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(Original Signature of Member)

116TH CONGRESS  
1ST SESSION

# H. R. 3702

To authorize the Secretary of Housing and Urban Development to provide disaster assistance to States, Puerto Rico, units of general local government, and Indian tribes under a community development block grant disaster recovery program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. GREEN of Texas introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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## A BILL

To authorize the Secretary of Housing and Urban Development to provide disaster assistance to States, Puerto Rico, units of general local government, and Indian tribes under 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 of 2019”.

1 **SEC. 2. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**  
2 **ASTER RECOVERY PROGRAM.**

3 (a) IN GENERAL.—Title I of the Housing and Com-  
4 munity Development Act of 1974 (42 U.S.C. 5301 et seq.)  
5 is amended by adding at the end the following new section:

6 **“SEC. 123. CDBG-DISASTER RECOVERY ASSISTANCE.**

7 “(a) AUTHORITY; USE.—The Secretary may provide  
8 assistance under this section to States, including Puerto  
9 Rico, units of general local government, and Indian tribes  
10 for necessary expenses for activities authorized under this  
11 title related to disaster relief, resiliency, long-term recov-  
12 ery, restoration of infrastructure and housing, mitigation,  
13 and economic revitalization in the most impacted and dis-  
14 tressed areas (as such term shall be defined by the Sec-  
15 retary by regulation) resulting from a major disaster de-  
16 clared pursuant to the Robert T. Stafford Disaster Relief  
17 and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

18 “(b) ALLOCATION; COORDINATION.—

19 “(1) ALLOCATION FOR MITIGATION.—In deter-  
20 mining the amount allocated under this section for  
21 any grantee, the Secretary shall include an addi-  
22 tional amount for mitigation that is not less than 45  
23 percent of the amount allocated for such grantee for  
24 unmet needs.

25 “(2) DEADLINES FOR ALLOCATION.—Except as  
26 provided in paragraph (2), after the enactment of an

1 Act making funds available for assistance under this  
2 section, the Secretary shall allocate for grantees,  
3 based on the best available data all funds provided  
4 for assistance under this section within 60 days of  
5 the date of the enactment of such Act.

6 “(3) INAPPLICABILITY OF DEADLINES BASED  
7 ON INSUFFICIENT INFORMATION.—The deadlines  
8 under paragraph (2) for allocation of funds shall not  
9 apply in the case of funds made available for assist-  
10 ance under this section if Federal Emergency Man-  
11 agement Agency has not made sufficient information  
12 available to the Secretary regarding relevant unmet  
13 recovery needs to make allocations in accordance  
14 with such deadlines. The Secretary shall notify the  
15 Congress of progress on or delay in receiving the  
16 necessary information within 60 days following dec-  
17 laration of such a major disaster and monthly there-  
18 after until all necessary information is received.

19 “(4) OBLIGATION OF AMOUNTS BY THE SEC-  
20 RETARY.—Subject to subsection (c)(1), the Sec-  
21 retary shall provide for the disbursement of the  
22 amounts allocated for a grantee, but shall require  
23 the grantee to be in substantial compliance with the  
24 requirements of this section before each such dis-  
25 bursement.

1           “(5) COORDINATION OF DISASTER BENEFITS  
2           AND DATA WITH OTHER FEDERAL AGENCIES.—

3           “(A) COORDINATION OF DATA.—The Sec-  
4           retary shall coordinate with other agencies to  
5           obtain data on recovery needs, including the  
6           Administrator of the Federal Emergency Man-  
7           agement Agency and the Administrator of the  
8           Small Business Administration, and other agen-  
9           cies when necessary regarding disaster benefits.

10          “(B) COORDINATION WITH FEMA.—The  
11          Secretary shall share with the Administrator of  
12          the Federal Emergency Management Agency,  
13          and make publicly available, all data collected,  
14          possessed, or analyzed during the course of a  
15          disaster recovery for which assistance is pro-  
16          vided under this section including—

17                 “(i) all data on damage caused by the  
18                 disaster;

19                 “(ii) information on how any Federal  
20                 assistance provided in connection with the  
21                 disaster is expended; and

22                 “(iii) information regarding the effect  
23                 of the disaster on education, transportation  
24                 capabilities and dependence, housing

1 needs, health care capacity, and displace-  
2 ment of persons.

3 “(C) REQUIREMENTS REGARDING ELIGI-  
4 BILITY FOR DIRECT ASSISTANCE AND DUPLICA-  
5 TION OF BENEFITS.—

6 “(i) COMPLIANCE.—Funds made  
7 available under this subsection shall be  
8 used in accordance with section 312 of the  
9 Robert T. Stafford Disaster Relief and  
10 Emergency Assistance Act, (42 U.S.C.  
11 5155), as amended by section 1210 of the  
12 Disaster Recovery Reform Act of 2018  
13 (Division D, Public Law 115-254), and  
14 such rules as may be prescribed under  
15 such section.

16 “(ii) PRIORITY.—Households having  
17 the lowest incomes shall be prioritized for  
18 assistance under this section until all  
19 unmet needs are satisfied for families hav-  
20 ing an income up to 120 percent of the  
21 median for the area.

22 “(D) TREATMENT OF DUPLICATIVE BENE-  
23 FITS.—In any case in which a grantee provides  
24 assistance that duplicates benefits available to a  
25 person for the same purpose from another

1 source, the grantee itself shall either (i) be sub-  
2 ject to remedies for noncompliance under sec-  
3 tion 111, or (ii) bear responsibility for absorb-  
4 ing such cost of duplicative benefits and return-  
5 ing an amount equal to any duplicative benefits  
6 paid to the grantee's funds available for use  
7 under this section or to the Community Devel-  
8 opment Block Grant Disaster Recovery Reserve  
9 Fund under section 124, unless the Secretary  
10 issues a public determination by publication in  
11 the Federal Register that it is not in the best  
12 interest of the Federal Government to pursue  
13 such remedies.

14 “(E) PROTECTION OF PERSONALLY IDEN-  
15 TIFIABLE INFORMATION.—In carrying out this  
16 paragraph, the Secretary and the grantee shall  
17 take such actions as may be necessary to ensure  
18 that personally identifiable information regard-  
19 ing recipients of assistance provided from funds  
20 made available under this section is not made  
21 publically available by the Department of Hous-  
22 ing and Urban Development or any agency with  
23 which information is shared pursuant to this  
24 paragraph.

25 “(c) PLAN FOR USE OF ASSISTANCE.—

1           “(1) REQUIREMENT.—Not later than 90 days  
2 after the allocation pursuant to subsection (b)(1) of  
3 all of the funds made available by an appropriations  
4 Act for assistance under this section and before the  
5 Secretary obligates any of such funds for a grantee,  
6 the grantee shall submit a plan to the Secretary for  
7 approval detailing the proposed use of all funds,  
8 which shall include, at a minimum—

9           “(A) criteria for eligibility for each pro-  
10 posed use of funds, including eligibility limits  
11 on income and geography, and a description of  
12 how each proposed use of such funds will com-  
13 ply with all civil rights and fair housing laws  
14 and will address unmet needs relating to dis-  
15 aster relief, resiliency, long-term recovery, res-  
16 toration of infrastructure and housing, mitiga-  
17 tion, and economic revitalization in the most  
18 impacted and distressed areas, including assist-  
19 ance to impacted households experiencing home-  
20 lessness as defined by section 103 of the  
21 McKinney-Vento Homeless Assistance Act (42  
22 U.S.C. 11302) or at risk of homelessness as de-  
23 fined by section 401 of such Act (42 U.S.C.  
24 11360);

1           “(B) an agreement to share data,  
2           disaggregated by the smallest census tract,  
3           block group, or block possible for the data set,  
4           with Federal agencies and other providers of  
5           disaster relief, which shall include information  
6           the grantee has regarding the matters described  
7           in subsection (b)(4)(B);

8           “(C) identification of officials and offices  
9           responsible for administering such funds and  
10          processes and procedures for identifying and re-  
11          covering duplicate benefits; and

12          “(D) a plan for ensuring compliance with  
13          the Fair Housing Act, which may include, at  
14          the election of the grantee, providing for part-  
15          nerships with local fair housing organizations  
16          and funding set-aside for local fair housing or-  
17          ganizations to handle complaints relating to as-  
18          sistance with amounts made available for use  
19          under this section.

20          “(2) APPROVAL.—The Secretary shall, by regu-  
21          lation, specify criteria for approval of plans under  
22          paragraph (1), including approval of substantial  
23          amendments to such plans.



1           “(3) DISAPPROVAL.—The Secretary shall dis-  
2           approve a plan or substantial amendment to a plan  
3           if—

4                   “(A) the plan or substantial amendment  
5           does not meet the approval criteria;

6                   “(B) based on damage and unmet needs  
7           assessments of the Secretary and the Federal  
8           Emergency Management Administration or  
9           such other information as may be available, the  
10          plan or amendment does not address equitable  
11          allocation of resources—

12                   “(i) between infrastructure and hous-  
13          ing activities; and

14                   “(ii) between homeowners, renters,  
15          and persons experiencing homelessness;

16                   “(C) the plan or amendment does not pro-  
17          vide an adequate plan for ensuring that funding  
18          provided under this section is used in compli-  
19          ance with the Fair Housing Act;

20                   “(D) the plan or amendment does not  
21          prioritize the one-for-one replacement, with cost  
22          adjustment where appropriate, of damaged  
23          dwelling units in public housing, in projects re-  
24          ceiving tax credits pursuant to section 42 of the  
25          Internal Revenue Code of 1986, or in projects

1           assisted under section 202 of the Housing Act  
2           of 1959 (12 U.S.C. 1701q), under section 811  
3           of the Cranston-Gonzalez National Affordable  
4           Housing Act (42 U.S.C. 8013), under the  
5           HOME Investment Partnerships Act (42  
6           U.S.C. 12721 et seq), under the community de-  
7           velopment block grant program under this title,  
8           or by the Housing Trust Fund under section  
9           1338 of the Housing and Community Develop-  
10          ment Act of 1992 (12 U.S.C. 4568); or

11                 “(E) the plan or amendment does not pro-  
12          vide a process to provide applicants—

13                         “(i) notice by grantee of applicant’s  
14                         right to appeal any adverse action or inae-  
15                         tion;

16                         “(ii) right to full discovery of appli-  
17                         cant’s entire application file; and

18                         “(iii) right to appeal to a court of  
19                         competent jurisdiction in the vicinage of  
20                         the applicant’s residence at the time of the  
21                         appeal.

22                 “(4) PUBLIC CONSULTATION.— In developing  
23          the plan required under paragraph (1), a grantee  
24          shall, at a minimum—

1           “(A) consult with affected residents, stake-  
2 holders, local governments, and public housing  
3 authorities to assess needs;

4           “(B) publish the plan in accordance with  
5 the requirements set forth by the Secretary, in-  
6 cluding a requirement to prominently post the  
7 plan on the website of the grantee for not less  
8 than 14 days;

9           “(C) ensure equal access for individuals  
10 with disabilities and individuals with limited  
11 English proficiency; and

12           “(D) publish the plan in a manner that af-  
13 fords citizens, affected local governments, and  
14 other interested parties a reasonable oppor-  
15 tunity to examine the contents of the plan and  
16 provide feedback.

17           “(5) RESUBMISSION.—The Secretary shall per-  
18 mit a grantee to revise and resubmit a disapproved  
19 plan or plan amendment.

20           “(6) TIMING.—

21           “(A) IN GENERAL.—The Secretary shall  
22 approve or disapprove a plan not later than 60  
23 days after submission of the plan to the Sec-  
24 retary. The Secretary shall immediately notify  
25 the applicant of the Secretary’s decision.

1           “(B) DISAPPROVAL.—If the Secretary dis-  
2           approves a plan, not later than 15 days after  
3           such disapproval the Secretary shall inform the  
4           applicant in writing of (A) the reasons for dis-  
5           approval, and (B) actions that the applicant  
6           could take to meet the criteria for approval.

7           “(C) AMENDMENTS; RESUBMISSION.—The  
8           Secretary shall, for a period of not less than 45  
9           days following the date of disapproval, permit  
10          amendments to, or the resubmission of, any  
11          plan that is disapproved. The Secretary shall  
12          approve or disapprove a plan amendment not  
13          less than 30 days after receipt of such amend-  
14          ments or resubmission.

15          “(D) GRANT AGREEMENTS.—Subject to  
16          subsection (b)(3), the Secretary shall ensure  
17          that all grant agreements necessary for prompt  
18          disbursement of funds allocated to a grantee  
19          are executed within 60 days of approval of  
20          grantee’s plan.

21          “(d) FINANCIAL CONTROLS.—

22                 “(1) COMPLIANCE SYSTEM.—The Secretary  
23                 shall develop and maintain a system to ensure that  
24                 each grantee has and will maintain for the life of the  
25                 grant—

1           “(A) proficient financial controls and pro-  
2           curement processes;

3           “(B) adequate procedures to ensure that  
4           all eligible families and individuals are approved  
5           for assistance with amounts made available  
6           under this section and that recipients are pro-  
7           vided the full amount of assistance for which  
8           they are eligible;

9           “(C) adequate procedures to prevent any  
10          duplication of benefits, as defined by section  
11          312 of the Robert T. Stafford Disaster Relief  
12          and Emergency Assistance Act (42 U.S.C.  
13          5155), to ensure timely expenditure of funds,  
14          and to detect and prevent waste, fraud, and  
15          abuse of funds; and

16          “(D) adequate procedures to ensure the  
17          grantee will maintain comprehensive and pub-  
18          licly accessible websites that make available in-  
19          formation regarding all disaster recovery activi-  
20          ties assisted with such funds, which information  
21          shall include—

22                 “(i) full and unredacted copies of all  
23                 requests for qualification for assistance or  
24                 for procurement with such funds, however  
25                 styled;

1           “(ii) all responses to such requests,  
2           subject to redactions necessary to protect  
3           personal or proprietary data;

4           “(iii) the identity of any entity that  
5           reviews, evaluates, scores, or otherwise in-  
6           fluences or determines the disposition of  
7           such requests;

8           “(iv) all reports, however styled, con-  
9           taining the reviewing individual or entity’s  
10          scores, findings, and conclusions regarding  
11          such requests; and

12          “(v) any resulting contract, agree-  
13          ment, or other disposition of such requests;  
14          except that such procedures shall ensure  
15          that personally identifiable information re-  
16          garding recipients of assistance provided  
17          from funds made available under this sec-  
18          tion shall not be made publicly available.

19          “(2) EVALUATION OF COMPLIANCE.—The Sec-  
20          retary shall provide, by regulation or guideline, a  
21          method for qualitatively and quantitatively evalu-  
22          ating compliance with the requirements under para-  
23          graph (1).

24          “(3) CERTIFICATION.—As a condition of mak-  
25          ing any grant, the Secretary shall certify in advance

1 that the grantee has in place the processes and pro-  
2 cedures required under subparagraphs (A) through  
3 (D) of paragraph (1).

4 “(e) USE OF FUNDS.—

5 “(1) ADMINISTRATIVE COSTS.—

6 “(A) IN GENERAL.—A State, unit of gen-  
7 eral local government, or Indian tribe receiving  
8 a grant under this section may use not less  
9 than 7 percent and not more than 10 percent  
10 of the amount of grant funds received, or with-  
11 in such other percentage as may be established  
12 pursuant to subparagraph (B), for administra-  
13 tive costs and shall document the use of funds  
14 for such purpose in accordance with such re-  
15 quirements as the Secretary shall establish.

16 “(B) DISCRETION TO ESTABLISH SLIDING  
17 SCALE.—The Secretary may establish a series  
18 of percentage limitations on the amount of  
19 grant funds received that may be used by a  
20 grantee for administrative costs, but only if—

21 “(i) such percentage limitations are  
22 based on the amount of grant funds re-  
23 ceived by a grantee;

24 “(ii) such series provides that the per-  
25 centage that may be so used is lower for

1 grantees receiving a greater amount of  
2 grant funds and such percentage that may  
3 be so used is higher for grantees receiving  
4 a lesser amount of grant funds; and

5 “(iii) in no case may a grantee so use  
6 more than 10 percent of grant funds re-  
7 ceived.

8 “(2) LIMITATIONS ON USE.—Amounts from a  
9 grant under this section may not be used for activi-  
10 ties—

11 “(A) that are reimbursable, or for which  
12 funds are made available, by the Federal Emer-  
13 gency Management Agency, including under the  
14 Robert T. Stafford Disaster Relief and Emer-  
15 gency Assistance Act or the National Flood In-  
16 surance Program; or

17 “(B) for which funds are made available  
18 by the Army Corps of Engineers.

19 “(3) HUD ADMINISTRATIVE COSTS.—

20 “(A) LIMITATION.—Of any funds made  
21 available for use under this section by any sin-  
22 gle appropriations Act, the Secretary may use 1  
23 percent of any such amount exceeding  
24 \$1,000,000,000 for necessary costs, including  
25 information technology costs, of administering



1 and overseeing the obligation and expenditure  
2 of amounts made available for use under this  
3 section.

4 “(B) TRANSFER OF FUNDS.—Any amounts  
5 made available for use in accordance with sub-  
6 paragraph (A)—

7 “(i) shall be transferred to the ac-  
8 count for Program Office Salaries and Ex-  
9 penses—Community Planning and Devel-  
10 opment for the Department;

11 “(ii) shall remain available until ex-  
12 pended; and

13 “(iii) may be used for administering  
14 any funds appropriated to the Department  
15 for any disaster and related purposes in  
16 any prior or future Act, notwithstanding  
17 the disaster for which such funds were ap-  
18 propriated.

19 “(4) INSPECTOR GENERAL.—Of any funds  
20 made available for use in accordance with paragraph  
21 (3)(A), 15 percent shall be transferred to the Office  
22 of the Inspector General for necessary costs of au-  
23 dits, reviews, oversight, evaluation, and investiga-  
24 tions relating to amounts made available for use  
25 under this section.

1           “(5) CAPACITY BUILDING.—Of any funds made  
2           available for use under this section, not more than  
3           0.1 percent or \$15,000,000, whichever is less, shall  
4           be made available to the Secretary for capacity  
5           building and technical assistance, including assist-  
6           ance regarding contracting and procurement proc-  
7           esses, to support grantees and subgrantees receiving  
8           funds under this section.

9           “(6) COMPLIANCE WITH STORM WATER PRO-  
10          TECTIONS.—The Secretary shall provide that no  
11          funds made available under this section may be used  
12          for construction, reconstruction, or installation of  
13          any infrastructure unless the infrastructure assisted  
14          complies with any minimum standards for protection  
15          from floods and stormwaters, including the Federal  
16          Flood Risk Management Standards of the Federal  
17          Emergency Management Agency.

18          “(7) FLOOD RISK MITIGATION.—

19                 “(A) REQUIREMENTS.—Subject to sub-  
20                 paragraph (B), the Secretary shall require that  
21                 any structure that is located in an area having  
22                 special flood hazards and that is newly con-  
23                 structed, for which substantial damage is re-  
24                 paired, or that is substantially improved, using  
25                 amounts made available under this section,

1 shall be elevated with the lowest floor, including  
2 the basement, at least two feet above the base  
3 flood level.

4 “(B) ALTERNATIVE MITIGATION.—In the  
5 case of existing structures consisting of multi-  
6 family housing and row houses, the Secretary  
7 shall seek consultation with the Administrator  
8 of the Federal Emergency Management Agency,  
9 shall provide for alternative forms of mitigation  
10 (apart from elevation), and shall exempt from  
11 the requirement under subparagraph (A) any  
12 such structure that meets the standards for  
13 such an alternative form of mitigation.

14 “(C) DEFINITIONS.—For purposes of sub-  
15 paragraph (A), the terms ‘area having special  
16 flood hazards’, ‘newly constructed’, ‘substantial  
17 damage’, ‘substantial improvement’, and ‘base  
18 flood level’ have the same meanings as under  
19 the Flood Disaster Protection Act of 1973 and  
20 the National Flood Insurance Act of 1968 (42  
21 U.S.C. 4001 et seq.).

22 “(f) ADMINISTRATION.—In administering any  
23 amounts made available for assistance under this section,  
24 the Secretary—

1           “(1) may not allow a grantee to use any such  
2 amounts for any purpose other than the purpose ap-  
3 proved by the Secretary in the plan or amended plan  
4 submitted under subsection (c)(1) to the Secretary  
5 for use of such amounts;

6           “(2) may not permit a grantee to amend a plan  
7 to retroactively approve a beneficiary’s use of funds  
8 for an eligible activity other than an activity for  
9 which the funds were originally approved in the  
10 plan; and

11           “(3) shall prohibit a grantee from delegating,  
12 by contract or otherwise, the responsibility for inher-  
13 ent government functions.

14           “(g) TRAINING FOR GRANT MANAGEMENT FOR SUB-  
15 GRANTEES.—The Secretary shall require each grantee to  
16 provide ongoing training to all staff and subgrantees.

17           “(h) PROCUREMENT PROCESSES AND PROCEDURES  
18 FOR GRANTEES.—

19           “(1) GRANTEE PROCESSES AND PROCE-  
20 DURES.—In procuring property or services to be  
21 paid for in whole or in part with amounts from a  
22 grant under this section, a grantee shall—

23                   “(A) follow its own procurement processes  
24 and procedures, but only if the Secretary makes  
25 a determination that such processes and proce-

1           dures comply with the requirements under  
2           paragraph (2); or

3           “(B) comply with such processes and pro-  
4           cedures as the Secretary shall, by regulation,  
5           establish for purposes of this section.

6           “(2) REQUIREMENTS.—The requirements under  
7           this paragraph with respect to the procurement  
8           processes and procedures of a grantee are that such  
9           processes and procedures shall—

10           “(A) provide for full and open competition  
11           and require cost or price analysis;

12           “(B) include requirements for procurement  
13           policies and procedures for subgrantees;

14           “(C) specify methods of procurement and  
15           their applicability, but not allow cost-plus-a-per-  
16           centage-of cost or percentage-of-construction-  
17           cost methods of procurement;

18           “(D) include standards of conduct gov-  
19           erning employees engaged in the award or ad-  
20           ministration of contracts; and

21           “(E) ensure that all purchase orders and  
22           contracts include any clauses required by Fed-  
23           eral Statute, Executive Order, or implementing  
24           regulation.

1           “(3) NONCOMPLIANCE.—In the case of a grant-  
2           ee for which the Secretary finds pursuant to para-  
3           graph (1)(A) that its procurement processes and  
4           procedures do not comply with paragraph (2), the  
5           Secretary shall—

6                   “(A) provide the grantee with specific writ-  
7                   ten notice of the elements of noncompliance and  
8                   the changes necessary to such processes and  
9                   procedures to provide for compliance;

10                   “(B) provide the grantee a reasonable pe-  
11                   riod of time to come into compliance; and

12                   “(C) during such period allow the grantee  
13                   to proceed with procuring property and services  
14                   paid for in whole or in part with amounts from  
15                   a grant under this section in compliance with  
16                   the procurement processes and procedures of  
17                   the grantee, but only if the Secretary deter-  
18                   mines that the grantee is making a good faith  
19                   effort to effectuate compliance with the require-  
20                   ments of paragraph (2).

21           “(i) TREATMENT OF CDBG ALLOCATIONS.—  
22           Amounts made available for use under this section shall  
23           not be considered relevant to the non-disaster formula al-  
24           locations made pursuant to section 106 of this title (42  
25           U.S.C. 5306).

1 “(j) WAIVERS.—

2 “(1) AUTHORITY.—Subject to the other provi-  
3 sions of this section, in administering amounts made  
4 available for use under this section, the Secretary  
5 may waive, or specify alternative requirements for,  
6 any provision of any statute or regulation that the  
7 Secretary administers in connection with the obliga-  
8 tion by the Secretary or the use by the recipient of  
9 such funds (except for requirements related to fair  
10 housing, nondiscrimination, labor standards, and the  
11 environment and except for the requirements of this  
12 section), if the Secretary makes a public finding that  
13 good cause exists for the waiver or alternative re-  
14 quirement and such waiver or alternative require-  
15 ment would not be inconsistent with the overall pur-  
16 pose of this title.

17 “(2) NOTICE AND PUBLICATION.—Any waiver  
18 of or alternative requirement pursuant to paragraph  
19 (1) shall not take effect before the expiration of the  
20 5-day period beginning upon the publication of no-  
21 tice in the Federal Register of such waiver or alter-  
22 native requirement.

23 “(3) LOW- AND MODERATE-INCOME USE.—The  
24 requirements in this Act that apply to grants made  
25 under section 106 of this title (except those related

1 to the allocation) apply equally to grants under this  
2 section unless modified by a waiver or alternative re-  
3 quirement pursuant to paragraph (1). Notwith-  
4 standing the preceding sentence, the Secretary may  
5 not grant a waiver to reduce the percentage of funds  
6 that must be used for activities that benefit persons  
7 of low and moderate income to less than 70 percent,  
8 unless the Secretary specifically finds that there is  
9 compelling need to further reduce the percentage re-  
10 quirement and that funds are not necessary to ad-  
11 dress the housing needs of low- and moderate-in-  
12 come residents.

13 “(4) PROHIBITION.—The Secretary may not  
14 waive any provision of this section pursuant to the  
15 authority under paragraph (1).

16 “(k) ENVIRONMENTAL REVIEW.—

17 “(1) ADOPTION.—Notwithstanding subsection  
18 (j)(1), recipients of funds provided under this section  
19 that use such funds to supplement Federal assist-  
20 ance provided under section 402, 403, 404, 406,  
21 407, 408(c)(4), 428, or 502 of the Robert T. Staf-  
22 ford Disaster Relief and Emergency Assistance Act  
23 (42 U.S.C. 5121 et seq.) may adopt, without review  
24 or public comment, any environmental review, ap-  
25 proval, or permit performed by a Federal agency,



1 and such adoption shall satisfy the responsibilities of  
2 the recipient with respect to such environmental re-  
3 view, approval, or permit under section 104(g)(1) of  
4 this title (42 U.S.C. 5304(g)(1)).

5 “(2) RELEASE OF FUNDS.—Notwithstanding  
6 section 104(g)(2) of this title (42 U.S.C.  
7 5304(g)(2)), the Secretary may, upon receipt of a  
8 request for release of funds and certification, imme-  
9 diately approve the release of funds for an activity  
10 or project assisted with amounts made available for  
11 use under this section if the recipient has adopted  
12 an environmental review, approval or permit under  
13 paragraph (1) or the activity or project is categori-  
14 cally excluded from review under the National Envi-  
15 ronmental Policy Act of 1969 (42 U.S.C. 4321 et  
16 seq.).

17 “(1) COLLECTION OF INFORMATION; AUDITS AND  
18 OVERSIGHT.—

19 “(1) COLLECTION OF INFORMATION.—For each  
20 major disaster for which assistance is made available  
21 under this section, the Secretary shall collect infor-  
22 mation from grantees regarding all recovery activi-  
23 ties so assisted, including information on applicants  
24 and recipients of assistance, and shall make such in-  
25 formation available to the public and to the Inspec-

1       tor General for the Department of Housing and  
2       Urban Development on a monthly basis using uni-  
3       form data collection practices, and shall provide a  
4       monthly update to the Congress regarding compli-  
5       ance with this section. Information collected and re-  
6       ported by grantees and the Secretary shall be  
7       disaggregated by program, race, income, geography,  
8       and all protected classes of individuals under the  
9       Robert T. Stafford Disaster Relief and Emergency  
10      Assistance Act, the Americans with Disabilities Act  
11      of 1990, the Fair Housing Act, the Civil Rights Act  
12      of 1964, and other civil rights and nondiscrimination  
13      protections, with respect to the smallest census  
14      tract, block group, or block possible for the data set.

15           “(2) AVAILABILITY OF INFORMATION.— In car-  
16      rying out this paragraph, the Secretary may make  
17      full and unredacted information available to aca-  
18      demic and research institutions for the purpose of  
19      research into the equitable distribution of recovery  
20      funds, adherence to civil rights protections, and  
21      other areas.

22           “(3) PROTECTION OF INFORMATION.—The Sec-  
23      retary shall take such actions and make such  
24      redactions as may be necessary to ensure that per-  
25      sonally identifiable information regarding recipients

1 of assistance provided from funds made available  
2 under this section shall not made publicly available.

3 “(4) AUDITS AND OVERSIGHT.—In conducting  
4 audits, reviews, oversight, evaluation, and investiga-  
5 tions, in addition to activities designed to prevent  
6 and detect waste, fraud, and abuse, the Inspector  
7 General shall review programs of grantees under this  
8 section for providing disaster relief and recovery as-  
9 sistance to ensure such programs fulfill their agreed-  
10 upon purposes and serve all eligible applicants for  
11 disaster relief or recovery assistance.

12 “(m) BEST PRACTICES.—

13 “(1) STUDY.—The Secretary shall direct the  
14 Office Community Planning and Development to col-  
15 laborate with the Office of Policy Development and  
16 Research to identify best practices for grantees on  
17 issues including developing the action plan under  
18 subsection (c) and substantive amendments, estab-  
19 lishing financial controls, building grantee technical  
20 and administrative capacity, procurement, compli-  
21 ance with Fair Housing Act statute and regulations,  
22 and use of grant funds as local match for other  
23 sources of federal funding. The Secretary shall pub-  
24 lish a compilation of such identified best practices  
25 and share with all relevant grantees to facilitate a

1 more efficient and effective disaster recovery proc-  
2 ess. The compilation shall include guidelines for  
3 housing and economic revitalization programs, in-  
4 cluding mitigation, with sufficient model language on  
5 program design for grantees to incorporate into ac-  
6 tion plans. The compilation shall include standards  
7 for at least form of application, determining unmet  
8 need, and income eligibility.

9 “(2) PROMULGATION.—After publication of the  
10 final compilation, the Secretary shall issue either  
11 Federal regulations, as part of the final rule for the  
12 above authorization or as a separate rule, or a Fed-  
13 eral Register notice that establishes the require-  
14 ments which grantees must follow in order to qualify  
15 for expedited review and approval. Such guidance  
16 shall establish standard language for inclusion in ac-  
17 tion plans under subsection (c) and for establishing  
18 standardized programs and activities recognized by  
19 the Secretary. Use of best practices shall not pre-  
20 clude grantees from standard requirements for pub-  
21 lic comment, community engagement, and online  
22 posting of the action plan. Use of promulgated best  
23 practices shall allow for an expedited review process,  
24 under which the Secretary will approve or disapprove  
25 such programs within 30 days. The Secretary shall

1 publish the draft compilation of best practices on its  
2 website and allow the public 60 days to submit com-  
3 ments. The Secretary shall review all public com-  
4 ments and publish a final compilation within one  
5 year from the date of enactment. The Secretary may  
6 revise the requirements for best practices at any  
7 time after a public comment period of at least 60  
8 days.

9 “(n) PLAN PRE-CERTIFICATION FOR UNITS OF GEN-  
10 ERAL LOCAL GOVERNMENT.—

11 “(1) IN GENERAL.—The Secretary shall carry  
12 out a program under this subsection to provide for  
13 units of general local government to pre-certify as el-  
14 igible grantees for assistance under this section. The  
15 objective of such program shall be to—

16 “(A) allow grantees that have consistently  
17 demonstrated the ability to administer funds re-  
18 sponsibly and equitably in similar disasters to  
19 utilize in subsequent years plans which are sub-  
20 stantially similar to those the Department has  
21 previously approved; and

22 “(B) facilitate the re-use of a plan or its  
23 substantially similar equivalent by a pre-cer-  
24 tified grantee for whom the plan has previously  
25 been approved and executed upon.

1           “(2) REQUIREMENTS.—To be eligible for pre-  
2           certification under the program under this sub-  
3           section a unit of general local government shall—

4                   “(A) demonstrate to the satisfaction of the  
5           Secretary compliance with the requirements of  
6           this section; and

7                   “(B) have previously submitted a plan or  
8           its substantially similar equivalent and received  
9           assistance thereunder as a grantee or sub-  
10          grantee under this section, or with amounts  
11          made available for the Community Development  
12          Block Grant—Disaster Recovery account, in  
13          connection with two or more major disasters de-  
14          clared pursuant to the Robert T. Stafford Dis-  
15          aster Relief and Emergency Assistance Act (42  
16          U.S.C. 5121 et seq.).

17          “(3) APPROVAL OF PLANS.—

18                   “(A) EXPEDITED APPROVAL PROCESSES.—  
19          The Secretary shall establish and maintain  
20          processes for expediting approval of plans for  
21          units of general local government that are pre-  
22          certified under this subsection.

23                   “(B) EFFECT OF PRE-CERTIFICATION.—  
24          Pre-certification pursuant to this subsection  
25          shall not—

1                   “(i) establish any entitlement to, or  
2                   priority or preference for, allocation of  
3                   funds made available under this section; or

4                   “(ii) exempt any grantee from com-  
5                   plying with any of the requirements under,  
6                   or established pursuant to, subsection (c)  
7                   or (d).

8                   “(4) DURATION.—Pre-certification under this  
9                   subsection shall be effective for a term of 10 years.

10                  “(o) DEPOSIT OF UNUSED AMOUNTS IN FUND.—

11                  “(1) IN GENERAL.—If any amounts made avail-  
12                  able for assistance under this section to grantees re-  
13                  main unexpended upon the earlier of—

14                  “(A) the date that the grantee of such  
15                  amounts notifies the Secretary that the grantee  
16                  has completed all activities identified in the  
17                  grantee’s plan for use of such amounts that was  
18                  approved by the Secretary in connection with  
19                  such grant; or

20                  “(B) the expiration of the 6-year period  
21                  beginning upon the Secretary obligating such  
22                  amounts to the grantee, as such period may be  
23                  extended pursuant to paragraph (2), the Sec-  
24                  retary shall transfer such unexpended amounts  
25                  to the Secretary of the Treasury for deposit

1           into the Community Development Block Grant  
2           Disaster Recovery Reserve Fund established  
3           under section 124, except that the Secretary  
4           may, by regulation, permit the grantee to retain  
5           amounts needed to close out the grant.

6           “(2) EXTENSION OF PERIOD FOR USE OF  
7           FUNDS.—The period under paragraph (1)(B) shall  
8           be extended by not more than 4 years if, before the  
9           expiration of such 6-year period, the Secretary  
10          waives this requirement and submits a written jus-  
11          tification for such waiver to the Committees on Ap-  
12          propriations of the House of Representatives and the  
13          Senate that specifies the period of such extension.

14          “(p) DEFINITIONS.—For purposes of this section:

15                 “(1) GRANTEE.—The term ‘grantee’ means a  
16                 recipient of funds made available under this section  
17                 after its enactment.

18                 “(2) SUBSTANTIALLY SIMILAR.—The term ‘sub-  
19                 stantially similar’ means, with respect to a plan, a  
20                 plan previously approved by the Department, admin-  
21                 istered successfully by the grantee, and relating to  
22                 disasters of the same type.

23                 “(3) OTHER TERMS.—Within one year of enact-  
24                 ment of this section, the Department shall issue  
25                 rules to define the following terms:



1 “(A) Unmet needs.

2 “(B) Most impacted and distressed.

3 “(C) Substantial compliance.

4 “(D) Full and open competition.

5 “(E) Cost plus a percentage of cost.

6 “(F) Percentage of construction cost.

7 **“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**  
8 **ASTER RECOVERY RESERVE FUND.**

9 “(a) **ESTABLISHMENT.**—There is established in the  
10 Treasury of the United States an account to be known  
11 as the Community Development Block Grant Disaster Re-  
12 covery Reserve Fund (in this section referred to as the  
13 ‘Fund’).

14 “(b) **AMOUNTS.**—The Fund shall consist of any  
15 amounts appropriated to or deposited into the Fund, in-  
16 cluding amounts deposited into the Fund pursuant to sec-  
17 tion 123(o).

18 “(c) **USE.**—Amounts in the Fund shall be available,  
19 pursuant to the occurrence of a major disaster declared  
20 under the Robert T. Stafford Disaster Relief and Emer-  
21 gency Assistance Act, only for providing technical assist-  
22 ance and capacity building in connection with section 123  
23 for grantees under such section that have been allocated  
24 assistance under such section in connection with such dis-  
25 aster to facilitate planning required under such section

1 and increase capacity to administer assistance provided  
2 under such section.”.

3 (b) REGULATIONS.—

4 (1) PROPOSED RULE.—Not later than the expi-  
5 ration of the 6-month period beginning on the date  
6 of the enactment of this Act, the Secretary of Hous-  
7 ing and Urban Development shall issue proposed  
8 rules to carry out sections 123 and 124 of the Hous-  
9 ing and Community Development Act of 1974, as  
10 added by the amendment made by subsection (a) of  
11 this section, and shall provide a 90-day period for  
12 submission of public comments on such proposed  
13 rule.

14 (2) FINAL RULE.—Not later than the expira-  
15 tion of the 12-month period beginning on the date  
16 of the enactment of this Act, the Secretary of Hous-  
17 ing and Urban Development shall issue final regula-  
18 tions to carry out sections 123 and 124 of the Hous-  
19 ing and Community Development Act of 1974, as  
20 added by the amendment made by subsection (a) of  
21 this section.