

119TH CONGRESS
2D SESSION

H. R. 9159

To amend the Small Business Act to establish a program under which the Small Business Administration may make supplemental disaster loans to home owner associations to repair common areas damaged by disasters and implement disaster mitigation measures, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2026

Mr. SOTO (for himself and Mr. PATRONIS) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to establish a program under which the Small Business Administration may make supplemental disaster loans to home owner associations to repair common areas damaged by disasters and implement disaster mitigation measures, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protect Our Homes
5 Act”.

1 **SEC. 2. RESIDENTIAL COMMON AREA REPAIR AND DIS-**
2 **ASTER MITIGATION SUPPLEMENTAL LOANS.**

3 Section 7 of the Small Business Act (15 U.S.C. 636)
4 is amended by adding at the end the following new sub-
5 section:

6 “(o) RESIDENTIAL COMMON AREA REPAIR SUPPLE-
7 MENTAL DISASTER LOANS.—

8 “(1) IN GENERAL.—There is established in the
9 Administration a Residential Common Area Repair
10 Loan program under which the Administrator may
11 make, in cooperation with banks or other lending in-
12 stitutions through agreements to participate on an
13 immediate or deferred (guaranteed) basis—

14 “(A) loans to covered entities to make cov-
15 ered repairs to residential common areas; and

16 “(B) loans to covered entities located in re-
17 cent disaster areas to implement measures to
18 protect from possible future disasters the prop-
19 erty of the covered entities that was damaged
20 or destroyed by the applicable disasters.

21 “(2) SUPPLEMENTAL LOAN.—A covered entity
22 is eligible to receive a repair or mitigation loan with
23 respect to an applicable disaster only if the total
24 amount of loans outstanding and committed to such
25 covered entity under subsection (b)(1) with respect
26 to such applicable disaster meets the applicable limit

1 on such amounts for such covered entity under sub-
2 section (d)(6).

3 “(3) LOAN CRITERIA.—

4 “(A) LIMIT.—The aggregate loan amount
5 outstanding and committed to a borrower under
6 the Program with respect to an applicable dis-
7 aster may not exceed—

8 “(i) in the case of a borrower that
9 constitutes a major source of employment
10 in an area suffering a disaster, such limit
11 as determined by the Administrator, up to
12 the greater of \$2,000,000 or such other
13 amount established by the Administrator
14 under subsection (b)(8)(B) with respect to
15 such applicable disaster; and

16 “(ii) for all other borrowers,
17 \$500,000.

18 “(B) INTEREST RATE.—The interest rate
19 on the a loan made under the Program shall
20 not exceed the average annual interest rate on
21 all interest-bearing obligations of the United
22 States then forming a part of the public debt
23 as computed at the end of the fiscal year next
24 preceding the date of the loan and adjusted to

1 the nearest one-eighth of 1 per centum plus
2 one-quarter of 1 per centum.

3 “(C) DURATION.—No loan under the Pro-
4 gram, including renewals and extensions there-
5 of, may be made for a period or periods exceed-
6 ing thirty years.

7 “(D) SMALL LOAN COLLATERAL EXCLU-
8 SION.—That the Administration shall not re-
9 quire collateral for loans made under the Pro-
10 gram of \$14,000 or less (or such higher amount
11 as the Administrator determines appropriate in
12 the event of a major disaster).

13 “(E) USE OF FUNDS.—

14 “(i) REPAIR LOANS.—Amounts made
15 available to a covered entity as a repair
16 loan may be used only for the costs of cov-
17 ered repairs to residential common areas of
18 such covered entity.

19 “(ii) MITIGATION LOAN.—Amounts
20 made available to a covered entity as a
21 mitigation loan may be used only to imple-
22 ment measures to protect from possible fu-
23 ture disasters the property of such covered
24 entity that was damaged or destroyed by
25 the applicable disaster.

1 “(4) DEFERMENT.—The Administrator may
2 defer payment of principal and interest on a loan
3 under the Program to the same extent that the Ad-
4 ministrator may defer payment of principal and in-
5 terest on loans under subsection (b)(1).

6 “(5) DEFINITIONS.—In this subsection:

7 “(A) APPLICABLE DISASTER.—The term
8 ‘applicable disaster’—

9 “(i) with respect to a mitigation loan
10 to a covered entity, means the disaster
11 pursuant to which the area in which such
12 covered entity is located is a recent dis-
13 aster area for the purposes of such mitiga-
14 tion loan; and

15 “(ii) with respect to a repair loan to
16 a covered entity, means the natural dis-
17 aster or act of God necessitating the cov-
18 ered repairs to residential common areas
19 for which such repair loan has or will be
20 used.

21 “(B) COVERED ENTITY.—The term ‘cov-
22 ered entity’ means an organization—

23 “(i) the membership of which is com-
24 prised of each owner of a dwelling unit of
25 a single residential community; and

1 “(ii) that is responsible for managing
2 the residential common areas of such resi-
3 dential community and enforcing the rules
4 and regulations of such residential commu-
5 nity with respect to the dwelling units in
6 and residents and owners of dwelling units
7 of such residential community.

8 “(C) DWELLING UNIT.—The term ‘dwell-
9 ing unit’ means a house, townhouse, or condo-
10 minium.

11 “(D) COVERED REPAIR.—The term ‘cov-
12 ered repair’ means a repair, rehabilitation, or
13 replacement made necessary due to a natural
14 disaster (other than a natural disaster resulting
15 from intentional, willful, or reckless conduct),
16 or an act of God, including water damage, wind
17 damage, and fire damage associated with such
18 a natural disaster or act of God.

19 “(E) MITIGATION LOAN.—The term ‘miti-
20 gation loan’ means a loan under the Program
21 described in paragraph (1)(B).

22 “(F) PROGRAM.—The term ‘Program’
23 means the Residential Common Area Repair
24 Loan program established by paragraph (1).

1 “(G) RECENT DISASTER AREA.—The term
2 ‘recent disaster area’, with respect to a mitiga-
3 tion loan to a covered entity, means an area
4 which the Administrator determines has, in
5 five-year period ending on the date on which
6 such covered entity submits to the Adminis-
7 trator a request for such mitigation loan, been
8 affected by a disaster and—

9 “(i) the Administrator determines
10 that such disaster constitutes—

11 “(I) a major disaster, as deter-
12 mined by the President under the
13 Robert T. Stafford Disaster Relief
14 and Emergency Assistance Act (42
15 U.S.C. 5121 et seq.);

16 “(II) a natural disaster, as deter-
17 mined by the Secretary of Agriculture
18 pursuant to section 321 of the Con-
19 solidated Farm and Rural Develop-
20 ment Act (7 U.S.C. 1961);

21 “(III) a disaster, as determined
22 by the Administrator; or

23 “(IV) an emergency involving
24 Federal primary responsibility deter-
25 mined to exist by the President under

1 the section 501(b) of the Robert T.
2 Stafford Disaster Relief and Emer-
3 gency Assistance Act (42 U.S.C.
4 5191(b)); or

5 “(ii) the Governor of the State in
6 which such area is located certifies to the
7 Administration, and the Administrator
8 agrees, that the small business concerns,
9 private nonprofit organizations, or small
10 agricultural cooperatives in such area—

11 “(I) have suffered economic in-
12 jury as the result of such disaster;
13 and

14 “(II) are in need of financial as-
15 sistance which is not available on rea-
16 sonable terms in such area.

17 “(H) REPAIR LOAN.—The term ‘repair
18 loan’ means a loan under the Program de-
19 scribed in paragraph (1)(A).

20 “(I) RESIDENTIAL COMMON AREA.—The
21 term ‘residential common area’ means an area
22 or space that is operated and maintained by a
23 covered entity for the benefit of and use by part
24 or all of the residents of the residential commu-
25 nity that are members of such covered entity,

1 including any services associated with such an
2 area or space, other than any area or space
3 that is located in a dwelling unit in such resi-
4 dential community.

5 “(J) RESIDENTIAL COMMUNITY.—The
6 term ‘residential community’ means a group of
7 dwelling units that are proximately located and
8 the owners of which are members of the same
9 covered entity.”.

○