117TH CONGRESS 1ST SESSION

H. R. 4707

To establish a community disaster assistance fund for housing and community development and to authorize the Secretary of Housing and Urban Development to provide, from the fund, assistance through a community development block grant disaster recovery program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

July 27, 2021

Mr. Green of Texas introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a community disaster assistance fund for housing and community development and to authorize the Secretary of Housing and Urban Development to provide, from the fund, assistance through a community development block grant disaster recovery program, 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 "Reforming Disaster
- 5 Recovery Act".

SEC. 2. FINDINGS.

| z – Congress imas mat– | 2 | Congress | finds | that— |
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- (1) following a major disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), the subset of communities that are most impacted and distressed as a result of the disaster face critical social, economic, and environmental obstacles to recovery, including insufficient public and private resources to address disaster-related housing and community development needs for lower income households and distressed communities;
 - (2) unmet disaster recovery needs, including housing assistance needs, can be especially widespread among persons with extremely low, low, and moderate incomes;
 - (3) economic, social, and housing hardships that affect communities before disasters are exacerbated during crises and can delay and complicate long-term recovery, especially after catastrophic major disasters;
 - (4) States, units of local government, and Indian Tribes within the most impacted and distressed areas resulting from major disasters benefit from flexibility to design programs that meet local needs,

- but face inadequate financial, technical, and staffing capacity to plan and carry out sustained recovery, restoration, and mitigation activities;
 - (5) the speed and effectiveness considerations of long-term recovery from catastrophic major disasters is improved by predictable investments that support disaster relief, long-term recovery, restoration of housing and infrastructure, and economic revitalization, primarily for the benefit of low- and moderate income persons;
 - (6) undertaking activities that mitigate the effects of future natural disasters and extreme weather and increase the stock of affordable housing, including affordable rental housing, as part of long-term recovery can significantly reduce future fiscal and social costs, especially within high-risk areas, and can help to address outstanding housing and community development needs by creating jobs and providing other economic and social benefits within communities that further promote recovery and resilience; and
 - (7) the general welfare and security of the nation and the health and living standards of its people require targeted resources to support State and local governments in carrying out their responsibilities in

| 1 | disaster recovery and mitigation through interim and |
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| 2 | long-term housing and community development ac- |
| 3 | tivities that primarily benefit persons of low and |
| 4 | moderate income. |
| 5 | SEC. 3. DEFINITIONS. |
| 6 | In this Act: |
| 7 | (1) Department.—The term "Department" |
| 8 | means the Department of Housing and Urban De- |
| 9 | velopment. |
| 10 | (2) Fund.—The term "Fund" means the |
| 11 | Long-Term Disaster Recovery Fund established |
| 12 | under section 5. |
| 13 | (3) Secretary.—The term "Secretary" means |
| 14 | the Secretary of Housing and Urban Development. |
| 15 | SEC. 4. DUTIES OF THE DEPARTMENT OF HOUSING AND |
| 16 | URBAN DEVELOPMENT. |
| 17 | (a) IN GENERAL.—The offices and officers of the De- |
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| | partment shall be responsible for— |
| 19 | partment shall be responsible for— (1) leading and coordinating the disaster-re- |
| 19 20 | |
| | (1) leading and coordinating the disaster-re- |
| 20 | (1) leading and coordinating the disaster-re- lated responsibilities of the Department under the |
| 20 21 | (1) leading and coordinating the disaster-re- lated responsibilities of the Department under the National Response Framework, the National Dis- |
| 20 21 22 | (1) leading and coordinating the disaster-re- lated responsibilities of the Department under the National Response Framework, the National Dis- aster Recovery Framework, and the National Mitiga- |

- disaster relief, long-term recovery, resiliency, and mitigation, including disaster recovery assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.);
 - (3) supporting disaster-impacted communities as those communities specifically assess, plan for, and address the housing stock and housing needs in the transition from emergency shelters and interim housing to permanent housing of those displaced, especially among vulnerable populations and extremely low-, low-, and moderate-income households;
 - (4) collaborating with the Federal Emergency Management Agency, the Small Business Administration, and across the Department to align disaster-related regulations and policies, including incorporation of consensus-based codes and standards and insurance purchase requirements, and ensuring coordination and reducing duplication among other Federal disaster recovery programs;
 - (5) promoting best practices in mitigation and land use planning, including consideration of traditional, natural, and nature-based infrastructure alternatives;
- (6) coordinating technical assistance, including mitigation, resiliency, and recovery training and in-

- 1 formation on all relevant legal and regulatory re-
- 2 quirements, to entities that receive disaster recovery
- 3 assistance under title I of the Housing and Commu-
- 4 nity Development Act of 1974 (42 U.S.C. 5301 et
- 5 seq.) that demonstrate capacity constraints; and
- 6 (7) supporting State, Tribal, and local govern-
- 7 ments in developing, coordinating, and maintaining
- 8 their capacity for disaster resilience and recovery,
- 9 and developing pre-disaster recovery and hazard
- mitigation plans, in coordination with the Federal
- 11 Emergency Management Agency and other Federal
- agencies.
- 13 (b) Establishment of the Office of Disaster
- 14 MANAGEMENT AND RESILIENCY.—Section 4 of the De-
- 15 partment of Housing and Urban Development Act (42
- 16 U.S.C. 3533) is amended by adding at the end the fol-
- 17 lowing:
- 18 "(i) Office of Disaster Management and Re-
- 19 SILIENCY.—
- 20 "(1) Establishment.—There is established,
- 21 in the Office of the Secretary, the Office of Disaster
- Management and Resiliency.
- 23 "(2) Duties.—The Office of Disaster Manage-
- 24 ment and Resiliency shall—

| 1 | "(A) be responsible for oversight and co- |
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| 2 | ordination of all departmental disaster pre- |
| 3 | paredness and response responsibilities; and |
| 4 | "(B) coordinate with the Federal Emer- |
| 5 | gency Management Agency, the Small Business |
| 6 | Administration, and the Office of Community |
| 7 | Planning and Development and other offices of |
| 8 | the Department in supporting recovery and re- |
| 9 | silience activities to provide a comprehensive |
| 10 | approach in working with communities.". |
| 11 | SEC. 5. LONG-TERM DISASTER RECOVERY FUND. |
| 12 | (a) Establishment.—There is established in the |
| 13 | Treasury of the United States an account to be known |
| 14 | as the Long-Term Disaster Recovery Fund. |
| 15 | (b) Deposits, Transfers, and Credit.— |
| 16 | (1) In general.—The Fund shall consist of |
| 17 | amounts appropriated, transferred, and credited to |
| 18 | the Fund. |
| 19 | (2) Transfers.—The following may be trans- |
| 20 | ferred to the Fund: |
| 21 | (A) Amounts made available through sec- |
| 22 | tion $106(c)(4)$ of the Housing and Community |
| 23 | Development Act of 1974 (42 U.S.C. |
| 24 | 5306(c)(4)) as a result of actions taken under |
| 25 | section 104(e), 111, or 123(j) of such Act. |

| 1 | (B) Any unobligated balances available |
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| 2 | until expended remaining or subsequently re- |
| 3 | captured from amounts appropriated for any |
| 4 | disaster and related purposes under the heading |
| 5 | "Community Development Fund" in any Act |
| 6 | prior to the establishment of the Fund. |
| 7 | (3) Use of transferred amounts.— |
| 8 | Amounts transferred to the Fund shall be used for |
| 9 | the eligible uses described in subsection (c). |
| 10 | (c) Eligible Uses of Fund.— |
| 11 | (1) In general.—Amounts in the Fund shall |
| 12 | be available— |
| 13 | (A) to provide assistance in the form of |
| 14 | grants under section 123 of the Housing and |
| 15 | Community Development Act of 1974, as added |
| 16 | by section 6; and |
| 17 | (B) for activities of the Department that |
| 18 | support the provision of such assistance, includ- |
| 19 | ing necessary salaries and expenses, informa- |
| 20 | tion technology, capacity building and technical |
| 21 | assistance (including assistance related to pre- |
| 22 | disaster planning), and readiness and other pre- |
| 23 | disaster planning activities that are not readily |

attributable to a single major disaster.

- 1 (2) SET ASIDE.—Of each amount appropriated 2 for or transferred to the Fund, 2 percent shall be 3 made available for activities described in paragraph 4 (1)(B), which shall be in addition to other amounts 5 made available for those activities.
 - (3) Transfer of funds.—Amounts made available for use in accordance with paragraph (2)—
 - (A) may be transferred to the account under the heading for "Program Offices—Community Planning and Development", or any successor account, for the Department to carry out activities described in paragraph (1)(B); and
 - (B) may be used for the activities described in paragraph (1)(B) and for the administrative costs of administering any funds appropriated to the Department under the heading "Community Planning and Development—Community Development Fund" for any major disaster declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) in any Act before the establishment of the Fund.
- 24 (d) Interchangeability of Prior Administra-25 tive Amounts.—Any amounts appropriated in any Act

- 1 prior to the establishment of the Fund and transferred
- 2 to the account under the heading "Program Offices Sala-
- 3 ries and Expenses—Community Planning and Develop-
- 4 ment", or any predecessor account, for the Department
- 5 for the costs of administering funds appropriated to the
- 6 Department under the heading "Community Planning and
- 7 Development—Community Development Fund" for any
- 8 major disaster declared under section 401 of the Robert
- 9 T. Stafford Disaster Relief and Emergency Assistance Act
- 10 (42 U.S.C. 5170) shall be available for the costs of admin-
- 11 istering any such funds provided by any prior or future
- 12 Act, notwithstanding the purposes for which those
- 13 amounts were appropriated and in addition to any amount
- 14 provided for the same purposes in other appropriations
- 15 Acts.
- 16 (e) AVAILABILITY OF AMOUNTS.—Amounts appro-
- 17 priated, transferred and credited to the Fund shall remain
- 18 available until expended.
- 19 (f) FORMULA ALLOCATION.—Use of amounts in the
- 20 Fund for grants shall be made by formula allocation in
- 21 accordance with the requirements of section 123(a) of the
- 22 Housing and Community Development Act of 1974, as
- 23 added by section 6.
- 24 (g) Authorization of Appropriations.—There
- 25 are authorized to be appropriated to the Fund such sums

| 1 | as may be necessary to respond to current or future major |
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| 2 | disasters declared under section 401 of the Robert T. |
| 3 | Stafford Disaster Relief and Emergency Assistance Act |
| 4 | (42 U.S.C. 5179) for grants under section 123 of the |
| 5 | Housing and Community Development Act of 1974, as |
| 6 | added by section 6. |
| 7 | SEC. 6. ESTABLISHMENT OF CDBG DISASTER RECOVERY |
| 8 | PROGRAM. |
| 9 | Title I of the Housing and Community Development |
| 10 | Act of 1974 (42 U.S.C. 5301 et seq.) is amended— |
| 11 | (1) in section 102(a) (42 U.S.C. 5302(a))— |
| 12 | (A) in paragraph (20)— |
| 13 | (i) by redesignating subparagraph (B) |
| 14 | as subparagraph (C); |
| 15 | (ii) in subparagraph (C), as so redes- |
| 16 | ignated, by inserting "or (B)" after "sub- |
| 17 | paragraph (A)"; and |
| 18 | (iii) by inserting after subparagraph |
| 19 | (A) the following: |
| 20 | "(B) The term 'persons of extremely low |
| 21 | income' means families and individuals whose |
| 22 | income levels do not exceed household income |
| 23 | levels determined by the Secretary under sec- |
| 24 | tion 3(b)(2) of the United States Housing Act |
| 25 | of 1937 (42 U.S.C. 1437a(b)(2)(C)), except |

| 1 | that the Secretary may provide alternative defi- |
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| 2 | nitions for the Commonwealth of Puerto Rico, |
| 3 | Guam, the Commonwealth of the Northern |
| 4 | Mariana Islands, the United States Virgin Is- |
| 5 | lands, and American Samoa."; and |
| 6 | (B) by adding at the end the following: |
| 7 | "(25) The term 'major disaster' has the mean- |
| 8 | ing given the term in section 102 of the Robert T. |
| 9 | Stafford Disaster Relief and Emergency Assistance |
| 10 | Act (42 U.S.C. 5122)."; |
| 11 | (2) in section $106(c)(4)$ (42 U.S.C. |
| 12 | 5306(e)(4))— |
| 13 | (A) in subparagraph (A)— |
| 14 | (i) by striking "declared by the Presi- |
| 15 | dent under the Robert T. Stafford Disaster |
| 16 | Relief and Emergency Assistance Act"; |
| 17 | (ii) inserting "States for use in non- |
| 18 | entitlement areas and to" before "metro- |
| 19 | politan cities"; and |
| 20 | (iii) inserting "major" after "affected |
| 21 | by the"; |
| 22 | (B) in subparagraph (C)— |
| 23 | (i) by striking "metropolitan city or" |
| 24 | and inserting "State, metropolitan city, |
| 25 | or''; |
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| 1 | (ii) by striking "city or county" and |
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| 2 | inserting "State, city, or county"; and |
| 3 | (iii) by inserting "major" before "dis- |
| 4 | aster''; |
| 5 | (C) in subparagraph (D), by striking "met- |
| 6 | ropolitan cities and" and inserting "States, |
| 7 | metropolitan cities, and"; |
| 8 | (D) in subparagraph (F)— |
| 9 | (i) by striking "metropolitan city or" |
| 10 | and inserting "State, metropolitan city, |
| 11 | or''; and |
| 12 | (ii) by inserting "major" before "dis- |
| 13 | aster"; and |
| 14 | (E) in subparagraph (G), by striking "met- |
| 15 | ropolitan city or" and inserting "State, metro- |
| 16 | politan city, or"; and |
| 17 | (3) in section 122 (42 U.S.C. 5321), by striking |
| 18 | "disaster under title IV of the Robert T. Stafford |
| 19 | Disaster Relief and Emergency Assistance Act" and |
| 20 | inserting "major disaster"; and |
| 21 | (4) by adding at the end the following: |
| 22 | "SEC. 123. COMMUNITY DEVELOPMENT BLOCK GRANT DIS- |
| 23 | ASTER RECOVERY PROGRAM. |
| 24 | "(a) Authorization, Formula, and Alloca- |
| 25 | TION.— |

"(1) AUTHORIZATION.—The Secretary is au-1 2 thorized to make community development block 3 grant disaster recovery grants from the Long-Term 4 Disaster Recovery Fund established under section 5 5 of the Reforming Disaster Recovery Act (hereinafter 6 referred to as the 'Fund') for necessary expenses for 7 activities authorized under subsection (f)(1) related 8 to disaster relief, long-term recovery, restoration of 9 housing and infrastructure, economic revitalization, 10 and mitigation in the most impacted and distressed areas resulting from a catastrophic major disaster.

- "(2) Grant awards.—Grants shall be awarded under this section to States, units of general local government, and Indian tribes based on capacity and the concentration of damage, as determined by the Secretary, to support the efficient and effective administration of funds.
- "(3) SECTION 106 ALLOCATIONS.—Grants under this section shall not be considered relevant to the formula allocations made pursuant to section 106.

22 "(4) Federal register notice.—

23 "(A) IN GENERAL.—Not later than 30 24 days after the date of enactment of this section, 25 the Secretary shall issue a notice in the Federal

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| 1 | Register containing the latest formula allocation |
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| 2 | methodologies used to determine the total esti- |
| 3 | mate of unmet needs related to housing, eco- |
| 4 | nomic revitalization, and infrastructure in the |
| 5 | most impacted and distressed areas resulting |
| 6 | from a catastrophic major disaster. |
| 7 | "(B) Public Comment.—In the notice |
| 8 | issued under subparagraph (A), the Secretary |
| 9 | shall solicit public comments on— |
| 10 | "(i) the methodologies described in |
| 11 | subparagraph (A) and seek alternative |
| 12 | methods for formula allocation within a |
| 13 | similar total amount of funding; |
| 14 | "(ii) the impact of formula methodolo- |
| 15 | gies on rural areas and Tribal areas; |
| 16 | "(iii) adjustments to improve tar- |
| 17 | geting to the most serious needs; |
| 18 | "(iv) objective criteria for grantee ca- |
| 19 | pacity and concentration of damage to in- |
| 20 | form grantee determinations and minimum |
| 21 | allocation thresholds; and |
| 22 | "(v) research and data to inform an |
| 23 | additional amount to be provided for miti- |
| 24 | gation depending on type of disaster, which |

1 shall be no more than 30 percent of the 2 total estimate of unmet needs. 3 "(5) Regulations.— "(A) IN GENERAL.—The Secretary shall, by regulation, establish a formula to allocate as-6 sistance from the Fund to the most impacted 7 and distressed areas resulting from a cata-8 strophic major disaster. "(B) FORMULA REQUIREMENTS.—The for-9 mula established under subparagraph 10 11 shall— 12 "(i) set forth criteria to determine 13 that a major disaster is catastrophic, which 14 criteria shall consider the presence of a 15 high concentration of damaged housing or 16 businesses that individual, State, Tribal, 17 and local resources could not reasonably be 18 expected to address without additional 19 Federal assistance, or other nationally en-20 compassing data that the Secretary deter-21 mines are adequate to assess relative im-22 pact and distress across geographic areas; 23 "(ii) include a methodology for identi-24 fying most impacted and distressed areas, 25 which shall consider unmet serious needs

| 1 | related to housing, economic revitalization, |
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| 2 | and infrastructure; |
| 3 | "(iii) include an allocation calculation |
| 4 | that considers the unmet serious needs re- |
| 5 | sulting from the catastrophic major dis- |
| 6 | aster and an additional amount up to 30 |
| 7 | percent for activities to reduce risks of loss |
| 8 | resulting from other natural disasters in |
| 9 | the most impacted and distressed area, pri- |
| 10 | marily for the benefit of low- and mod- |
| 11 | erate-income persons, with particular focus |
| 12 | on activities that reduce repetitive loss of |
| 13 | property and critical infrastructure; and |
| 14 | "(iv) establish objective criteria for |
| 15 | periodic review and updates to the formula |
| 16 | to reflect changes in available science and |
| 17 | data. |
| 18 | "(C) MINIMUM ALLOCATION THRESH- |
| 19 | OLD.—The Secretary shall, by regulation, es- |
| 20 | tablish a minimum allocation threshold. |
| 21 | "(D) Interim allocation.—Until such |
| 22 | time that the Secretary issues final regulations |
| 23 | under this paragraph, the Secretary shall— |
| 24 | "(i) allocate assistance from the Fund |
| 25 | using the formula allocation methodology |

| 1 | published in accordance with paragraph |
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| 2 | (4); and |
| 3 | "(ii) include an additional amount for |
| 4 | mitigation equal to 15 percent of the total |
| 5 | estimate of unmet need. |
| 6 | "(6) Allocation of funds.— |
| 7 | "(A) IN GENERAL.—The Secretary shall— |
| 8 | "(i) except as provided in clause (ii), |
| 9 | not later than 90 days after the President |
| 10 | declares a major disaster, use best avail- |
| 11 | able data to determine whether the major |
| 12 | disaster is catastrophic and qualifies for |
| 13 | assistance under the formula in paragraph |
| 14 | (4) or (5), unless data is insufficient to |
| 15 | make this determination; and |
| 16 | "(ii) if the best available data is insuf- |
| 17 | ficient to make the determination required |
| 18 | under clause (i) within the 90-day period |
| 19 | described in that clause, the Secretary |
| 20 | shall determine whether the major disaster |
| 21 | qualifies when sufficient data becomes |
| 22 | available, but in no case shall the Sec- |
| 23 | retary make the determination later than |
| 24 | 120 days after the declaration of the major |
| 25 | disaster. |

"(B) ANNOUNCEMENT OF ALLOCATION.—

If amounts are available in the Fund at the time the Secretary determines that the major disaster is catastrophic and qualifies for assistance under the formula in paragraph (4) or (5), the Secretary shall immediately announce an allocation for a grant under this section.

"(C) Additional amounts.—If additional amounts are appropriated to the Fund after amounts are allocated under subparagraph (B), the Secretary shall announce an allocation or additional allocation (if a prior allocation under subparagraph (B) was less than the formula calculation) within 15 days of any such appropriation.

"(7) Preliminary funding.—

"(A) IN GENERAL.—To speed recovery, the Secretary is authorized to allocate and award preliminary grants from the Fund before making a determination under paragraph (6) if the Secretary projects, based on a preliminary assessment of impact and distress, that a major disaster is catastrophic and would likely qualify for funding under the formula in paragraph (4) or (5).

| 1 | "(B) Amount.— |
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| 2 | "(i) Maximum.—The Secretary may |
| 3 | award preliminary funding under subpara- |
| 4 | graph (A) in an amount that is not more |
| 5 | than \$5,000,000. |
| 6 | "(ii) SLIDING SCALE.—The Secretary |
| 7 | shall, by regulation, establish a sliding |
| 8 | scale for preliminary funding awarded |
| 9 | under subparagraph (A) based on the size |
| 10 | of the preliminary assessment of impact |
| 11 | and distress. |
| 12 | "(C) Use of funds.—The uses of pre- |
| 13 | liminary funding awarded under subparagraph |
| 14 | (A) shall be limited to eligible activities that— |
| 15 | "(i) in the determination of the Sec- |
| 16 | retary, will support faster recovery, im- |
| 17 | prove the ability of the grantee to assess |
| 18 | unmet recovery needs, plan for the preven- |
| 19 | tion of improper payments, and reduce |
| 20 | fraud, waste, and abuse; and |
| 21 | "(ii) may include evaluating the in- |
| 22 | terim housing, permanent housing, and |
| 23 | supportive service needs of the disaster im- |
| 24 | pacted community, with special attention |
| 25 | to vulnerable populations, such as homeless |

| 1 | and low- to moderate-income households, |
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| 2 | to inform the grantee action plan required |
| 3 | under subsection (c). |
| 4 | "(D) Consideration of funding.—Pre- |
| 5 | liminary funding awarded under subparagraph |
| 6 | (A)— |
| 7 | "(i) is not subject to the certification |
| 8 | requirements of paragraph (h)(1); and |
| 9 | "(ii) shall not be considered when cal- |
| 10 | culating the amount of the grant used for |
| 11 | administrative costs, technical assistance, |
| 12 | and planning activities that are subject to |
| 13 | the requirements under subsection $(f)(2)$. |
| 14 | "(E) Waiver.—To expedite the use of |
| 15 | preliminary funding for activities described in |
| 16 | this paragraph, the Secretary may waive re- |
| 17 | quirements of this section in accordance with |
| 18 | subsection (i). |
| 19 | "(F) Amended award.— |
| 20 | "(i) IN GENERAL.—An award for pre- |
| 21 | liminary funding under subparagraph (A) |
| 22 | may be amended to add any subsequent |
| 23 | amount awarded because of a determina- |
| 24 | tion by the Secretary that a major disaster |

| 1 | is catastrophic and qualifies for assistance |
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| 2 | under the formula. |
| 3 | "(ii) Applicability.—Notwith |
| 4 | standing subparagraph (D), amounts pro- |
| 5 | vided by an amendment under clause (i) |
| 6 | are subject to the requirements under sub- |
| 7 | sections $(h)(1)$ and $(f)(1)$ and other re- |
| 8 | quirements on grant funds under this sec- |
| 9 | tion. |
| 10 | "(G) TECHNICAL ASSISTANCE.—Concur- |
| 11 | rent with the allocation of any preliminary |
| 12 | funding awarded under this paragraph, the Sec- |
| 13 | retary shall assign or provide technical assist |
| 14 | ance to the recipient of the grant. |
| 15 | "(b) Interchangeability.—The Secretary— |
| 16 | "(1) is authorized to approve the use of grants |
| 17 | under this section to be used interchangeably and |
| 18 | without limitation for the same activities in the most |
| 19 | impacted and distressed areas resulting from a dec- |
| 20 | laration of another catastrophic major disaster that |
| 21 | qualifies for assistance under the formula estab- |

lished under paragraph (4) or (5) of subsection (a);

and

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"(2) shall establish requirements to expedite the 1 2 use of grants under this section for the purpose de-3 scribed in paragraph (1). "(c) Grantee Plans.— 4 "(1) REQUIREMENT.—Not later than 90 days 5 6 after the date on which the Secretary announces a 7 grant allocation under this section, unless an exten-8 sion is granted by the Secretary, the grantee shall 9 submit to the Secretary a plan for approval describ-10 ing— "(A) the activities the grantee will carry 11 12 out with the grant under this section; "(B) the criteria of the grantee for award-13 14 ing assistance and selecting activities; "(C) how the use of the grant under this 15 section will address disaster relief, long-term re-16 17 covery, restoration of housing and infrastruc-18 ture, economic revitalization, and mitigation in 19 the most impacted and distressed areas; "(D) how the use of the grant funds for 20 21 mitigation is consistent with hazard mitigation 22 plans submitted to the Federal Emergency 23 Management Agency under section 322 of the 24 Robert T. Stafford Disaster Relief and Emer-

gency Assistance Act (42 U.S.C. 5165);

| 1 | "(E) the estimated amount proposed to be |
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| 2 | used for activities that will benefit persons of |
| 3 | low and moderate income; |
| 4 | "(F) how the use of grant funds will repair |
| 5 | and replace existing housing stock for vulner- |
| 6 | able populations, including low- to moderate-in- |
| 7 | come households; |
| 8 | "(G) how the grantee will address the pri- |
| 9 | orities described in paragraph (5); |
| 10 | "(H) how uses of funds are proportional to |
| 11 | unmet needs, as required under paragraph (5); |
| 12 | "(I) for State grantees that plan to dis- |
| 13 | tribute grant amounts to units of general local |
| 14 | government, a description of the method of dis- |
| 15 | tribution; and |
| 16 | "(J) such other information as may be de- |
| 17 | termined by the Secretary in regulation. |
| 18 | "(2) Public consultation.—To permit pub- |
| 19 | lic examination and appraisal of the plan described |
| 20 | in paragraph (1), to enhance the public account- |
| 21 | ability of grantees, and to facilitate coordination of |
| 22 | activities with different levels of government, when |
| 23 | developing the plan or substantial amendments pro- |
| 24 | posed to the plan required under paragraph (1), a |
| 25 | grantee shall— |

| 1 | "(A) publish the plan before adoption; |
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| 2 | "(B) provide citizens, affected units of |
| 3 | general local government, and other interested |
| 4 | parties with reasonable notice of, and oppor- |
| 5 | tunity to comment on, the plan, with a public |
| 6 | comment period of not less than 14 days; |
| 7 | "(C) consider comments received before |
| 8 | submission to the Secretary; |
| 9 | "(D) follow a citizen participation plan for |
| 10 | disaster assistance adopted by the grantee that, |
| 11 | at a minimum, provides for participation of |
| 12 | residents of the most impacted and distressed |
| 13 | area affected by the major disaster that re- |
| 14 | sulted in the grant under this section and other |
| 15 | considerations established by the Secretary; and |
| 16 | "(E) undertake any consultation with in- |
| 17 | terested parties as may be determined by the |
| 18 | Secretary in regulation. |
| 19 | "(3) Approval.—The Secretary shall— |
| 20 | "(A) by regulation, specify criteria for the |
| 21 | approval, partial approval, or disapproval of a |
| 22 | plan submitted under paragraph (1), including |
| 23 | approval of substantial amendments to the |
| 24 | plan; |

| 1 | "(B) review a plan submitted under para- |
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| 2 | graph (1) upon receipt of the plan; |
| 3 | "(C) allow a grantee to revise and resub- |
| 4 | mit a plan or substantial amendment to a plan |
| 5 | under paragraph (1) that the Secretary dis- |
| 6 | approves; |
| 7 | "(D) by regulation, specify criteria for |
| 8 | when the grantee shall be required to provide |
| 9 | the required revisions to a disapproved plan or |
| 10 | substantial amendment under paragraph (1) for |
| 11 | public comment prior to resubmission of the |
| 12 | plan or substantial amendment to the Sec- |
| 13 | retary; and |
| 14 | "(E) approve, partially approve, or dis- |
| 15 | approve a plan or substantial amendment under |
| 16 | paragraph (1) not later than 60 days after the |
| 17 | date on which the plan or substantial amend- |
| 18 | ment is received by the Secretary. |
| 19 | "(4) Low- and moderate-income overall |
| 20 | BENEFIT.— |
| 21 | "(A) USE OF FUNDS.—Not less than 70 |
| 22 | percent of a grant made under this section shall |
| 23 | be used for activities that benefit persons of low |
| 24 | and moderate income unless the Secretary— |
| 25 | "(i) specifically finds that— |

| 1 | "(I) there is compelling need to |
|----|---|
| 2 | reduce the percentage for the grant; |
| 3 | and |
| 4 | "(II) the housing needs of low- |
| 5 | and moderate-income residents have |
| 6 | been addressed; and |
| 7 | "(ii) issues a waiver and alternative |
| 8 | requirements pursuant to subsection (i) to |
| 9 | lower the percentage. |
| 10 | "(B) REGULATIONS.—The Secretary shall, |
| 11 | by regulation, establish protocols consistent |
| 12 | with the findings of section 2 of the Reforming |
| 13 | Disaster Recovery Act to prioritize the use of |
| 14 | funds by a grantee under this section to meet |
| 15 | the needs of low- and moderate-income persons |
| 16 | and businesses serving primarily persons of low |
| 17 | and moderate income. |
| 18 | "(5) Prioritization.—The grantee shall |
| 19 | prioritize activities that— |
| 20 | "(A) assist persons with extremely low, |
| 21 | low, and moderate incomes and other vulnerable |
| 22 | populations to better recover from and with- |
| 23 | stand future disasters, emphasizing those with |
| 24 | the most severe needs; |

| 1 | "(B) address affordable housing, including |
|----|--|
| 2 | affordable rental housing, needs arising from a |
| 3 | disaster or those needs present prior to a dis- |
| 4 | aster; |
| 5 | "(C) prolong the life of housing and infra- |
| 6 | structure; |
| 7 | "(D) use cost-effective means of preventing |
| 8 | harm to people and property and incorporate |
| 9 | protective features, redundancies, energy sav- |
| 10 | ings; and |
| 11 | "(E) other measures that will assure the |
| 12 | continuation of critical services during future |
| 13 | disasters. |
| 14 | "(6) Proportional Allocation.— |
| 15 | "(A) IN GENERAL.—A grantee under this |
| 16 | section shall allocate grant funds proportional |
| 17 | to unmet needs between housing activities, eco- |
| 18 | nomic revitalization, and infrastructure, unless |
| 19 | the Secretary— |
| 20 | "(i) specifically finds that— |
| 21 | "(I) there is a compelling need |
| 22 | for a disproportional allocation among |
| 23 | those unmet needs; and |
| 24 | $"(\Pi)$ the disproportional alloca- |
| 25 | tion described in subclause (I) is not |

| 1 | inconsistent with the requirements |
|----|---|
| 2 | under paragraph (4); and |
| 3 | "(ii) issues a waiver and alternative |
| 4 | requirement pursuant to subsection (i) to |
| 5 | allow for the disproportional allocation de- |
| 6 | scribed in clause (i)(I). |
| 7 | "(B) Housing activities.—With respect |
| 8 | to housing activities described in subparagraph |
| 9 | (A)(i), grantees should address proportional |
| 10 | needs between homeowners and renters, includ- |
| 11 | ing low-income households in public housing |
| 12 | and federally subsidized housing. |
| 13 | "(7) DISASTER RISK MITIGATION.— |
| 14 | "(A) DEFINITION.—In this paragraph, the |
| 15 | term 'hazard-prone areas'— |
| 16 | "(i) means areas identified by the |
| 17 | Secretary, in consultation with the Admin- |
| 18 | istrator of the Federal Emergency Man- |
| 19 | agement Agency, at risk from natural haz- |
| 20 | ards that threaten property damage or |
| 21 | health, safety, and welfare, such as floods, |
| 22 | wildfires (including Wildland-Urban Inter- |
| 23 | face areas), earthquakes, lava inundation, |
| 24 | tornados, and high winds; and |

| 1 | "(ii) includes areas having special |
|----|--|
| 2 | flood hazards as identified under the Flood |
| 3 | Disaster Protection Act of 1973 (42 |
| 4 | U.S.C. 4002 et seq.) or the National Flood |
| 5 | Insurance Act of 1968 (42 U.S.C. 4001 et |
| 6 | seq.). |
| 7 | "(B) Hazard-prone areas.—The Sec- |
| 8 | retary, in consultation with the Administrator |
| 9 | of the Federal Emergency Management Agency, |
| 10 | shall establish minimum construction standards, |
| 11 | insurance purchase requirements, and other re- |
| 12 | quirements for the use of grant funds in haz- |
| 13 | ard-prone areas. |
| 14 | "(C) Special flood hazards.—For the |
| 15 | areas described in subparagraph (A)(ii), the in- |
| 16 | surance purchase requirements established |
| 17 | under subparagraph (B) shall meet or exceed |
| 18 | the requirements under section 102(a) of the |
| 19 | Flood Disaster Protection Act of 1973 (42 |
| 20 | U.S.C. 4012a(a)). |
| 21 | "(D) Consideration of future |
| 22 | RISKS.—The Secretary may consider future |
| 23 | risks to protecting property and health, safety, |
| 24 | and general welfare, and the likelihood of those |

risks, when making the determination of or

| 1 | modification to hazard-prone areas under this |
|----|--|
| 2 | paragraph. |
| 3 | "(8) Relocation.— |
| 4 | "(A) In General.—The Uniform Reloca- |
| 5 | tion Assistance and Real Property Acquisition |
| 6 | Policies Act of 1970 (42 U.S.C. 4601 et seq.) |
| 7 | shall apply to activities assisted under this sec- |
| 8 | tion to the extent determined by the Secretary |
| 9 | in regulation, or as provided in waivers and al- |
| 10 | ternative requirements authorized in accordance |
| 11 | with subsection (i). |
| 12 | "(B) Policy.—Each grantee under this |
| 13 | section shall establish a relocation assistance |
| 14 | policy that— |
| 15 | "(i) minimizes displacement and de- |
| 16 | scribes the benefits available to persons |
| 17 | displaced as a direct result of acquisition, |
| 18 | rehabilitation, or demolition in connection |
| 19 | with an activity that is assisted by a grant |
| 20 | under this section; and |
| 21 | "(ii) includes any appeal rights or |
| 22 | other requirements that the Secretary es- |
| 23 | tablishes by regulation. |

- 1 "(d) CERTIFICATIONS.—Any grant under this section
- 2 shall be made only if the grantee certifies to the satisfac-
- 3 tion of the Secretary that—
- 4 "(1) the grantee is in full compliance with the 5 requirements under subsection (c)(2);
- 6 "(2) for grants other than grants to Indian 7 tribes, the grant will be conducted and administered 8 in conformity with the Civil Rights Act of 1964 (42 9 U.S.C. 2000a et seq.) and the Fair Housing Act (42
- 10 U.S.C. 3601 et seq.);
- 11 "(3) the projected use of funds has been devel-12 oped so as to give maximum feasible priority to ac-13 tivities that will benefit extremely low-, low-, and 14 moderate-income families and activities described in 15 subsection (c)(5), and may also include activities 16 that are designed to aid in the prevention or elimi-17 nation of slum and blight to support disaster recov-18 ery, meet other community development needs hav-19 ing a particular urgency because existing conditions 20 pose a serious and immediate threat to the health or 21 welfare of the community where other financial re-22 sources are not available to meet such needs, and al-23 leviate future threats to human populations, critical 24 natural resources, and property that an analysis of

- hazards shows are likely to result from natural disasters in the future;
 - "(4) the grant funds shall principally benefit persons of low and moderate income as described in subsection (c)(4);
 - "(5) for grants other than grants to Indian tribes, within 24 months of receiving a grant or at the time of its 3- or 5-year update, whichever is sooner, the grantee will review and make modifications to its non-disaster housing and community development plans and strategies required by subsections (c) and (m) of section 104 to reflect the disaster recovery needs identified by the grantee and consistency with the plan under subsection (c)(1);
 - "(6) the grantee will not attempt to recover any capital costs of public improvements assisted in whole or part under this section by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless—
 - "(A) funds received under this section are used to pay the proportion of such fee or assessment that relates to the capital costs of

| 1 | such public improvements that are financed |
|----|--|
| 2 | from revenue sources other than under this |
| 3 | chapter; or |
| 4 | "(B) for purposes of assessing any amount |
| 5 | against properties owned and occupied by per- |
| 6 | sons of moderate income, the grantee certifies |
| 7 | to the Secretary that the grantee lacks suffi- |
| 8 | cient funds received under this section to com- |
| 9 | ply with the requirements of subparagraph (A) |
| 10 | "(7) the grantee will comply with the other pro- |
| 11 | visions of this title that apply to assistance under |
| 12 | this section and with other applicable laws; |
| 13 | "(8) the grantee will follow a relocation assist- |
| 14 | ance policy that includes any minimum requirements |
| 15 | identified by the Secretary; and |
| 16 | "(9) the grantee will adhere to construction |
| 17 | standards, insurance purchase requirements, and |
| 18 | other requirements for development in hazard-prone |
| 19 | areas described in subsection (c)(7). |
| 20 | "(e) Performance Reviews and Reporting.— |
| 21 | "(1) IN GENERAL.—The Secretary shall, on not |
| 22 | less frequently than an annual basis, make such re- |
| 23 | views and audits as may be necessary or appropriate |
| 24 | to determine whether a grantee under this section |
| 25 | has— |

| 1 | "(A) carried out activities using grant |
|----|---|
| 2 | funds in a timely manner; |
| 3 | "(B) met the performance targets estab- |
| 4 | lished by paragraph (2); |
| 5 | "(C) carried out activities using grant |
| 6 | funds in accordance with the requirements of |
| 7 | this section, the other provisions of this title |
| 8 | that apply to assistance under this section, and |
| 9 | other applicable laws; and |
| 10 | "(D) a continuing capacity to carry out ac- |
| 11 | tivities in a timely manner. |
| 12 | "(2) Performance targets.—The Secretary |
| 13 | shall develop and make publicly available critical |
| 14 | performance targets for review, which shall include |
| 15 | spending thresholds for each year from the date on |
| 16 | which funds are obligated by the Secretary to the |
| 17 | grantee until such time all funds have been ex- |
| 18 | pended. |
| 19 | "(3) Failure to meet targets.— |
| 20 | "(A) Suspension.—If a grantee under |
| 21 | this section fails to meet 1 or more critical per- |
| 22 | formance targets under paragraph (2), the Sec- |
| 23 | retary may temporarily suspend the grant. |
| 24 | "(B) Performance improvement |
| 25 | PLAN.—If the Secretary suspends a grant |

| 1 | under subparagraph (A), the Secretary shall |
|----|---|
| 2 | provide to the grantee a performance improve- |
| 3 | ment plan with the specific requirements needed |
| 4 | to lift the suspension within a defined time pe- |
| 5 | riod. |
| 6 | "(C) Report.—If a grantee fails to meet |
| 7 | the spending thresholds established under para- |
| 8 | graph (2), the grantee shall submit to the Sec- |
| 9 | retary, the appropriate committees of Congress |
| 10 | and each member of Congress who represents a |
| 11 | district or State of the grantee a written report |
| 12 | identifying technical capacity, funding, or other |
| 13 | Federal or State impediments affecting the abil- |
| 14 | ity of the grantee to meet the spending thresh- |
| 15 | olds. |
| 16 | "(4) Collection of Information and Re- |
| 17 | PORTING.— |
| 18 | "(A) REQUIREMENT TO REPORT.—A |
| 19 | grantee under this section shall provide to the |
| 20 | Secretary such information as the Secretary |
| 21 | may determine necessary for adequate oversight |
| 22 | of the grant program under this section. |
| 23 | "(B) Public availability.—Subject to |
| 24 | subparagraph (D), the Secretary shall make in- |

formation submitted under subparagraph (A)

| 1 | available to the public and to the Inspector |
|----|---|
| 2 | General for the Department of Housing and |
| 3 | Urban Development, disaggregated by income, |
| 4 | geography, and all classes of individuals pro- |
| 5 | tected under section 109. |
| 6 | "(C) Summary status reports.—To in- |
| 7 | crease transparency and accountability of the |
| 8 | grant program under this section the Secretary |
| 9 | shall, on not less frequently than an annual |
| 10 | basis, post on a public facing dashboard sum- |
| 11 | mary status reports for all active grants under |
| 12 | this section that includes— |
| 13 | "(i) the status of funds by activity; |
| 14 | "(ii) the percentages of funds allo- |
| 15 | cated and expended to benefit low- and |
| 16 | moderate-income communities; |
| 17 | "(iii) performance targets, spending |
| 18 | thresholds, and accomplishments; and |
| 19 | "(iv) other information the Secretary |
| 20 | determines to be relevant for transparency. |
| 21 | "(D) Considerations.—In carrying out |
| 22 | this paragraph, the Secretary— |
| 23 | "(i) shall take such actions as may be |
| 24 | necessary to ensure that personally identi- |
| 25 | fiable information regarding applicants for |

| 1 | assistance provided from funds made avail- |
|----|---|
| 2 | able under this section is not made publicly |
| 3 | available; and |
| 4 | "(ii) may make full and unredacted |
| 5 | information available to academic institu- |
| 6 | tions for the purpose of researching into |
| 7 | the equitable distribution of recovery funds |
| 8 | and adherence to civil rights protections. |
| 9 | "(f) Eligible Activities.— |
| 10 | "(1) In general.—Activities assisted under |
| 11 | this section— |
| 12 | "(A) may include activities permitted |
| 13 | under section 105 or other activities permitted |
| 14 | by the Secretary by waiver or alternative re- |
| 15 | quirement pursuant to subsection (i); and |
| 16 | "(B) shall be related to disaster relief |
| 17 | long-term recovery, restoration of housing and |
| 18 | infrastructure, economic revitalization, and |
| 19 | mitigation in the most impacted and distressed |
| 20 | areas resulting from the major disaster for |
| 21 | which the grant was awarded. |
| 22 | "(2) Prohibition.—Grant funds under this |
| 23 | section may not be used for costs reimbursable by |
| 24 | or for which funds have been made available by, the |

- Federal Emergency Management Agency or the United States Army Corps of Engineers.
 - "(3) Administrative costs, technical assistance and planning.—
 - "(A) IN GENERAL.—The Secretary shall establish in regulation the maximum grant amounts a grantee may use for administrative costs, technical assistance and planning activities, taking into consideration size of grant, complexity of recovery, and other factors as determined by the Secretary, but not to exceed 10 percent for administration and 20 percent in total.
 - "(B) AVAILABILITY.—Amounts available for administrative costs for a grant under this section shall be available for eligible administrative costs of the grantee for any grant made under this section, without regard to a particular disaster.
 - "(4) Program income.—Notwithstanding any other provision of law, any grantee under this section may retain program income that is realized from grants made by the Secretary under this section if the grantee agrees that the grantee will utilize the program income in accordance with the re-

| 1 | quirements for grants under this section, except that |
|----|---|
| 2 | the Secretary may— |
| 3 | "(A) by regulation, exclude from consider- |
| 4 | ation as program income any amounts deter- |
| 5 | mined to be so small that compliance with this |
| 6 | paragraph creates an unreasonable administra- |
| 7 | tive burden on the grantee; or |
| 8 | "(B) permit the grantee to transfer re- |
| 9 | maining program income to the other grants of |
| 10 | the grantee under this title upon closeout of the |
| 11 | grant. |
| 12 | "(5) Prohibition on use of assistance for |
| 13 | EMPLOYMENT RELOCATION ACTIVITIES.— |
| 14 | "(A) IN GENERAL.—Grants under this sec- |
| 15 | tion may not be used to assist directly in the |
| 16 | relocation of any industrial or commercial plant, |
| 17 | facility, or operation, from one area to another |
| 18 | area, if the relocation is likely to result in a sig- |
| 19 | nificant loss of employment in the labor market |
| 20 | area from which the relocation occurs. |
| 21 | "(B) APPLICABILITY.—The prohibition |
| 22 | under subparagraph (A) shall not apply to a |
| 23 | business that was operating in the disaster-de- |
| 24 | clared labor market area before the incident |
| 25 | date of the applicable disaster and has since |

1 moved, in whole or in part, from the affected 2 area to another State or to a labor market area 3 within the same State to continue business.

"(6) REQUIREMENTS.—Grants under this section are subject to the requirements of this section, the other provisions of this title that apply to assistance under this section, and other applicable laws, unless modified by waivers and alternative requirements in accordance with subsection (i).

"(g) Environmental Review.—

"(1) Adoption.—A recipient of funds provided under this section that uses the funds to supplement Federal assistance provided under section 402, 403, 404, 406, 407, 408(c)(4), 428, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170a, 5170b, 5170c, 5172, 5173, 5174(c)(4), 5189f, 5192) may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and that adoption shall satisfy the responsibilities of the recipient with respect to the environmental review, approval, or permit under section 104(g)(1).

"(2) APPROVAL OF RELEASE OF FUNDS.—Notwithstanding section 104(g)(2), the Secretary or a State may, upon receipt of a request for release of

| 1 | funds and certification, immediately approve the re- |
|----|--|
| 2 | lease of funds for an activity or project to be as- |
| 3 | sisted under this section if the recipient has adopted |
| 4 | an environmental review, approval, or permit under |
| 5 | paragraph (1) or the activity or project is categori- |
| 6 | cally excluded from review under the National Envi- |
| 7 | ronmental Policy Act of 1969 (42 U.S.C. 4321 et |
| 8 | seq.). |
| 9 | "(3) Units of general local govern- |
| 10 | MENT.—The provisions of section 104(g)(4) shall |
| 11 | apply to assistance under this section that a State |
| 12 | distributes to a unit of general local government. |
| 13 | "(h) Financial Controls and Procedures.— |
| 14 | "(1) IN GENERAL.—The Secretary shall develop |
| 15 | requirements and procedures to demonstrate that a |
| 16 | grantee under this section— |
| 17 | "(A) has adequate financial controls and |
| 18 | procurement processes; |
| 19 | "(B) has adequate procedures to detect |
| 20 | and prevent fraud, waste, abuse and duplication |
| 21 | of benefit; and |
| 22 | "(C) maintains a comprehensive and pub- |
| 23 | licly accessible website. |
| 24 | "(2) Certification.—Before making a grant |
| 25 | under this section, the Secretary shall certify that |

the grantee has in place proficient processes and procedures to comply with the requirements developed under paragraph (1), as determined by the Secretary.

"(3) Compliance before allocation.—The Secretary may permit a State, unit of general local government, or Indian tribe to demonstrate compliance with the requirements for adequate financial controls developed under paragraph (1) before a disaster occurs and before receiving an allocation for a grant under this section.

"(4) Duplication of Benefits.—

"(A) IN GENERAL.—Funds made available under this subsection shall be used in accordance with section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254), and such rules as may be prescribed under such section 312.

"(B) PENALTIES.—In any case in which the use of grant funds under this section results in a prohibited duplication of benefits, the grantee shall—

| 1 | "(i) apply an amount equal to the |
|----|--|
| 2 | identified duplication to any allowable costs |
| 3 | of the award consistent with actual, imme- |
| 4 | diate cash requirement; |
| 5 | "(ii) remit any excess amounts to the |
| 6 | Secretary to be credited to the obligated |
| 7 | undisbursed balance of the grant con- |
| 8 | sistent with requirements on Federal pay- |
| 9 | ments applicable to such grantee; and |
| 10 | "(iii) if excess amounts under clause |
| 11 | (ii) are identified after the period of per- |
| 12 | formance or after the closeout of the |
| 13 | award, remit such amounts to the Sec- |
| 14 | retary to be credited to the Fund. |
| 15 | "(C) FAILURE TO COMPLY.—A grantee |
| 16 | that fails to comply with subparagraph (A) |
| 17 | shall be subject to remedies for noncompliance |
| 18 | under section 111, unless the Secretary pub- |
| 19 | lishes a determination in the Federal Register |
| 20 | that it is not in the best interest of the Federa |
| 21 | Government to pursue remedial actions. |
| 22 | "(i) Waivers.— |
| 23 | "(1) In General.—In administering grants |
| 24 | under this section, the Secretary may waive, or |
| 25 | specify alternative requirements for, any provision of |

any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the grantee of those funds (except for requirements related to fair housing, non-discrimination, labor standards, the environment, and the requirements of this section that do not expressly authorize modifications by waiver or alternative requirement), if the Secretary makes a public finding that good cause exists for the waiver or alternative requirement and the waiver or alternative requirement would not be inconsistent with the findings in section 2 of the Reforming Disaster Recovery Act.

- "(2) Effective date.—A waiver or alternative requirement described in paragraph (1) shall not take effect before the date that is 5 days after the date of publication of the waiver or alternative requirement on the website of the Department of Housing and Urban Development or the effective date for any regulation published in the Federal Register.
- "(3) Public Notification.—The Secretary shall notify the public of all waivers described in paragraph (1) in accordance with the requirements

| 1 | of section $7(q)(3)$ of the Department of Housing and |
|----|---|
| 2 | Urban Development Act (42 U.S.C. 3535(q)(3)). |
| 3 | "(j) Unused Amounts.— |
| 4 | "(1) DEADLINE TO USE AMOUNTS.—A grantee |
| 5 | under this section shall use an amount equal to the |
| 6 | grant within 6 years beginning on the date on which |
| 7 | the Secretary obligates the amounts to the grantee, |
| 8 | as such period may be extended under paragraph |
| 9 | (4). |
| 10 | "(2) RECAPTURE.—The Secretary shall recap- |
| 11 | ture and credit to the Fund any amount that is un- |
| 12 | used by a grantee under this section upon the earlier |
| 13 | of— |
| 14 | "(A) the date on which the grantee notifies |
| 15 | the Secretary that the grantee has completed all |
| 16 | activities identified in the disaster grantee's |
| 17 | plan under subsection (c); or |
| 18 | "(B) the expiration of the 6-year period |
| 19 | described in paragraph (1), as such period may |
| 20 | be extended under paragraph (4). |
| 21 | "(3) Retention of funds.—Notwithstanding |
| 22 | paragraph (1), the Secretary may allow a grantee |
| 23 | under this section to retain— |
| 24 | "(A) amounts needed to close out grants; |
| 25 | and |

| 1 | "(B) up to 10 percent of the remaining |
|----|--|
| 2 | funds to support maintenance of the minimal |
| 3 | capacity to launch a new program in the event |
| 4 | of a future disaster and to support pre-disaster |
| 5 | long-term recovery and mitigation planning. |
| 6 | "(4) Extension of Period for use of |
| 7 | FUNDS.—The Secretary may extend the 6-year pe- |
| 8 | riod described in paragraph (1) by not more than 4 |
| 9 | years, or not more than 6 years for mitigation activi- |
| 10 | ties, if— |
| 11 | "(A) the grantee submits to the Sec- |
| 12 | retary— |
| 13 | "(i) written documentation of the exi- |
| 14 | gent circumstances impacting the ability of |
| 15 | the grantee to expend funds that could not |
| 16 | be anticipated; or |
| 17 | "(ii) a justification that such request |
| 18 | is necessary due to the nature and com- |
| 19 | plexity of the program and projects; and |
| 20 | "(B) the Secretary submits a written jus- |
| 21 | tification for the extension to the Committees |
| 22 | on Appropriations of Senate and the House of |
| 23 | Representatives that specifies the period of that |
| 24 | extension.". |

1 SEC. 7. REGULATIONS.

- 2 (a) Proposed Rules.— Following consultation with
- 3 the Federal Emergency Management Agency, the Small
- 4 Business Administration, and other Federal agencies, not
- 5 later than 6 months after the date of enactment of this
- 6 Act, the Secretary shall issue proposed rules to carry out
- 7 this Act and the amendments made by this Act and shall
- 8 provide a 90-day period for submission of public comments
- 9 on those proposed rules.
- 10 (b) Final Rules.—Not later than 1 year after the
- 11 date of enactment of this Act, the Secretary shall issue
- 12 final regulations to carry out section 123 of the Housing
- 13 and Community Development Act of 1974, as added by
- 14 section 6.
- 15 SEC. 8. COORDINATION OF DISASTER RECOVERY ASSIST-
- 16 ANCE, BENEFITS, AND DATA WITH OTHER
- 17 FEDERAL AGENCIES.
- 18 (a) Coordination of Disaster Recovery Assist-
- 19 ANCE.—In order to ensure a comprehensive approach to
- 20 Federal disaster relief, long-term recovery, restoration of
- 21 housing and infrastructure, economic revitalization, and
- 22 mitigation in the most impacted and distressed areas re-
- 23 sulting from a catastrophic major disaster, the Secretary
- 24 shall coordinate with the Federal Emergency Management
- 25 Agency, to the greatest extent practicable, in the imple-
- 26 mentation of assistance authorized under section 123 of

- 1 the Housing and Community Development Act of 1974,
- 2 as added by section 6.
- 3 (b) Data Sharing Agreements.—To support the
- 4 coordination of data to prevent duplication of benefits with
- 5 other Federal disaster recovery programs while also expe-
- 6 diting recovery and reducing burden on disaster survivors,
- 7 the Department shall establish data sharing agreements
- 8 that safeguard privacy with relevant Federal agencies to
- 9 ensure disaster benefits effectively and efficiently reach in-
- 10 tended beneficiaries, while using effective means of pre-
- 11 venting harm to people and property.
- 12 (c) Data Transfer From FEMA and SBA to
- 13 HUD.—As permitted and deemed necessary for efficient
- 14 program execution, and consistent with a computer match-
- 15 ing agreement entered into under subsection (f)(1), the
- 16 Administrator of the Federal Emergency Management
- 17 Agency and the Administrator of the Small Business Ad-
- 18 ministration shall provide data on disaster applicants to
- 19 the Department, including, when necessary, personally
- 20 identifiable information, disaster recovery needs, and re-
- 21 sources determined eligible for, and amounts expended, to
- 22 the Secretary for all major disasters declared by the Presi-
- 23 dent pursuant to section 401 of Robert T. Stafford Dis-
- 24 aster Relief and Emergency Assistance Act (42 U.S.C.

- 1 5170) for the purpose of providing additional assistance
- 2 to disaster survivors and prevent duplication of benefits.
- 3 (d) Data Transfers From HUD to HUD Grant-
- 4 EES.—The Secretary is authorized to provide to grantees
- 5 under section 123 of the Housing and Community Devel-
- 6 opment Act of 1974, as added by section 6, offices of the
- 7 Department, technical assistance providers, and lenders
- 8 information that in the determination of the Secretary is
- 9 reasonably available and appropriate to inform the provi-
- 10 sion of assistance after a major disaster, including infor-
- 11 mation provided to the Secretary by the Administrator of
- 12 the Federal Emergency Management Agency, the Admin-
- 13 istrator of the Small Business Administration, or other
- 14 Federal agencies.
- 15 (e) Data Transfers From HUD Grantees to
- 16 HUD, FEMA, AND SBA.—
- 17 (1) Reporting.—Grantees under section 123
- of the Housing and Community Development Act of
- 19 1974, as added by section 6, shall report informa-
- 20 tion requested by the Secretary on households, busi-
- 21 nesses, and other entities assisted and the type of
- assistance provided.
- 23 (2) Sharing information.—The Secretary
- shall share information collected under paragraph
- 25 (1) with the Federal Emergency Management Agen-

- 1 cy, the Small Business Administration, and other
- 2 Federal agencies to support the planning and deliv-
- 3 ery of disaster recovery and mitigation assistance.
- 4 (f) Privacy Protection.—The Secretary may make
- 5 and receive data transfers authorized under this section,
- 6 including the use and retention of that data for computer
- 7 matching programs, to inform the provision of assistance,
- 8 assess disaster recovery needs, and prevent the duplication
- 9 of benefits and other waste, fraud, and abuse, provided
- 10 that—
- 11 (1) the Secretary enters a computer matching
- agreement with the Administrator of the Federal
- Emergency Management Agency, the Administrator
- of the Small Business Administration, or other Fed-
- eral agencies covering the transfer of data;
- 16 (2) the Secretary publishes intent to disclose
- data in the Federal Register;
- 18 (3) notwithstanding paragraphs (1) and (2),
- section 552a of title 5, United States Code (com-
- 20 monly known as the "Privacy Act of 1974"), or any
- other law, the Secretary is authorized to share data
- with an entity identified in subsection (d), and the
- entity is authorized to use the data as described in
- 24 this section, if the Secretary enters a data sharing
- agreement with the entity before sharing or receiving

| 1 | any information under transfers authorized by this |
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| 2 | section, which data sharing agreement shall— |
| 3 | (A) in the determination of the Secretary, |
| 4 | include measures adequate to safeguard the pri- |
| 5 | vacy and personally identifiable information of |
| 6 | individuals; and |
| 7 | (B) include provisions that describe how |
| 8 | the personally identifiable information of an in- |
| 9 | dividual will be adequately safeguarded and |
| 10 | protected, which requires consultation with the |
| | |

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agreement.

Secretary and the head of each Federal agency

the data of which is being shared subject to the

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