

2022 Regular Session

HOUSE BILL NO. 1052

BY REPRESENTATIVE LANDRY

1 AN ACT

2 To enact R.S. 29:726.7, relative to the Hazard Mitigation Revolving Loan Fund; to establish
3 the Hazard Mitigation Revolving Loan Fund; to provide for the administration of the
4 fund; to provide for deposits, interest, and unexpended monies in the fund; to provide
5 definitions; to specify how funds may be disbursed and for what types of activity; to
6 provide for annual reporting and audits; to provide relative to repayment of loans and
7 waiver in certain circumstances; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 29:726.7 is hereby enacted to read as follows:

10 §726.7. Hazard Mitigation Revolving Loan Fund

11 A. There is hereby established within the state treasury a "Hazard Mitigation
12 Revolving Loan Fund", referred to in this Section as "the fund", to be administered
13 by the Governor's Office of Homeland Security and Emergency Preparedness. The
14 purpose of the fund is to provide assistance for projects that will reduce disaster risks
15 for homeowners, businesses, nonprofit organizations, and communities in order to
16 decrease the loss of life and property, the cost of insurance, and Federal disaster
17 payments, or as otherwise required by federal law or grant agreements. The fund
18 shall consist of monies received from federal grants for the capitalization of the fund,
19 state funds required by federal law or grant agreements, repayment of loans, and
20 interest earned on amounts in the fund. Unexpended and unencumbered monies in
21 the fund at the close of each fiscal year shall remain in the fund. Monies in the fund
22 shall be appropriated, administered, and used to provide financial assistance to
23 eligible recipients for the uses authorized by this Section or as may be permitted by
24 federal law and grant agreements.

1 B. Definitions. As used in this Section, the following terms shall have the
 2 following meanings:

3 (1) "Administrator" means the administrator of the Federal Emergency
 4 Management Agency.

5 (2) "Eligible recipient" means a political subdivision, public trust, agency,
 6 or commission of the state, or a private entity, to the extent permitted by the federal
 7 act or federal regulations.

8 (3) "Federal law" means the Robert T. Stafford Disaster Relief and
 9 Emergency Assistance Act (Stafford Act), 42 U.S.C. 5131 et seq., as amended by the
 10 Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act, P.L. 116-
 11 284, and any amendments thereto relating to state hazard mitigation revolving loan
 12 funds.

13 (4) "Office" means the Governor's Office of Homeland Security and
 14 Emergency Preparedness.

15 C. Authorized uses. Subject to legislative appropriation, monies in the fund
 16 shall be expended, committed, or pledged in a manner consistent with terms and
 17 conditions of the applicable federal law and grants and may be used:

18 (1) To make loans to eligible recipients.

19 (2) For mitigation efforts.

20 (3) For the reasonable costs of administering the fund.

21 (4) To earn interest on the fund.

22 (5) To provide for any other expenditure consistent with the federal grant
 23 program.

24 D. Projects and activities eligible for assistance.

25 (1) Projects or activities that mitigate the impacts of natural hazards.

26 (2) Zoning, land use, floodplain management, and hazard mitigation
 27 planning changes.

28 (3) To establish and carry out the latest published editions of relevant
 29 building codes, specifications, and standards for the purpose of protecting the health,

1 safety, and general welfare of the building's users against disasters and natural
2 hazards.

3 E. The Governor's Office of Homeland Security and Emergency
4 Preparedness shall establish application procedures and eligibility criteria for loans
5 from the fund.

6 F.(1) A political subdivision may use loan proceeds for the purpose of
7 offering loan funds to private property owners to use for hazard mitigation projects
8 for buildings. Each private property owner applying for a loan pursuant to the
9 provisions of this Subsection shall demonstrate on the loan application both a need
10 for the loan and the ability to repay the loan, if required.

11 (2) If a property owner has received a loan pursuant to the provisions of this
12 Subsection, upon the sale of the property the outstanding loan principal shall be
13 repaid unless the purchaser assumes the loan.

14 (3) The Governor's Office of Homeland Security and Emergency
15 Preparedness may provide loan subsidies for disadvantaged individuals and
16 communities in the form of principal forgiveness, negative interest loan rates, or
17 grants. If any such loan subsidies are to be offered, the Governor's Office of
18 Homeland Security and Emergency Preparedness shall promulgate rules regarding
19 such subsidies.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____