   of Housing and Urban Development.
- 15 (b) AUTHORIZATION.—Not later than 90 days after
  16 the date of enactment of this Act, the Secretary shall es17 tablish and implement a program to make grants to cov18 ered States to assist owners of residential buildings with
  19 concrete foundations that have deteriorated due to the
  20 presence of pyrrhotite.
- 21 (c) APPLICATION.—A covered State desiring a grant 22 under this section shall submit an application to the Sec-23 retary at such time, in such manner, and accompanied by 24 such information as the Secretary may require.

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- 1 (d) Deposit of Funds.—A covered State receiving
- 2 a grant under this section shall deposit any grant amounts
- 3 into the crumbling foundations assistance fund of the
- 4 State for the purpose of carrying out the activities de-
- 5 scribed in subsection (e).
- 6 (e) Use of Funds.—A covered State receiving a
- 7 grant under this section shall—
- 8 (1) develop a single, unified application for
- 9 owners of residential buildings to apply for all finan-
- cial assistance from the crumbling foundations as-
- sistance fund of the covered State;
- 12 (2) provide financial assistance to approved
- owners of residential buildings for the repair or re-
- placement of concrete foundations that have deterio-
- 15 rated due to the presence of pyrrhotite, including fi-
- 16 nancial reimbursement to owners who have had such
- 17 repair or replacement performed before the date of
- 18 enactment of this Act;
- 19 (3) assist approved owners of residential build-
- ings to obtain additional financing necessary to fully
- 21 fund the repair or replacement of concrete founda-
- 22 tions that have deteriorated due to the presence of
- 23 pyrrhotite;

- 1 (4) approve contractors or other vendors for eli-2 gibility to perform foundation repairs or replace-3 ments on behalf of approved owners;
  - (5) ensure that the financial assistance is used solely for costs of repairing and replacing concrete foundations that have deteriorated due to the presence of pyrrhotite; and
  - (6) require the disclosure of the amount of all financial compensation received by an owner of the residential building, if any, arising out of a claim for coverage under the property coverage provisions of the homeowners policy for foundation deterioration due to the presence of pyrrhotite and ensure that the amount is considered when determining the amount of financial assistance offered to the owner.

### (f) Grant Amount and Duration.—

- (1) Amount.—Each grant awarded to a covered State under this section in a fiscal year shall be in an amount of not more than \$20,000,000.
- 20 (2) DURATION.—A grant awarded under this 21 section shall be for a period of 5 years.
- 22 (g) Annual Report.—The Secretary shall submit
- 23 to the Committee on Banking, Housing, and Urban Af-
- 24 fairs of the Senate and the Committee on Financial Serv-
- 25 ices of the House of Representatives an annual report on

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- 1 the grant program established under this section, includ-
- 2 ing a summary of the use of funds by covered States re-
- 3 ceiving a grant under this section.
- 4 (h) AUTHORIZATION OF APPROPRIATIONS.—There
- 5 are authorized to be appropriated to carry out this section
- 6 \$20,000,000 for each of fiscal years 2020 through 2024.

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