

118TH CONGRESS  
1ST SESSION

# H. R. 5940

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.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2023

Mr. GREEN of Texas introduced the following bill

OCTOBER 25, 2023

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

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## 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Reforming Disaster  
3 Recovery Act”.

4 **SEC. 2. FINDINGS.**

5 Congress finds that—

6 (1) following a major disaster declared by the  
7 President under section 401 of the Robert T. Staf-  
8 ford Disaster Relief and Emergency Assistance Act  
9 (42 U.S.C. 5170), the subset of communities that  
10 are most impacted and distressed as a result of the  
11 disaster face critical social, economic, and environ-  
12 mental obstacles to recovery, including insufficient  
13 public and private resources to address disaster-re-  
14 lated housing and community development needs for  
15 lower income households and distressed commu-  
16 nities;

17 (2) unmet disaster recovery needs, including  
18 housing assistance needs, can be especially wide-  
19 spread among persons with extremely low-, low-, and  
20 moderate-incomes;

21 (3) economic, social, and housing hardships  
22 that affect communities before disasters are exacer-  
23 bated during crises and can delay and complicate  
24 long-term recovery, especially after catastrophic  
25 major disasters;

1           (4) States, units of local government, and In-  
2           dian Tribes within the most impacted and distressed  
3           areas resulting from major disasters benefit from  
4           flexibility to design programs that meet local needs,  
5           but face inadequate financial, technical, and staffing  
6           capacity to plan and carry out sustained recovery,  
7           restoration, and mitigation activities;

8           (5) the speed and effectiveness considerations of  
9           long-term recovery from catastrophic major disasters  
10          is improved by predictable investments that support  
11          disaster relief, long-term recovery, restoration of  
12          housing and infrastructure, and economic revitaliza-  
13          tion, primarily for the benefit of low- and moderate-  
14          income persons;

15          (6) undertaking activities that mitigate the ef-  
16          fects of future natural disasters and extreme weath-  
17          er and increase the stock of affordable housing, in-  
18          cluding affordable rental housing, as part of long-  
19          term recovery can significantly reduce future fiscal  
20          and social costs, especially within high-risk areas,  
21          and can help to address outstanding housing and  
22          community development needs by creating jobs and  
23          providing other economic and social benefits within  
24          communities that further promote recovery and resil-  
25          ience; and

1           (7) the general welfare and security of the  
2 United States and the health and living standards of  
3 its people require targeted resources to support  
4 State and local governments in carrying out their re-  
5 sponsibilities in disaster recovery and mitigation  
6 through interim and long-term housing and commu-  
7 nity development activities that primarily benefit  
8 low- and moderate-income persons.

9 **SEC. 3. DEFINITIONS.**

10 In this Act:

11           (1) DEPARTMENT.—The term “Department”  
12 means the Department of Housing and Urban De-  
13 velopment.

14           (2) FUND.—The term “Fund” means the  
15 Long-Term Disaster Recovery Fund established  
16 under section 5.

17           (3) SECRETARY.—The term “Secretary” means  
18 the Secretary of Housing and Urban Development.

19 **SEC. 4. DUTIES OF THE DEPARTMENT OF HOUSING AND**  
20 **URBAN DEVELOPMENT.**

21           (a) IN GENERAL.—The offices and officers of the De-  
22 partment shall be responsible for—

23           (1) leading and coordinating the disaster-re-  
24 lated responsibilities of the Department under the  
25 National Response Framework, the National Dis-

1       aster Recovery Framework, and the National Mitiga-  
2       tion Framework;

3           (2) coordinating and administering programs,  
4       policies, and activities of the Department related to  
5       disaster relief, long-term recovery, resiliency, and  
6       mitigation, including disaster recovery assistance  
7       under title I of the Housing and Community Devel-  
8       opment Act of 1974 (42 U.S.C. 5301 et seq.);

9           (3) supporting disaster-impacted communities  
10      as those communities specifically assess, plan for,  
11      and address the housing stock and housing needs in  
12      the transition from emergency shelters and interim  
13      housing to permanent housing of those displaced, es-  
14      pecially among vulnerable populations and extremely  
15      low-, low-, and moderate-income households;

16          (4) collaborating with the Federal Emergency  
17      Management Agency and the Small Business Ad-  
18      ministration and across the Department to align dis-  
19      aster-related regulations and policies, including in-  
20      corporation of consensus-based codes and standards  
21      and insurance purchase requirements, and ensuring  
22      coordination and reducing duplication among other  
23      Federal disaster recovery programs;

24          (5) promoting best practices in mitigation and  
25      land use planning, including consideration of tradi-

1 tional, natural, and nature-based infrastructure al-  
2 ternatives;

3 (6) coordinating technical assistance, including  
4 mitigation, resiliency, and recovery training and in-  
5 formation on all relevant legal and regulatory re-  
6 quirements, to entities that receive disaster recovery  
7 assistance under title I of the Housing and Commu-  
8 nity Development Act of 1974 (42 U.S.C. 5301 et  
9 seq.) that demonstrate capacity constraints; and

10 (7) supporting State, Tribal, and local govern-  
11 ments in developing, coordinating, and maintaining  
12 their capacity for disaster resilience and recovery  
13 and developing pre-disaster recovery and hazard  
14 mitigation plans, in coordination with the Federal  
15 Emergency Management Agency and other Federal  
16 agencies.

17 (b) ESTABLISHMENT OF THE OFFICE OF DISASTER  
18 MANAGEMENT AND RESILIENCY.—Section 4 of the De-  
19 partment of Housing and Urban Development Act (42  
20 U.S.C. 3533) is amended by adding at the end the fol-  
21 lowing:

22 “(i) OFFICE OF DISASTER MANAGEMENT AND RE-  
23 SILIENCY.—

1           “(1) ESTABLISHMENT.—There is established,  
2           in the Office of the Secretary, the Office of Disaster  
3           Management and Resiliency.

4           “(2) DUTIES.—The Office of Disaster Manage-  
5           ment and Resiliency shall—

6                   “(A) be responsible for oversight and co-  
7                   ordination of all departmental disaster pre-  
8                   paredness and response responsibilities; and

9                   “(B) coordinate with the Federal Emer-  
10                  gency Management Agency, the Small Business  
11                  Administration, and the Office of Community  
12                  Planning and Development and other offices of  
13                  the Department in supporting recovery and re-  
14                  silience activities to provide a comprehensive  
15                  approach in working with communities.”.

16 **SEC. 5. LONG-TERM DISASTER RECOVERY FUND.**

17           (a) ESTABLISHMENT.—There is established in the  
18           Treasury of the United States an account to be known  
19           as the Long-Term Disaster Recovery Fund.

20           (b) DEPOSITS, TRANSFERS, AND CREDIT.—

21                   (1) IN GENERAL.—The Fund shall consist of  
22                   amounts appropriated, transferred, and credited to  
23                   the Fund.

24                   (2) TRANSFERS.—The following may be trans-  
25                   ferred to the Fund:

1 (A) Amounts made available through sec-  
2 tion 106(c)(4) of the Housing and Community  
3 Development Act of 1974 (42 U.S.C.  
4 5306(c)(4)) as a result of actions taken under  
5 section 104(e), 111, or 123(j) of such Act.

6 (B) Any unobligated balances available  
7 until expended remaining or subsequently re-  
8 captured from amounts appropriated for any  
9 disaster and related purposes under the heading  
10 “Community Development Fund” in any Act  
11 prior to the establishment of the Fund.

12 (3) USE OF TRANSFERRED AMOUNTS.—  
13 Amounts transferred to the Fund shall be used for  
14 the eligible uses described in subsection (c).

15 (c) ELIGIBLE USES OF FUND.—

16 (1) IN GENERAL.—Amounts in the Fund shall  
17 be available—

18 (A) to provide assistance in the form of  
19 grants under section 123 of the Housing and  
20 Community Development Act of 1974, as added  
21 by section 6; and

22 (B) for activities of the Department that  
23 support the provision of such assistance, includ-  
24 ing necessary salaries and expenses, informa-  
25 tion technology, capacity building and technical



1 assistance (including assistance related to pre-  
2 disaster planning), and readiness and other pre-  
3 disaster planning activities that are not readily  
4 attributable to a single major disaster.

5 (2) SET ASIDE.—Of each amount appropriated  
6 for or transferred to the Fund, 2 percent shall be  
7 made available for activities described in paragraph  
8 (1)(B), which shall be in addition to other amounts  
9 made available for those activities.

10 (3) TRANSFER OF FUNDS.—Amounts made  
11 available for use in accordance with paragraph (2)—

12 (A) may be transferred to the account  
13 under the heading for “Program Offices—Com-  
14 munity Planning and Development”, or any  
15 successor account, for the Department to carry  
16 out activities described in paragraph (1)(B);  
17 and

18 (B) may be used for the activities de-  
19 scribed in paragraph (1)(B) and for the admin-  
20 istrative costs of administering any funds ap-  
21 propriated to the Department under the head-  
22 ing “Community Planning and Development—  
23 Community Development Fund” for any major  
24 disaster declared under section 401 of the Rob-  
25 ert T. Stafford Disaster Relief and Emergency

1 Assistance Act (42 U.S.C. 5170) in any Act be-  
2 fore the establishment of the Fund.

3 (d) INTERCHANGEABILITY OF PRIOR ADMINISTRA-  
4 TIVE AMOUNTS.—Any amounts appropriated in any Act  
5 prior to the establishment of the Fund and transferred  
6 to the account under the heading “Program Offices Sala-  
7 ries and Expenses—Community Planning and Develop-  
8 ment”, or any predecessor account, for the Department  
9 for the costs of administering funds appropriated to the  
10 Department under the heading “Community Planning and  
11 Development—Community Development Fund” for any  
12 major disaster declared under section 401 of the Robert  
13 T. Stafford Disaster Relief and Emergency Assistance Act  
14 (42 U.S.C. 5170) shall be available for the costs of admin-  
15 istering any such funds provided by any prior or future  
16 Act, notwithstanding the purposes for which those  
17 amounts were appropriated and in addition to any amount  
18 provided for the same purposes in other appropriations  
19 Acts.

20 (e) AVAILABILITY OF AMOUNTS.—Amounts appro-  
21 priated, transferred, and credited to the Fund shall re-  
22 main available until expended.

23 (f) FORMULA ALLOCATION.—Use of amounts in the  
24 Fund for grants shall be made by formula allocation in  
25 accordance with the requirements of section 123(a) of the

1 Housing and Community Development Act of 1974, as  
2 added by section 6.

3 (g) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated to the Fund such sums  
5 as may be necessary to respond to current or future major  
6 disasters declared under section 401 of the Robert T.  
7 Stafford Disaster Relief and Emergency Assistance Act  
8 (42 U.S.C. 5179) for grants under section 123 of the  
9 Housing and Community Development Act of 1974, as  
10 added by section 6.

11 **SEC. 6. ESTABLISHMENT OF CDBG DISASTER RECOVERY**  
12 **PROGRAM.**

13 Title I of the Housing and Community Development  
14 Act of 1974 (42 U.S.C. 5301 et seq.) is amended—

15 (1) in section 102(a) (42 U.S.C. 5302(a))—

16 (A) in paragraph (20)—

17 (i) by redesignating subparagraph (B)  
18 as subparagraph (C);

19 (ii) in subparagraph (C), as so redес-  
20 igned, by inserting “or (B)” after “sub-  
21 paragraph (A)”; and

22 (iii) by inserting after subparagraph  
23 (A) the following:

24 “(B) The term ‘persons of extremely low in-  
25 come’ means families and individuals whose income

1 levels do not exceed household income levels deter-  
2 mined by the Secretary under section 3(b)(2) of the  
3 United States Housing Act of 1937 (42 U.S.C.  
4 1437a(b)(2)(C)), except that the Secretary may pro-  
5 vide alternative definitions for the Commonwealth of  
6 Puerto Rico, Guam, the Commonwealth of the  
7 Northern Mariana Islands, the United States Virgin  
8 Islands, and American Samoa.”; and

9 (B) by adding at the end the following:

10 “(25) The term ‘major disaster’ has the mean-  
11 ing given the term in section 102 of the Robert T.  
12 Stafford Disaster Relief and Emergency Assistance  
13 Act (42 U.S.C. 5122).”;

14 (2) in section 106(c)(4) (42 U.S.C.  
15 5306(c)(4))—

16 (A) in subparagraph (A)—

17 (i) by striking “declared by the Presi-  
18 dent under the Robert T. Stafford Disaster  
19 Relief and Emergency Assistance Act”;

20 (ii) inserting “States for use in non-  
21 entitlement areas and to” before “metro-  
22 politan cities”; and

23 (iii) inserting “major” after “affected  
24 by the”;

25 (B) in subparagraph (C)—

1 (i) by striking “metropolitan city or”  
2 and inserting “State, metropolitan city,  
3 or”;

4 (ii) by striking “city or county” and  
5 inserting “State, city, or county”; and

6 (iii) by inserting “major” before “dis-  
7 aster”;

8 (C) in subparagraph (D), by striking “met-  
9 ropolitan cities and” and inserting “States,  
10 metropolitan cities, and”;

11 (D) in subparagraph (F)—

12 (i) by striking “metropolitan city or”  
13 and inserting “State, metropolitan city,  
14 or”; and

15 (ii) by inserting “major” before “dis-  
16 aster”; and

17 (E) in subparagraph (G), by striking “met-  
18 ropolitan city or” and inserting “State, metro-  
19 politan city, or”;

20 (3) in section 122 (42 U.S.C. 5321), by striking  
21 “disaster under title IV of the Robert T. Stafford  
22 Disaster Relief and Emergency Assistance Act” and  
23 inserting “major disaster”; and

24 (4) by adding at the end the following:

1 **“SEC. 123. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**  
2 **ASTER RECOVERY PROGRAM.**

3 “(a) AUTHORIZATION, FORMULA, AND ALLOCA-  
4 TION.—

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

16 “(2) GRANT AWARDS.—Grants shall be awarded  
17 under this section to States, units of general local  
18 government, and Indian tribes based on capacity and  
19 the concentration of damage, as determined by the  
20 Secretary, to support the efficient and effective ad-  
21 ministration of funds.

22 “(3) SECTION 106 ALLOCATIONS.—Grants  
23 under this section shall not be considered relevant to  
24 the formula allocations made pursuant to section  
25 106.

26 “(4) FEDERAL REGISTER NOTICE.—

1           “(A) IN GENERAL.—Not later than 30  
2 days after the date of enactment of this section,  
3 the Secretary shall issue a notice in the Federal  
4 Register containing the latest formula allocation  
5 methodologies used to determine the total esti-  
6 mate of unmet needs related to housing, eco-  
7 nomic revitalization, and infrastructure in the  
8 most impacted and distressed areas resulting  
9 from a catastrophic major disaster.

10           “(B) PUBLIC COMMENT.—If the Secretary  
11 has not already requested public comment on  
12 the formula described in the notice required by  
13 subparagraph (A), the Secretary shall solicit  
14 public comments on—

15           “(i) the methodologies described in  
16 subparagraph (A) and seek alternative  
17 methods for formula allocation within a  
18 similar total amount of funding;

19           “(ii) the impact of formula methodolo-  
20 gies on rural areas and Tribal areas;

21           “(iii) adjustments to improve tar-  
22 geting to the most serious needs;

23           “(iv) objective criteria for grantee ca-  
24 pacity and concentration of damage to in-

1 form grantee determinations and minimum  
2 allocation thresholds; and

3 “(v) research and data to inform an  
4 additional amount to be provided for miti-  
5 gation depending on type of disaster, which  
6 shall be not more than 30 percent of the  
7 total estimate of unmet needs.

8 “(5) REGULATIONS.—

9 “(A) IN GENERAL.—The Secretary shall,  
10 by regulation, establish a formula to allocate as-  
11 sistance from the Fund to the most impacted  
12 and distressed areas resulting from a cata-  
13 strophic major disaster.

14 “(B) FORMULA REQUIREMENTS.—The for-  
15 mula established under subparagraph (A)  
16 shall—

17 “(i) set forth criteria to determine  
18 that a major disaster is catastrophic, which  
19 criteria shall consider the presence of a  
20 high concentration of damaged housing or  
21 businesses that individual, State, Tribal,  
22 and local resources could not reasonably be  
23 expected to address without additional  
24 Federal assistance or other nationally en-  
25 compassing data that the Secretary deter-



1 mines are adequate to assess relative im-  
2 pact and distress across geographic areas;

3 “(ii) include a methodology for identi-  
4 fying most impacted and distressed areas,  
5 which shall consider unmet serious needs  
6 related to housing, economic revitalization,  
7 and infrastructure;

8 “(iii) include an allocation calculation  
9 that considers the unmet serious needs re-  
10 sulting from the catastrophic major dis-  
11 aster and an additional amount up to 30  
12 percent for activities to reduce risks of loss  
13 resulting from other natural disasters in  
14 the most impacted and distressed area, pri-  
15 marily for the benefit of low- and mod-  
16 erate-income persons, with particular focus  
17 on activities that reduce repetitive loss of  
18 property and critical infrastructure; and

19 “(iv) establish objective criteria for  
20 periodic review and updates to the formula  
21 to reflect changes in available science and  
22 data.

23 “(C) MINIMUM ALLOCATION THRESH-  
24 OLD.—The Secretary shall, by regulation, es-  
25 tablish a minimum allocation threshold.

1           “(D) INTERIM ALLOCATION.—Until such  
2 time that the Secretary issues final regulations  
3 under this paragraph, the Secretary shall—

4           “(i) allocate assistance from the Fund  
5 using the formula allocation methodology  
6 published in accordance with paragraph  
7 (4); and

8           “(ii) include an additional amount for  
9 mitigation equal to 15 percent of the total  
10 estimate of unmet need.

11           “(6) ALLOCATION OF FUNDS.—

12           “(A) IN GENERAL.—The Secretary shall—

13           “(i) except as provided in clause (ii),  
14 not later than 90 days after the President  
15 declares a major disaster, use best avail-  
16 able data to determine whether the major  
17 disaster is catastrophic and qualifies for  
18 assistance under the formula described in  
19 paragraph (4) or (5), unless data is insuf-  
20 ficient to make this determination; and

21           “(ii) if the best available data is insuf-  
22 ficient to make the determination required  
23 under clause (i) within the 90-day period  
24 described in that clause, the Secretary  
25 shall determine whether the major disaster

1           qualifies when sufficient data becomes  
2           available, but in no case shall the Sec-  
3           retary make the determination later than  
4           120 days after the declaration of the major  
5           disaster.

6           “(B) ANNOUNCEMENT OF ALLOCATION.—

7           If amounts are available in the Fund at the  
8           time the Secretary determines that the major  
9           disaster is catastrophic and qualifies for assist-  
10          ance under the formula described in paragraph  
11          (4) or (5), the Secretary shall immediately an-  
12          nounce an allocation for a grant under this sec-  
13          tion.

14          “(C) ADDITIONAL AMOUNTS.—If addi-

15          tional amounts are appropriated to the Fund  
16          after amounts are allocated under subpara-  
17          graph (B), the Secretary shall announce an al-  
18          location or additional allocation (if a prior allo-  
19          cation under subparagraph (B) was less than  
20          the formula calculation) within 15 days of any  
21          such appropriation.

22          “(7) PRELIMINARY FUNDING.—

23          “(A) IN GENERAL.—To speed recovery, the  
24          Secretary is authorized to allocate and award  
25          preliminary grants from the Fund before mak-

1           ing a determination under paragraph (6)(A) if  
2           the Secretary projects, based on a preliminary  
3           assessment of impact and distress, that a major  
4           disaster is catastrophic and would likely qualify  
5           for funding under the formula described in  
6           paragraph (4) or (5).

7           “(B) AMOUNT.—

8           “(i) MAXIMUM.—The Secretary may  
9           award preliminary funding under subpara-  
10          graph (A) in an amount that is not more  
11          than \$5,000,000.

12          “(ii) SLIDING SCALE.—The Secretary  
13          shall, by regulation, establish a sliding  
14          scale for preliminary funding awarded  
15          under subparagraph (A) based on the size  
16          of the preliminary assessment of impact  
17          and distress.

18          “(C) USE OF FUNDS.—The uses of pre-  
19          liminary funding awarded under subparagraph  
20          (A) shall be limited to eligible activities that—

21               “(i) in the determination of the Sec-  
22               retary, will support faster recovery, im-  
23               prove the ability of the grantee to assess  
24               unmet recovery needs, plan for the preven-

1           tion of improper payments, and reduce  
2           fraud, waste, and abuse; and

3           “(ii) may include evaluating the in-  
4           terim housing, permanent housing, and  
5           supportive service needs of the disaster im-  
6           pacted community, with special attention  
7           to vulnerable populations, such as homeless  
8           and low- to moderate-income households,  
9           to inform the grantee action plan required  
10          under subsection (c).

11          “(D) CONSIDERATION OF FUNDING.—Pre-  
12          liminary funding awarded under subparagraph  
13          (A)—

14               “(i) is not subject to the certification  
15               requirements of subsection (h)(1); and

16               “(ii) shall not be considered when cal-  
17               culating the amount of the grant used for  
18               administrative costs, technical assistance,  
19               and planning activities that are subject to  
20               the requirements under subsection (f)(2).

21          “(E) WAIVER.—To expedite the use of  
22          preliminary funding for activities described in  
23          this paragraph, the Secretary may waive or  
24          specify alternative requirements to the require-

1           ments of this section in accordance with sub-  
2           section (i).

3           “(F) AMENDED AWARD.—

4                   “(i) IN GENERAL.—An award for pre-  
5                   liminary funding under subparagraph (A)  
6                   may be amended to add any subsequent  
7                   amount awarded because of a determina-  
8                   tion by the Secretary that a major disaster  
9                   is catastrophic and qualifies for assistance  
10                  under the formula.

11                  “(ii)        APPLICABILITY.—Notwith-  
12                  standing subparagraph (D), amounts pro-  
13                  vided by an amendment under clause (i)  
14                  are subject to the requirements under sub-  
15                  sections (f)(1) and (h)(1) and other re-  
16                  quirements on grant funds under this sec-  
17                  tion.

18                  “(G) TECHNICAL ASSISTANCE.—Concur-  
19                  rent with the allocation of any preliminary  
20                  funding awarded under this paragraph, the Sec-  
21                  retary shall assign or provide technical assist-  
22                  ance to the recipient of the grant.

23           “(b) INTERCHANGEABILITY.—

24                   “(1) IN GENERAL.—The Secretary is authorized  
25           to approve the use of grants under this section to be

1 used interchangeably and without limitation for the  
2 same activities in the most impacted and distressed  
3 areas resulting from a declaration of another cata-  
4 strophic major disaster that qualifies for assistance  
5 under the formula established under paragraph (4)  
6 or (5) of subsection (a) or a major disaster for  
7 which the Secretary allocated funds made available  
8 under the heading ‘Community Development Fund’  
9 in any Act prior to the establishment of the Fund.

10 “(2) REQUIREMENTS.—The Secretary shall es-  
11 tablish requirements to expedite the use of grants  
12 under this section for the purpose described in para-  
13 graph (1).

14 “(3) EMERGENCY DESIGNATION.—Amounts  
15 repurposed pursuant to this subsection that were  
16 previously designated by Congress as an emergency  
17 requirement pursuant to the Balanced Budget and  
18 Emergency Deficit Control Act of 1985 or a concur-  
19 rent resolution on the budget are designated by Con-  
20 gress as an emergency requirement pursuant to sec-  
21 tion 4001(a)(1) of S. Con. Res. 14 (117th Congress)  
22 and legislation establishing fiscal year 2024 budget  
23 enforcement in the House of Representatives.

24 “(c) GRANTEE PLANS.—

1           “(1) REQUIREMENT.—Not later than 90 days  
2 after the date on which the Secretary announces a  
3 grant allocation under this section, unless an exten-  
4 sion is granted by the Secretary, the grantee shall  
5 submit to the Secretary a plan for approval describ-  
6 ing—

7           “(A) the activities the grantee will carry  
8 out with the grant under this section;

9           “(B) the criteria of the grantee for award-  
10 ing assistance and selecting activities;

11           “(C) how the use of the grant under this  
12 section will address disaster relief, long-term re-  
13 covery, restoration of housing and infrastruc-  
14 ture, economic revitalization, and mitigation in  
15 the most impacted and distressed areas;

16           “(D) how the use of the grant funds for  
17 mitigation is consistent with hazard mitigation  
18 plans submitted to the Federal Emergency  
19 Management Agency under section 322 of the  
20 Robert T. Stafford Disaster Relief and Emer-  
21 gency Assistance Act (42 U.S.C. 5165);

22           “(E) the estimated amount proposed to be  
23 used for activities that will benefit persons of  
24 low and moderate income;



1           “(F) how the use of grant funds will repair  
2           and replace existing housing stock for vulner-  
3           able populations, including low- to moderate-in-  
4           come households;

5           “(G) how the grantee will address the pri-  
6           orities described in paragraph (5);

7           “(H) how uses of funds are proportional to  
8           unmet needs, as required under paragraph (6);

9           “(I) for State grantees that plan to dis-  
10          tribute grant amounts to units of general local  
11          government, a description of the method of dis-  
12          tribution; and

13          “(J) such other information as may be de-  
14          termined by the Secretary in regulation.

15          “(2) PUBLIC CONSULTATION.—To permit pub-  
16          lic examination and appraisal of the plan described  
17          in paragraph (1), to enhance the public account-  
18          ability of grantee, and to facilitate coordination of  
19          activities with different levels of government, when  
20          developing the plan or substantial amendments pro-  
21          posed to the plan required under paragraph (1), a  
22          grantee shall—

23                 “(A) publish the plan before adoption;

24                 “(B) provide citizens, affected units of  
25          general local government, and other interested

1 parties with reasonable notice of, and oppor-  
2 tunity to comment on, the plan, with a public  
3 comment period of not less than 14 days;

4 “(C) consider comments received before  
5 submission to the Secretary;

6 “(D) follow a citizen participation plan for  
7 disaster assistance adopted by the grantee that,  
8 at a minimum, provides for participation of  
9 residents of the most impacted and distressed  
10 area affected by the major disaster that re-  
11 sulted in the grant under this section and other  
12 considerations established by the Secretary; and

13 “(E) undertake any consultation with in-  
14 terested parties as may be determined by the  
15 Secretary in regulation.

16 “(3) APPROVAL.—The Secretary shall—

17 “(A) by regulation, specify criteria for the  
18 approval, partial approval, or disapproval of a  
19 plan submitted under paragraph (1), including  
20 approval of substantial amendments to the  
21 plan;

22 “(B) review a plan submitted under para-  
23 graph (1) upon receipt of the plan;

24 “(C) allow a grantee to revise and resub-  
25 mit a plan or substantial amendment to a plan

1 under paragraph (1) that the Secretary dis-  
2 approves;

3 “(D) by regulation, specify criteria for  
4 when the grantee shall be required to provide  
5 the required revisions to a disapproved plan or  
6 substantial amendment under paragraph (1) for  
7 public comment prior to resubmission of the  
8 plan or substantial amendment to the Sec-  
9 retary; and

10 “(E) approve, partially approve, or dis-  
11 approve a plan or substantial amendment under  
12 paragraph (1) not later than 60 days after the  
13 date on which the plan or substantial amend-  
14 ment is received by the Secretary.

15 “(4) LOW- AND MODERATE-INCOME OVERALL  
16 BENEFIT.—

17 “(A) USE OF FUNDS.—Not less than 70  
18 percent of a grant made under this section shall  
19 be used for activities that benefit persons of low  
20 and moderate income unless the Secretary—

21 “(i) specifically finds that—

22 “(I) there is compelling need to  
23 reduce the percentage for the grant;  
24 and

1                   “(II) the housing needs of low-  
2                   and moderate-income persons have  
3                   been addressed; and

4                   “(ii) issues a waiver and alternative  
5                   requirement specific to the grant pursuant  
6                   to subsection (i) to lower the percentage.

7                   “(B) REGULATIONS.—The Secretary shall,  
8                   by regulation, establish protocols consistent  
9                   with the findings of section 2 of the Reforming  
10                  Disaster Recovery Act to prioritize the use of  
11                  funds by a grantee under this section to meet  
12                  the needs of low- and moderate-income persons  
13                  and businesses serving primarily persons of low  
14                  and moderate income.

15                  “(5) PRIORITIZATION.—The grantee shall  
16                  prioritize activities that—

17                         “(A) assist persons with extremely low-,  
18                         low-, and moderate-incomes and other vulner-  
19                         able populations to better recover from and  
20                         withstand future disasters, emphasizing those  
21                         with the most severe needs;

22                         “(B) address affordable housing, including  
23                         affordable rental housing, needs arising from a  
24                         disaster, or those needs present prior to a dis-  
25                         aster;

1           “(C) prolong the life of housing and infra-  
2 structure;

3           “(D) use cost-effective means of preventing  
4 harm to people and property and incorporate  
5 protective features, redundancies, and energy  
6 savings; and

7           “(E) other measures that will assure the  
8 continuation of critical services during future  
9 disasters.

10          “(6) PROPORTIONAL ALLOCATION.—

11           “(A) IN GENERAL.—A grantee under this  
12 section shall allocate grant funds proportional  
13 to unmet needs between housing activities, eco-  
14 nomic revitalization, and infrastructure, unless  
15 the Secretary—

16           “(i) specifically finds that—

17           “(I) there is a compelling need  
18 for a disproportional allocation among  
19 those unmet needs; and

20           “(II) the disproportional alloca-  
21 tion described in subclause (I) is not  
22 inconsistent with the requirements  
23 under paragraph (4); and

24           “(ii) issues a waiver and alternative  
25 requirement pursuant to subsection (i) to

1 allow for the disproportional allocation de-  
2 scribed in clause (i)(I).

3 “(B) HOUSING ACTIVITIES.—With respect  
4 to housing activities described in subparagraph  
5 (A)(i), grantees should address proportional  
6 needs between homeowners and renters, includ-  
7 ing low-income households in public housing  
8 and Federally subsidized housing.

9 “(7) DISASTER RISK MITIGATION.—

10 “(A) DEFINITION.—In this paragraph, the  
11 term ‘hazard-prone areas’—

12 “(i) means areas identified by the  
13 Secretary, in consultation with the Admin-  
14 istrator of the Federal Emergency Man-  
15 agement Agency, at risk from natural haz-  
16 ards that threaten property damage or  
17 health, safety, and welfare, such as floods,  
18 wildfires (including Wildland-Urban Inter-  
19 face areas), earthquakes, lava inundation,  
20 tornados, and high winds; and

21 “(ii) includes areas having special  
22 flood hazards as identified under the Flood  
23 Disaster Protection Act of 1973 (42  
24 U.S.C. 4002 et seq.) or the National Flood

1 Insurance Act of 1968 (42 U.S.C. 4001 et  
2 seq.).

3 “(B) HAZARD-PRONE AREAS.—The Sec-  
4 retary, in consultation with the Administrator  
5 of the Federal Emergency Management Agency,  
6 shall establish minimum construction standards,  
7 insurance purchase requirements, and other re-  
8 quirements for the use of grant funds in haz-  
9 ard-prone areas.

10 “(C) SPECIAL FLOOD HAZARDS.—

11 “(i) IN GENERAL.—For the areas de-  
12 scribed in subparagraph (A)(ii), the insur-  
13 ance purchase requirements established  
14 under subparagraph (B) shall meet or ex-  
15 ceed the requirements under section 102(a)  
16 of the Flood Disaster Protection Act of  
17 1973 (42 U.S.C. 4012a(a)).

18 “(ii) TREATMENT AS FINANCIAL AS-  
19 SISTANCE.—All grants under this section  
20 shall be treated as financial assistance for  
21 purposes of section 3(a)(3) of the Flood  
22 Disaster Protection Act of 1973 (42  
23 U.S.C. 4003(a)(3)).

24 “(D) CONSIDERATION OF FUTURE  
25 RISKS.—The Secretary may consider future

1 risks to protecting property and health, safety,  
2 and general welfare, and the likelihood of those  
3 risks, when making the determination of or  
4 modification to hazard-prone areas under this  
5 paragraph.

6 “(8) RELOCATION.—

7 “(A) IN GENERAL.—The Uniform Reloca-  
8 tion Assistance and Real Property Acquisition  
9 Policies Act of 1970 (42 U.S.C. 4601 et seq.)  
10 shall apply to activities assisted under this sec-  
11 tion to the extent determined by the Secretary  
12 in regulation, or as provided in waivers or alter-  
13 native requirements authorized in accordance  
14 with subsection (i).

15 “(B) POLICY.—Each grantee under this  
16 section shall establish a relocation assistance  
17 policy that—

18 “(i) minimizes displacement and de-  
19 scribes the benefits available to persons  
20 displaced as a direct result of acquisition,  
21 rehabilitation, or demolition in connection  
22 with an activity that is assisted by a grant  
23 under this section; and



1                   “(ii) includes any appeal rights or  
2                   other requirements that the Secretary es-  
3                   tablishes by regulation.

4           “(d) CERTIFICATIONS.—Any grant under this section  
5 shall be made only if the grantee certifies to the satisfac-  
6 tion of the Secretary that—

7                   “(1) the grantee is in full compliance with the  
8                   requirements under subsection (c)(2);

9                   “(2) for grants other than grants to Indian  
10                  tribes, the grant will be conducted and administered  
11                  in conformity with the Civil Rights Act of 1964 (42  
12                  U.S.C. 2000a et seq.) and the Fair Housing Act (42  
13                  U.S.C. 3601 et seq.);

14                  “(3) the projected use of funds has been devel-  
15                  oped so as to give maximum feasible priority to ac-  
16                  tivities that will benefit extremely low-, low-, and  
17                  moderate-income families and activities described in  
18                  subsection (c)(5), and may also include activities  
19                  that are designed to aid in the prevention or elimi-  
20                  nation of slum and blight to support disaster recov-  
21                  ery, meet other community development needs hav-  
22                  ing a particular urgency because existing conditions  
23                  pose a serious and immediate threat to the health or  
24                  welfare of the community where other financial re-  
25                  sources are not available to meet such needs, and al-

1       leviate future threats to human populations, critical  
2       natural resources, and property that an analysis of  
3       hazards shows are likely to result from natural dis-  
4       asters in the future;

5               “(4) the grant funds shall principally benefit  
6       persons of low and moderate income as described in  
7       subsection (c)(4);

8               “(5) for grants other than grants to Indian  
9       Tribes, within 24 months of receiving a grant or at  
10       the time of its 3- or 5-year update, whichever is  
11       sooner, the grantee will review and make modifica-  
12       tions to its non-disaster housing and community de-  
13       velopment plans and strategies required by sub-  
14       sections (c) and (m) of section 104 to reflect the dis-  
15       aster recovery needs identified by the grantee and  
16       consistency with the plan under subsection (c)(1);

17               “(6) the grantee will not attempt to recover any  
18       capital costs of public improvements assisted in  
19       whole or part under this section by assessing any  
20       amount against properties owned and occupied by  
21       persons of low and moderate income, including any  
22       fee charged or assessment made as a condition of  
23       obtaining access to such public improvements, un-  
24       less—

1           “(A) funds received under this section are  
2           used to pay the proportion of such fee or as-  
3           sessment that relates to the capital costs of  
4           such public improvements that are financed  
5           from revenue sources other than under this  
6           chapter; or

7           “(B) for purposes of assessing any amount  
8           against properties owned and occupied by per-  
9           sons of moderate income, the grantee certifies  
10          to the Secretary that the grantee lacks suffi-  
11          cient funds received under this section to com-  
12          ply with the requirements of subparagraph (A);

13          “(7) the grantee will comply with the other pro-  
14          visions of this title that apply to assistance under  
15          this section and with other applicable laws;

16          “(8) the grantee will follow a relocation assist-  
17          ance policy that includes any minimum requirements  
18          identified by the Secretary; and

19          “(9) the grantee will adhere to construction  
20          standards, insurance purchase requirements, and  
21          other requirements for development in hazard-prone  
22          areas described in subsection (c)(7).

23          “(e) PERFORMANCE REVIEWS AND REPORTING.—

24                  “(1) IN GENERAL.—The Secretary shall, on not  
25          less frequently than an annual basis, make such re-

1 views and audits as may be necessary or appropriate  
2 to determine whether a grantee under this section  
3 has—

4 “(A) carried out activities using grant  
5 funds in a timely manner;

6 “(B) met the performance targets estab-  
7 lished by paragraph (2);

8 “(C) carried out activities using grant  
9 funds in accordance with the requirements of  
10 this section, the other provisions of this title  
11 that apply to assistance under this section, and  
12 other applicable laws; and

13 “(D) a continuing capacity to carry out ac-  
14 tivities in a timely manner.

15 “(2) PERFORMANCE TARGETS.—The Secretary  
16 shall develop and make publicly available critical  
17 performance targets for review, which shall include  
18 spending thresholds for each year from the date on  
19 which funds are obligated by the Secretary to the  
20 grantee until such time all funds have been ex-  
21 pended.

22 “(3) FAILURE TO MEET TARGETS.—

23 “(A) SUSPENSION.—If a grantee under  
24 this section fails to meet 1 or more critical per-

1 performance targets under paragraph (2), the Sec-  
2 retary may temporarily suspend the grant.

3 “(B) PERFORMANCE IMPROVEMENT  
4 PLAN.—If the Secretary suspends a grant  
5 under subparagraph (A), the Secretary shall  
6 provide to the grantee a performance improve-  
7 ment plan with the specific requirements needed  
8 to lift the suspension within a defined time pe-  
9 riod.

10 “(C) REPORT.—If a grantee fails to meet  
11 the spending thresholds established under para-  
12 graph (2), the grantee shall submit to the Sec-  
13 retary, the appropriate committees of Congress,  
14 and each member of Congress who represents a  
15 district or State of the grantee a written report  
16 identifying technical capacity, funding, or other  
17 Federal or State impediments affecting the abil-  
18 ity of the grantee to meet the spending thresh-  
19 olds.

20 “(4) COLLECTION OF INFORMATION AND RE-  
21 PORTING.—

22 “(A) REQUIREMENT TO REPORT.—A  
23 grantee under this section shall provide to the  
24 Secretary such information as the Secretary

1           may determine necessary for adequate oversight  
2           of the grant program under this section.

3           “(B) PUBLIC AVAILABILITY.—Subject to  
4           subparagraph (D), the Secretary shall make in-  
5           formation submitted under subparagraph (A)  
6           available to the public and to the Inspector  
7           General for the Department of Housing and  
8           Urban Development, disaggregated by activity,  
9           income, geography, and all classes of individuals  
10          protected under section 109 and the Fair Hous-  
11          ing Act.

12          “(C) SUMMARY STATUS REPORTS.—To in-  
13          crease transparency and accountability of the  
14          grant program under this section the Secretary  
15          shall, on not less frequently than an annual  
16          basis, post on a public facing dashboard sum-  
17          mary status reports for all active grants under  
18          this section that includes—

19                  “(i) the status of funds by activity;

20                  “(ii) the percentages of funds allo-  
21                  cated and expended to benefit low- and  
22                  moderate-income communities;

23                  “(iii) performance targets, spending  
24                  thresholds, and accomplishments; and

1                   “(iv) other information the Secretary  
2                   determines to be relevant for transparency.

3                   “(D) CONSIDERATIONS.—In carrying out  
4                   this paragraph, the Secretary—

5                   “(i) shall take such actions as may be  
6                   necessary to ensure that personally identi-  
7                   fiable information regarding applicants for  
8                   assistance provided from funds made avail-  
9                   able under this section is not made publicly  
10                  available; and

11                  “(ii) may make full and unredacted  
12                  information available to academic institu-  
13                  tions for the purpose of researching into  
14                  the equitable distribution of recovery funds  
15                  and adherence to civil rights protections.

16                  “(f) ELIGIBLE ACTIVITIES.—

17                  “(1) IN GENERAL.—Activities assisted under  
18                  this section—

19                  “(A) may include activities permitted  
20                  under section 105 or other activities permitted  
21                  by the Secretary by waiver or alternative re-  
22                  quirement pursuant to subsection (i); and

23                  “(B) shall be related to disaster relief,  
24                  long-term recovery, restoration of housing and  
25                  infrastructure, economic revitalization, and

1 mitigation in the most impacted and distressed  
2 areas resulting from the major disaster for  
3 which the grant was awarded.

4 “(2) PROHIBITION.—Grant funds under this  
5 section may not be used for costs reimbursable by,  
6 or for which funds have been made available by, the  
7 Federal Emergency Management Agency, or the  
8 United States Army Corps of Engineers.

9 “(3) ADMINISTRATIVE COSTS, TECHNICAL AS-  
10 SISTANCE AND PLANNING.—

11 “(A) IN GENERAL.—The Secretary shall  
12 establish in regulation the maximum grant  
13 amounts a grantee may use for administrative  
14 costs, technical assistance and planning activi-  
15 ties, taking into consideration size of grant,  
16 complexity of recovery, and other factors as de-  
17 termined by the Secretary, but not to exceed 10  
18 percent for administration and 20 percent in  
19 total.

20 “(B) AVAILABILITY.—Amounts available  
21 for administrative costs for a grant under this  
22 section shall be available for eligible administra-  
23 tive costs of the grantee for any grant made  
24 under this section, without regard to a par-  
25 ticular disaster.



1           “(4) PROGRAM INCOME.—Notwithstanding any  
2 other provision of law, any grantee under this sec-  
3 tion may retain program income that is realized  
4 from grants made by the Secretary under this sec-  
5 tion if the grantee agrees that the grantee will uti-  
6 lize the program income in accordance with the re-  
7 quirements for grants under this section, except that  
8 the Secretary may—

9           “(A) by regulation, exclude from consider-  
10 ation as program income any amounts deter-  
11 mined to be so small that compliance with this  
12 paragraph creates an unreasonable administra-  
13 tive burden on the grantee; or

14           “(B) permit the grantee to transfer re-  
15 maining program income to the other grants of  
16 the grantee under this title upon closeout of the  
17 grant.

18           “(5) PROHIBITION ON USE OF ASSISTANCE FOR  
19 EMPLOYMENT RELOCATION ACTIVITIES.—

20           “(A) IN GENERAL.—Grants under this sec-  
21 tion may not be used to assist directly in the  
22 relocation of any industrial or commercial plant,  
23 facility, or operation, from one area to another  
24 area, if the relocation is likely to result in a sig-

1           nificant loss of employment in the labor market  
2           area from which the relocation occurs.

3           “(B) APPLICABILITY.—The prohibition  
4           under subparagraph (A) shall not apply to a  
5           business that was operating in the disaster-de-  
6           clared labor market area before the incident  
7           date of the applicable disaster and has since  
8           moved, in whole or in part, from the affected  
9           area to another State or to a labor market area  
10          within the same State to continue business.

11          “(6) REQUIREMENTS.—Grants under this sec-  
12          tion are subject to the requirements of this section,  
13          the other provisions of this title that apply to assist-  
14          ance under this section, and other applicable laws,  
15          unless modified by waivers or alternative require-  
16          ments in accordance with subsection (i).

17          “(g) ENVIRONMENTAL REVIEW.—

18          “(1) ADOPTION.—A recipient of funds provided  
19          under this section that uses the funds to supplement  
20          Federal assistance provided under section 203, 402,  
21          403, 404, 406, 407, 408(c)(4), 428, or 502 of the  
22          Robert T. Stafford Disaster Relief and Emergency  
23          Assistance Act (42 U.S.C. 5170a, 5170b, 5170c,  
24          5172, 5173, 5174(c)(4), 5189f, 5192) may adopt,  
25          without review or public comment, any environ-

1 mental review, approval, or permit performed by a  
2 Federal agency, and that adoption shall satisfy the  
3 responsibilities of the recipient with respect to the  
4 environmental review, approval, or permit under sec-  
5 tion 104(g)(1).

6 “(2) APPROVAL OF RELEASE OF FUNDS.—Not-  
7 withstanding section 104(g)(2), the Secretary or a  
8 State may, upon receipt of a request for release of  
9 funds and certification, immediately approve the re-  
10 lease of funds for an activity or project to be as-  
11 sisted 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 “(3) UNITS OF GENERAL LOCAL GOVERN-  
18 MENT.—The provisions of section 104(g)(4) shall  
19 apply to assistance under this section that a State  
20 distributes to a unit of general local government.

21 “(h) FINANCIAL CONTROLS AND PROCEDURES.—

22 “(1) IN GENERAL.—The Secretary shall develop  
23 requirements and procedures to demonstrate that a  
24 grantee under this section—

1           “(A) has adequate financial controls and  
2           procurement processes;

3           “(B) has adequate procedures to detect  
4           and prevent fraud, waste, abuse, and duplica-  
5           tion of benefit; and

6           “(C) maintains a comprehensive and pub-  
7           licly accessible website.

8           “(2) CERTIFICATION.—Before making a grant  
9           under this section, the Secretary shall certify that  
10          the grantee has in place proficient processes and  
11          procedures to comply with the requirements devel-  
12          oped under paragraph (1), as determined by the  
13          Secretary.

14          “(3) COMPLIANCE BEFORE ALLOCATION.—The  
15          Secretary may permit a State, unit of general local  
16          government, or Indian tribe to demonstrate compli-  
17          ance with the requirements for adequate financial  
18          controls developed under paragraph (1) before a dis-  
19          aster occurs and before receiving an allocation for a  
20          grant under this section.

21          “(4) DUPLICATION OF BENEFITS.—

22                 “(A) IN GENERAL.—Funds made available  
23                 under this section shall be used in accordance  
24                 with section 312 of the Robert T. Stafford Dis-  
25                 aster Relief and Emergency Assistance Act (42

1 U.S.C. 5155), as amended by section 1210 of  
2 the Disaster Recovery Reform Act of 2018 (di-  
3 vision D of Public Law 115–254), and such  
4 rules as may be prescribed under such section  
5 312.

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

10 “(i) apply an amount equal to the  
11 identified duplication to any allowable costs  
12 of the award consistent with actual, imme-  
13 diate cash requirement;

14 “(ii) remit any excess amounts to the  
15 Secretary to be credited to the obligated,  
16 undisbursed balance of the grant con-  
17 sistent with requirements on Federal pay-  
18 ments applicable to such grantee; and

19 “(iii) if excess amounts under clause  
20 (ii) are identified after the period of per-  
21 formance or after the closeout of the  
22 award, remit such amounts to the Sec-  
23 retary to be credited to the Fund.

24 “(C) FAILURE TO COMPLY.—Any grantee  
25 provided funds under this section or from prior

1 Appropriations Acts under the heading ‘Com-  
2 munity Development Fund’ for purposes related  
3 to major disasters that fails to comply with sec-  
4 tion 312 of the Robert T. Stafford Disaster Re-  
5 lief and Emergency Assistance Act (42 U.S.C.  
6 5155) or fails to satisfy penalties to resolve a  
7 duplication of benefits shall be subject to rem-  
8 edies for noncompliance under section 111, un-  
9 less the Secretary publishes a determination in  
10 the Federal Register that it is not in the best  
11 interest of the Federal Government to pursue  
12 remedial actions.

13 “(i) WAIVERS.—

14 “(1) IN GENERAL.—In administering grants  
15 under this section, the Secretary may waive, or  
16 specify alternative requirements for, any provision of  
17 any statute or regulation that the Secretary admin-  
18 isters in connection with the obligation by the Sec-  
19 retary or the use by the grantee of those funds (ex-  
20 cept for requirements related to fair housing, non-  
21 discrimination, labor standards, the environment,  
22 and the requirements of this section that do not ex-  
23 pressly authorize modifications by waiver or alter-  
24 native requirement), if the Secretary makes a public  
25 finding that good cause exists for the waiver or al-

1       ternative requirement and the waiver or alternative  
2       requirement would not be inconsistent with the find-  
3       ings in section 2 of the Reforming Disaster Recovery  
4       Act.

5           “(2) EFFECTIVE DATE.—A waiver or alter-  
6       native requirement described in paragraph (1) shall  
7       not take effect before the date that is 5 days after  
8       the date of publication of the waiver or alternative  
9       requirement on the website of the Department of  
10      Housing and Urban Development or the effective  
11      date for any regulation published in the Federal  
12      Register.

13          “(3) PUBLIC NOTIFICATION.—The Secretary  
14      shall notify the public of all waivers or alternative  
15      requirements described in paragraph (1) in accord-  
16      ance with the requirements of section 7(q)(3) of the  
17      Department of Housing and Urban Development  
18      Act (42 U.S.C. 3535(q)(3)).

19          “(j) UNUSED AMOUNTS.—

20           “(1) DEADLINE TO USE AMOUNTS.—A grantee  
21      under this section shall use an amount equal to the  
22      grant within 6 years beginning on the date on which  
23      the Secretary obligates the amounts to the grantee,  
24      as such period may be extended under paragraph  
25      (4).

1           “(2) RECAPTURE.—The Secretary shall recap-  
2           ture and credit to the Fund any amount that is un-  
3           used by a grantee under this section upon the earlier  
4           of—

5                   “(A) the date on which the grantee notifies  
6           the Secretary that the grantee has completed all  
7           activities identified in the disaster grantee’s  
8           plan under subsection (c); or

9                   “(B) the expiration of the 6-year period  
10          described in paragraph (1), as such period may  
11          be extended under paragraph (4).

12           “(3) RETENTION OF FUNDS.—Notwithstanding  
13          paragraph (1), the Secretary may allow a grantee  
14          under this section to retain—

15                   “(A) amounts needed to close out grants;  
16          and

17                   “(B) up to 10 percent of the remaining  
18          funds to support maintenance of the minimal  
19          capacity to launch a new program in the event  
20          of a future disaster and to support pre-disaster  
21          long-term recovery and mitigation planning.

22           “(4) EXTENSION OF PERIOD FOR USE OF  
23          FUNDS.—The Secretary may extend the 6-year pe-  
24          riod described in paragraph (1) by not more than 4



1 years, or not more than 6 years for mitigation activi-  
2 ties, if—

3 “(A) the grantee submits to the Sec-  
4 retary—

5 “(i) written documentation of the exi-  
6 gent circumstances impacting the ability of  
7 the grantee to expend funds that could not  
8 be anticipated; or

9 “(ii) a justification that such request  
10 is necessary due to the nature and com-  
11 plexity of the program and projects; and

12 “(B) the Secretary submits a written jus-  
13 tification for the extension to the Committees  
14 on Appropriations of Senate and the House of  
15 Representatives that specifies the period of that  
16 extension.”.

17 **SEC. 7. REGULATIONS.**

18 (a) PROPOSED RULES.—Following consultation with  
19 the Federal Emergency Management Agency, the Small  
20 Business Administration, and other Federal agencies, not  
21 later than 6 months after the date of enactment of this  
22 Act, the Secretary shall issue proposed rules to carry out  
23 this Act and the amendments made by this Act and shall  
24 provide a 90-day period for submission of public comments  
25 on those proposed rules.

1 (b) FINAL RULES.—Not later than 1 year after the  
2 date of enactment of this Act, the Secretary shall issue  
3 final regulations to carry out section 123 of the Housing  
4 and Community Development Act of 1974, as added by  
5 section 6.

6 **SEC. 8. COORDINATION OF DISASTER RECOVERY ASSIST-**  
7 **ANCE, BENEFITS, AND DATA WITH OTHER**  
8 **FEDERAL AGENCIES.**

9 (a) COORDINATION OF DISASTER RECOVERY ASSIST-  
10 ANCE.—In order to ensure a comprehensive approach to  
11 Federal disaster relief, long-term recovery, restoration of  
12 housing and infrastructure, economic revitalization, and  
13 mitigation in the most impacted and distressed areas re-  
14 sulting from a catastrophic major disaster, the Secretary  
15 shall coordinate with the Federal Emergency Management  
16 Agency, to the greatest extent practicable, in the imple-  
17 mentation of assistance authorized under section 123 of  
18 the Housing and Community Development Act of 1974,  
19 as added by section 6.

20 (b) DATA SHARING AGREEMENTS.—To support the  
21 coordination of data to prevent duplication of benefits with  
22 other Federal disaster recovery programs while also expe-  
23 diting recovery and reducing burden on disaster survivors,  
24 the Department shall establish data sharing agreements  
25 that safeguard privacy with relevant Federal agencies to

1 ensure disaster benefits effectively and efficiently reach in-  
2 tended beneficiaries, while using effective means of pre-  
3 venting harm to people and property.

4 (c) DATA TRANSFER FROM FEMA AND SBA TO  
5 HUD.—As permitted and deemed necessary for efficient  
6 program execution, and consistent with a computer match-  
7 ing agreement entered into under subsection (f)(1), the  
8 Administrator of the Federal Emergency Management  
9 Agency and the Administrator of the Small Business Ad-  
10 ministration shall provide data on disaster applicants to  
11 the Department, including, when necessary, personally  
12 identifiable information, disaster recovery needs, and re-  
13 sources determined eligible for, and amounts expended, to  
14 the Secretary for all major disasters declared by the Presi-  
15 dent pursuant to section 401 of Robert T. Stafford Dis-  
16 aster Relief and Emergency Assistance Act (42 U.S.C.  
17 5170) for the purpose of providing additional assistance  
18 to disaster survivors and prevent duplication of benefits.

19 (d) DATA TRANSFERS FROM HUD TO HUD GRANT-  
20 EES.—The Secretary is authorized to provide to grantees  
21 under section 123 of the Housing and Community Devel-  
22 opment Act of 1974, as added by section 6, offices of the  
23 Department, technical assistance providers, and lenders  
24 information that in the determination of the Secretary is  
25 reasonably available and appropriate to inform the provi-

1 sion of assistance after a major disaster, including infor-  
2 mation provided to the Secretary by the Administrator of  
3 the Federal Emergency Management Agency, the Admin-  
4 istrator of the Small Business Administration, or other  
5 Federal agencies.

6 (e) DATA TRANSFERS FROM HUD GRANTEES TO  
7 HUD, FEMA, AND SBA.—

8 (1) REPORTING.—Grantees under section 123  
9 of the Housing and Community Development Act of  
10 1974, as added by section 6, shall report informa-  
11 tion requested by the Secretary on households, busi-  
12 nesses, and other entities assisted and the type of  
13 assistance provided.

14 (2) SHARING INFORMATION.—The Secretary  
15 shall share information collected under paragraph  
16 (1) with the Federal Emergency Management Agen-  
17 cy, the Small Business Administration, and other  
18 Federal agencies to support the planning and deliv-  
19 ery of disaster recovery and mitigation assistance  
20 and other related purposes.

21 (f) PRIVACY PROTECTION.—The Secretary may make  
22 and receive data transfers authorized under this section,  
23 including the use and retention of that data for computer  
24 matching programs, to inform the provision of assistance,  
25 assess disaster recovery needs, and prevent the duplication

1 of benefits and other waste, fraud, and abuse, provided  
2 that—

3           (1) the Secretary enters an information sharing  
4 agreement or a computer matching agreement, when  
5 required by section 522a of title 5, United States  
6 Code (commonly known as the “Privacy Act of  
7 1974”), with the Administrator of the Federal  
8 Emergency Management Agency, the Administrator  
9 of the Small Business Administration, or other Fed-  
10 eral agencies covering the transfer of data;

11           (2) the Secretary publishes intent to disclose  
12 data in the Federal Register;

13           (3) notwithstanding paragraphs (1) and (2),  
14 section 552a of title 5, United States Code, or any  
15 other law, the Secretary is authorized to share data  
16 with an entity identified in subsection (d), and the  
17 entity is authorized to use the data as described in  
18 this section, if the Secretary enters a data sharing  
19 agreement with the entity before sharing or receiving  
20 any information under transfers authorized by this  
21 section, which data sharing agreement shall—

22           (A) in the determination of the Secretary,  
23 include measures adequate to safeguard the pri-  
24 vacy and personally identifiable information of  
25 individuals; and

1           (B) include provisions that describe how  
2           the personally identifiable information of an in-  
3           dividual will be adequately safeguarded and  
4           protected, which requires consultation with the  
5           Secretary and the head of each Federal agency  
6           the data of which is being shared subject to the  
7           agreement.

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