

118TH CONGRESS
1ST SESSION

S. 1686

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

IN THE SENATE OF THE UNITED STATES

MAY 18, 2023

Mr. SCHATZ (for himself, Ms. COLLINS, Mrs. MURRAY, Mr. WICKER, Mr. WYDEN, Mr. CASSIDY, Mr. VAN HOLLEN, Mr. TILLIS, Mr. TESTER, Mrs. HYDE-SMITH, Mr. YOUNG, Mr. LUJÁN, Mr. BOOKER, and Mr. PADILLA) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Reforming Disaster
5 Recovery Act”.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

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

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

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

23 (4) States, units of local government, and In-
24 dian Tribes within the most impacted and distressed
25 areas resulting from major disasters benefit from
26 flexibility to design programs that meet local needs,

1 but face inadequate financial, technical, and staffing
2 capacity to plan and carry out sustained recovery,
3 restoration, and mitigation activities;

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

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

22 (7) the general welfare and security of the
23 United States and the health and living standards of
24 its people require targeted resources to support
25 State and local governments in carrying out their re-

1 responsibilities in disaster recovery and mitigation
2 through interim and long-term housing and commu-
3 nity development activities that primarily benefit
4 low- and moderate-income persons.

5 **SEC. 3. DEFINITIONS.**

6 In this Act:

7 (1) DEPARTMENT.—The term “Department”
8 means the Department of Housing and Urban De-
9 velopment.

10 (2) FUND.—The term “Fund” means the
11 Long-Term Disaster Recovery Fund established
12 under section 5.

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

15 **SEC. 4. DUTIES OF THE DEPARTMENT OF HOUSING AND**
16 **URBAN DEVELOPMENT.**

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

19 (1) leading and coordinating the disaster-re-
20 lated responsibilities of the Department under the
21 National Response Framework, the National Dis-
22 aster Recovery Framework, and the National Mitiga-
23 tion Framework;

24 (2) coordinating and administering programs,
25 policies, and activities of the Department related to

1 disaster relief, long-term recovery, resiliency, and
2 mitigation, including disaster recovery assistance
3 under title I of the Housing and Community Devel-
4 opment Act of 1974 (42 U.S.C. 5301 et seq.);

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

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

20 (5) promoting best practices in mitigation and
21 land use planning, including consideration of tradi-
22 tional, natural, and nature-based infrastructure al-
23 ternatives;

24 (6) coordinating technical assistance, including
25 mitigation, resiliency, and recovery training and in-

1 formation on all relevant legal and regulatory re-
2 quirements, to entities that receive disaster recovery
3 assistance under title I of the Housing and Commu-
4 nity Development Act of 1974 (42 U.S.C. 5301 et
5 seq.) that demonstrate capacity constraints; and

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

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

18 “(i) OFFICE OF DISASTER MANAGEMENT AND RE-
19 SILIENCY.—

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

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

1 “(A) be responsible for oversight and co-
2 ordination of all departmental disaster pre-
3 paredness and response responsibilities; and

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

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

12 (a) **ESTABLISHMENT.**—There is established in the
13 Treasury of the United States an account to be known
14 as the Long-Term Disaster Recovery Fund.

15 (b) **DEPOSITS, TRANSFERS, AND CREDIT.**—

16 (1) **IN GENERAL.**—The Fund shall consist of
17 amounts appropriated, transferred, and credited to
18 the Fund.

19 (2) **TRANSFERS.**—The following may be trans-
20 ferred to the Fund:

21 (A) Amounts made available through sec-
22 tion 106(c)(4) of the Housing and Community
23 Development Act of 1974 (42 U.S.C.
24 5306(c)(4)) as a result of actions taken under
25 section 104(e), 111, or 123(j) of such Act.

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

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

10 (c) ELIGIBLE USES OF FUND.—

11 (1) IN GENERAL.—Amounts in the Fund shall
12 be available—

13 (A) to provide assistance in the form of
14 grants under section 123 of the Housing and
15 Community Development Act of 1974, as added
16 by section 6; and

17 (B) for activities of the Department that
18 support the provision of such assistance, includ-
19 ing necessary salaries and expenses, informa-
20 tion technology, capacity building and technical
21 assistance (including assistance related to pre-
22 disaster planning), and readiness and other pre-
23 disaster planning activities that are not readily
24 attributable to a single major disaster.

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

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

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

14 (B) may be used for the activities de-
15 scribed in paragraph (1)(B) and for the admin-
16 istrative costs of administering any funds ap-
17 propriated to the Department under the head-
18 ing “Community Planning and Development—
19 Community Development Fund” for any major
20 disaster declared under section 401 of the Rob-
21 ert T. Stafford Disaster Relief and Emergency
22 Assistance Act (42 U.S.C. 5170) in any Act be-
23 fore the establishment of the Fund.

24 (d) INTERCHANGEABILITY OF PRIOR ADMINISTRA-
25 TIVE AMOUNTS.—Any amounts appropriated in any Act

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

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

19 (f) FORMULA ALLOCATION.—Use of amounts in the
20 Fund for grants shall be made by formula allocation in
21 accordance with the requirements of section 123(a) of the
22 Housing and Community Development Act of 1974, as
23 added by section 6.

24 (g) AUTHORIZATION OF APPROPRIATIONS.—There
25 are authorized to be appropriated to the Fund such sums

1 as may be necessary to respond to current or future major
 2 disasters declared under section 401 of the Robert T.
 3 Stafford Disaster Relief and Emergency Assistance Act
 4 (42 U.S.C. 5179) for grants under section 123 of the
 5 Housing and Community Development Act of 1974, as
 6 added by section 6.

7 **SEC. 6. ESTABLISHMENT OF CDBG DISASTER RECOVERY**
 8 **PROGRAM.**

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

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

12 (A) in paragraph (20)—

13 (i) by redesignating subparagraph (B)
 14 as subparagraph (C);

15 (ii) in subparagraph (C), as so reded-
 16 icated, by inserting “or (B)” after “sub-
 17 paragraph (A)”;

18 (iii) by inserting after subparagraph
 19 (A) the following:

20 “(B) The term ‘persons of extremely low in-
 21 come’ means families and individuals whose income
 22 levels do not exceed household income levels deter-
 23 mined by the Secretary under section 3(b)(2) of the
 24 United States Housing Act of 1937 (42 U.S.C.
 25 1437a(b)(2)(C)), except that the Secretary may pro-

1 vide alternative definitions for the Commonwealth of
2 Puerto Rico, Guam, the Commonwealth of the
3 Northern Mariana Islands, the United States Virgin
4 Islands, and American Samoa.”; and

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

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

10 (2) in section 106(c)(4) (42 U.S.C.
11 5306(c)(4))—

12 (A) in subparagraph (A)—

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

16 (ii) inserting “States for use in non-
17 entitlement areas and to” before “metro-
18 politan cities”; and

19 (iii) inserting “major” after “affected
20 by the”;

21 (B) in subparagraph (C)—

22 (i) by striking “metropolitan city or”
23 and inserting “State, metropolitan city,
24 or”;

1 (ii) by striking “city or county” and
 2 inserting “State, city, or county”; and

3 (iii) by inserting “major” before “dis-
 4 aster”;

5 (C) in subparagraph (D), by striking “met-
 6 ropolitan cities and” and inserting “States,
 7 metropolitan cities, and”;

8 (D) in subparagraph (F)—

9 (i) by striking “metropolitan city or”
 10 and inserting “State, metropolitan city,
 11 or”; and

12 (ii) by inserting “major” before “dis-
 13 aster”; and

14 (E) in subparagraph (G), by striking “met-
 15 ropolitan city or” and inserting “State, metro-
 16 politan city, or”;

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

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

22 **“SEC. 123. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**
 23 **ASTER RECOVERY PROGRAM.**

24 **“(a) AUTHORIZATION, FORMULA, AND ALLOCA-**
 25 **TION.—**

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

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

18 “(3) SECTION 106 ALLOCATIONS.—Grants
19 under this section shall not be considered relevant to
20 the formula allocations made pursuant to section
21 106.

22 “(4) FEDERAL REGISTER NOTICE.—

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

1 Register containing the latest formula allocation
2 methodologies used to determine the total esti-
3 mate of unmet needs related to housing, eco-
4 nomic revitalization, and infrastructure in the
5 most impacted and distressed areas resulting
6 from a catastrophic major disaster.

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

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

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

18 “(iii) adjustments to improve tar-
19 geting to the most serious needs;

20 “(iv) objective criteria for grantee ca-
21 pacity and concentration of damage to in-
22 form grantee determinations and minimum
23 allocation thresholds; and

24 “(v) research and data to inform an
25 additional amount to be provided for miti-

1 gation depending on type of disaster, which
2 shall be not more than 30 percent of the
3 total estimate of unmet needs.

4 “(5) REGULATIONS.—

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

10 “(B) FORMULA REQUIREMENTS.—The for-
11 mula established under subparagraph (A)
12 shall—

13 “(i) set forth criteria to determine
14 that a major disaster is catastrophic, which
15 criteria shall consider the presence of a
16 high concentration of damaged housing or
17 businesses that individual, State, Tribal,
18 and local resources could not reasonably be
19 expected to address without additional
20 Federal assistance or other nationally en-
21 compassing data that the Secretary deter-
22 mines are adequate to assess relative im-
23 pact and distress across geographic areas;

24 “(ii) include a methodology for identi-
25 fying most impacted and distressed areas,

1 which shall consider unmet serious needs
2 related to housing, economic revitalization,
3 and infrastructure;

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

15 “(iv) establish objective criteria for
16 periodic review and updates to the formula
17 to reflect changes in available science and
18 data.

19 “(C) MINIMUM ALLOCATION THRESH-
20 OLD.—The Secretary shall, by regulation, es-
21 tablish a minimum allocation threshold.

22 “(D) INTERIM ALLOCATION.—Until such
23 time that the Secretary issues final regulations
24 under this paragraph, the Secretary shall—

1 “(i) allocate assistance from the Fund
2 using the formula allocation methodology
3 published in accordance with paragraph
4 (4); and

5 “(ii) include an additional amount for
6 mitigation equal to 15 percent of the total
7 estimate of unmet need.

8 “(6) ALLOCATION OF FUNDS.—

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

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

18 “(ii) if the best available data is insuf-
19 ficient to make the determination required
20 under clause (i) within the 90-day period
21 described in that clause, the Secretary
22 shall determine whether the major disaster
23 qualifies when sufficient data becomes
24 available, but in no case shall the Sec-
25 retary make the determination later than

1 120 days after the declaration of the major
2 disaster.

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

11 “(C) ADDITIONAL AMOUNTS.—If addi-
12 tional amounts are appropriated to the Fund
13 after amounts are allocated under subpara-
14 graph (B), the Secretary shall announce an al-
15 location or additional allocation (if a prior allo-
16 cation under subparagraph (B) was less than
17 the formula calculation) within 15 days of any
18 such appropriation.

19 “(7) PRELIMINARY FUNDING.—

20 “(A) IN GENERAL.—To speed recovery, the
21 Secretary is authorized to allocate and award
22 preliminary grants from the Fund before mak-
23 ing a determination under paragraph (6)(A) if
24 the Secretary projects, based on a preliminary
25 assessment of impact and distress, that a major

1 disaster is catastrophic and would likely qualify
2 for funding under the formula described in
3 paragraph (4) or (5).

4 “(B) AMOUNT.—

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

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

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

18 “(i) in the determination of the Sec-
19 retary, will support faster recovery, im-
20 prove the ability of the grantee to assess
21 unmet recovery needs, plan for the preven-
22 tion of improper payments, and reduce
23 fraud, waste, and abuse; and

24 “(ii) may include evaluating the in-
25 terim housing, permanent housing, and

1 supportive service needs of the disaster im-
2 pacted community, with special attention
3 to vulnerable populations, such as homeless
4 and low- to moderate-income households,
5 to inform the grantee action plan required
6 under subsection (c).

7 “(D) CONSIDERATION OF FUNDING.—Pre-
8 liminary funding awarded under subparagraph
9 (A)—

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

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

17 “(E) WAIVER.—To expedite the use of
18 preliminary funding for activities described in
19 this paragraph, the Secretary may waive or
20 specify alternative requirements to the require-
21 ments of this section in accordance with sub-
22 section (i).

23 “(F) AMENDED AWARD.—

24 “(i) IN GENERAL.—An award for pre-
25 liminary funding under subparagraph (A)

1 may be amended to add any subsequent
2 amount awarded because of a determina-
3 tion by the Secretary that a major disaster
4 is catastrophic and qualifies for assistance
5 under the formula.

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

13 “(G) TECHNICAL ASSISTANCE.—Concur-
14 rent with the allocation of any preliminary
15 funding awarded under this paragraph, the Sec-
16 retary shall assign or provide technical assist-
17 ance to the recipient of the grant.

18 “(b) INTERCHANGEABILITY.—

19 “(1) IN GENERAL.—The Secretary is authorized
20 to approve the use of grants under this section to be
21 used interchangeably and without limitation for the
22 same activities in the most impacted and distressed
23 areas resulting from a declaration of another cata-
24 strophic major disaster that qualifies for assistance
25 under the formula established under paragraph (4)

1 or (5) of subsection (a) or a major disaster for
2 which the Secretary allocated funds made available
3 under the heading ‘Community Development Fund’
4 in any Act prior to the establishment of the Fund.

5 “(2) REQUIREMENTS.—The Secretary shall es-
6 tablish requirements to expedite the use of grants
7 under this section for the purpose described in para-
8 graph (1).

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

19 “(c) GRANTEE PLANS.—

20 “(1) REQUIREMENT.—Not later than 90 days
21 after the date on which the Secretary announces a
22 grant allocation under this section, unless an exten-
23 sion is granted by the Secretary, the grantee shall
24 submit to the Secretary a plan for approval describ-
25 ing—

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

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

5 “(C) how the use of the grant under this
6 section will address disaster relief, long-term re-
7 covery, restoration of housing and infrastruc-
8 ture, economic revitalization, and mitigation in
9 the most impacted and distressed areas;

10 “(D) how the use of the grant funds for
11 mitigation is consistent with hazard mitigation
12 plans submitted to the Federal Emergency
13 Management Agency under section 322 of the
14 Robert T. Stafford Disaster Relief and Emer-
15 gency Assistance Act (42 U.S.C. 5165);

16 “(E) the estimated amount proposed to be
17 used for activities that will benefit persons of
18 low and moderate income;

19 “(F) how the use of grant funds will repair
20 and replace existing housing stock for vulner-
21 able populations, including low- to moderate-in-
22 come households;

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

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

3 “(I) for State grantees that plan to dis-
4 tribute grant amounts to units of general local
5 government, a description of the method of dis-
6 tribution; and

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

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

17 “(A) publish the plan before adoption;

18 “(B) provide citizens, affected units of
19 general local government, and other interested
20 parties with reasonable notice of, and oppor-
21 tunity to comment on, the plan, with a public
22 comment period of not less than 14 days;

23 “(C) consider comments received before
24 submission to the Secretary;

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

8 “(E) undertake any consultation with in-
9 terested parties as may be determined by the
10 Secretary in regulation.

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

12 “(A) by regulation, specify criteria for the
13 approval, partial approval, or disapproval of a
14 plan submitted under paragraph (1), including
15 approval of substantial amendments to the
16 plan;

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

19 “(C) allow a grantee to revise and resub-
20 mit a plan or substantial amendment to a plan
21 under paragraph (1) that the Secretary dis-
22 approves;

23 “(D) by regulation, specify criteria for
24 when the grantee shall be required to provide
25 the required revisions to a disapproved plan or

1 substantial amendment under paragraph (1) for
2 public comment prior to resubmission of the
3 plan or substantial amendment to the Sec-
4 retary; and

5 “(E) approve, partially approve, or dis-
6 approve a plan or substantial amendment under
7 paragraph (1) not later than 60 days after the
8 date on which the plan or substantial amend-
9 ment is received by the Secretary.

10 “(4) LOW- AND MODERATE-INCOME OVERALL
11 BENEFIT.—

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

16 “(i) specifically finds that—

17 “(I) there is compelling need to
18 reduce the percentage for the grant;
19 and

20 “(II) the housing needs of low-
21 and moderate-income persons have
22 been addressed; and

23 “(ii) issues a waiver and alternative
24 requirement specific to the grant pursuant
25 to subsection (i) to lower the percentage.

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

9 “(5) PRIORITIZATION.—The grantee shall
10 prioritize activities that—

11 “(A) assist persons with extremely low-,
12 low-, and moderate-incomes and other vulner-
13 able populations to better recover from and
14 withstand future disasters, emphasizing those
15 with the most severe needs;

16 “(B) address affordable housing, including
17 affordable rental housing, needs arising from a
18 disaster, or those needs present prior to a dis-
19 aster;

20 “(C) prolong the life of housing and infra-
21 structure;

22 “(D) use cost-effective means of preventing
23 harm to people and property and incorporate
24 protective features, redundancies, and energy
25 savings; and

1 “(E) other measures that will assure the
2 continuation of critical services during future
3 disasters.

4 “(6) PROPORTIONAL ALLOCATION.—

5 “(A) IN GENERAL.—A grantee under this
6 section shall allocate grant funds proportional
7 to unmet needs between housing activities, eco-
8 nomic revitalization, and infrastructure, unless
9 the Secretary—

10 “(i) specifically finds that—

11 “(I) there is a compelling need
12 for a disproportional allocation among
13 those unmet needs; and

14 “(II) the disproportional alloca-
15 tion described in subclause (I) is not
16 inconsistent with the requirements
17 under paragraph (4); and

18 “(ii) issues a waiver and alternative
19 requirement pursuant to subsection (i) to
20 allow for the disproportional allocation de-
21 scribed in clause (i)(I).

22 “(B) HOUSING ACTIVITIES.—With respect
23 to housing activities described in subparagraph
24 (A)(i), grantees should address proportional
25 needs between homeowners and renters, includ-

1 ing low-income households in public housing
2 and Federally subsidized housing.

3 “(7) DISASTER RISK MITIGATION.—

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

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

15 “(ii) includes areas having special
16 flood hazards as identified under the Flood
17 Disaster Protection Act of 1973 (42
18 U.S.C. 4002 et seq.) or the National Flood
19 Insurance Act of 1968 (42 U.S.C. 4001 et
20 seq.).

21 “(B) HAZARD-PRONE AREAS.—The Sec-
22 retary, in consultation with the Administrator
23 of the Federal Emergency Management Agency,
24 shall establish minimum construction standards,
25 insurance purchase requirements, and other re-

1 requirements for the use of grant funds in haz-
2 ard-prone areas.

3 “(C) SPECIAL FLOOD HAZARDS.—

4 “(i) IN GENERAL.—For the areas de-
5 scribed in subparagraph (A)(ii), the insur-
6 ance purchase requirements established
7 under subparagraph (B) shall meet or ex-
8 ceed the requirements under section 102(a)
9 of the Flood Disaster Protection Act of
10 1973 (42 U.S.C. 4012a(a)).

11 “(ii) TREATMENT AS FINANCIAL AS-
12 SISTANCE.—All grants under this section
13 shall be treated as financial assistance for
14 purposes of section 3(a)(3) of the Flood
15 Disaster Protection Act of 1973 (42
16 U.S.C. 4003(a)(3)).

17 “(D) CONSIDERATION OF FUTURE
18 RISKS.—The Secretary may consider future
19 risks to protecting property and health, safety,
20 and general welfare, and the likelihood of those
21 risks, when making the determination of or
22 modification to hazard-prone areas under this
23 paragraph.

24 “(8) RELOCATION.—

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

9 “(B) POLICY.—Each grantee under this
10 section shall establish a relocation assistance
11 policy that—

12 “(i) minimizes displacement and de-
13 scribes the benefits available to persons
14 displaced as a direct result of acquisition,
15 rehabilitation, or demolition in connection
16 with an activity that is assisted by a grant
17 under this section; and

18 “(ii) includes any appeal rights or
19 other requirements that the Secretary es-
20 tablishes by regulation.

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

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

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

6 “(3) the projected use of funds has been devel-
7 oped so as to give maximum feasible priority to ac-
8 tivities that will benefit extremely low-, low-, and
9 moderate-income families and activities described in
10 subsection (c)(5), and may also include activities
11 that are designed to aid in the prevention or elimi-
12 nation of slum and blight to support disaster recov-
13 ery, meet other community development needs hav-
14 ing a particular urgency because existing conditions
15 pose a serious and immediate threat to the health or
16 welfare of the community where other financial re-
17 sources are not available to meet such needs, and al-
18 leviate future threats to human populations, critical
19 natural resources, and property that an analysis of
20 hazards shows are likely to result from natural dis-
21 asters in the future;

22 “(4) the grant funds shall principally benefit
23 persons of low and moderate income as described in
24 subsection (c)(4);

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

10 “(6) the grantee will not attempt to recover any
11 capital costs of public improvements assisted in
12 whole or part under this section by assessing any
13 amount against properties owned and occupied by
14 persons of low and moderate income, including any
15 fee charged or assessment made as a condition of
16 obtaining access to such public improvements, un-
17 less—

18 “(A) funds received under this section are
19 used to pay the proportion of such fee or as-
20 sessment that relates to the capital costs of
21 such public improvements that are financed
22 from revenue sources other than under this
23 chapter; or

24 “(B) for purposes of assessing any amount
25 against properties owned and occupied by per-

1 sons of moderate income, the grantee certifies
2 to the Secretary that the grantee lacks suffi-
3 cient funds received under this section to com-
4 ply with the requirements of subparagraph (A);

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

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

11 “(9) the grantee will adhere to construction
12 standards, insurance purchase requirements, and
13 other requirements for development in hazard-prone
14 areas described in subsection (c)(7).

15 “(e) PERFORMANCE REVIEWS AND REPORTING.—

16 “(1) IN GENERAL.—The Secretary shall, on not
17 less frequently than an annual basis, make such re-
18 views and audits as may be necessary or appropriate
19 to determine whether a grantee under this section
20 has—

21 “(A) carried out activities using grant
22 funds in a timely manner;

23 “(B) met the performance targets estab-
24 lished by paragraph (2);

1 “(C) carried out activities using grant
2 funds in accordance with the requirements of
3 this section, the other provisions of this title
4 that apply to assistance under this section, and
5 other applicable laws; and

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

8 “(2) PERFORMANCE TARGETS.—The Secretary
9 shall develop and make publicly available critical
10 performance targets for review, which shall include
11 spending thresholds for each year from the date on
12 which funds are obligated by the Secretary to the
13 grantee until such time all funds have been ex-
14 pended.

15 “(3) FAILURE TO MEET TARGETS.—

16 “(A) SUSPENSION.—If a grantee under
17 this section fails to meet 1 or more critical per-
18 formance targets under paragraph (2), the Sec-
19 retary may temporarily suspend the grant.

20 “(B) PERFORMANCE IMPROVEMENT
21 PLAN.—If the Secretary suspends a grant
22 under subparagraph (A), the Secretary shall
23 provide to the grantee a performance improve-
24 ment plan with the specific requirements needed

1 to lift the suspension within a defined time pe-
2 riod.

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

13 “(4) COLLECTION OF INFORMATION AND RE-
14 PORTING.—

15 “(A) REQUIREMENT TO REPORT.—A
16 grantee under this section shall provide to the
17 Secretary such information as the Secretary
18 may determine necessary for adequate oversight
19 of the grant program under this section.

20 “(B) PUBLIC AVAILABILITY.—Subject to
21 subparagraph (D), the Secretary shall make in-
22 formation submitted under subparagraph (A)
23 available to the public and to the Inspector
24 General for the Department of Housing and
25 Urban Development, disaggregated by activity,

1 income, geography, and all classes of individuals
2 protected under section 109 and the Fair Hous-
3 ing Act.

4 “(C) SUMMARY STATUS REPORTS.—To in-
5 crease transparency and accountability of the
6 grant program under this section the Secretary
7 shall, on not less frequently than an annual
8 basis, post on a public facing dashboard sum-
9 mary status reports for all active grants under
10 this section that includes—

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

12 “(ii) the percentages of funds allo-
13 cated and expended to benefit low- and
14 moderate-income communities;

15 “(iii) performance targets, spending
16 thresholds, and accomplishments; and

17 “(iv) other information the Secretary
18 determines to be relevant for transparency.

19 “(D) CONSIDERATIONS.—In carrying out
20 this paragraph, the Secretary—

21 “(i) shall take such actions as may be
22 necessary to ensure that personally identi-
23 fiable information regarding applicants for
24 assistance provided from funds made avail-

1 able under this section is not made publicly
2 available; and

3 “(ii) may make full and unredacted
4 information available to academic institu-
5 tions for the purpose of researching into
6 the equitable distribution of recovery funds
7 and adherence to civil rights protections.

8 “(f) ELIGIBLE ACTIVITIES.—

9 “(1) IN GENERAL.—Activities assisted under
10 this section—

11 “(A) may include activities permitted
12 under section 105 or other activities permitted
13 by the Secretary by waiver or alternative re-
14 quirement pursuant to subsection (i); and

15 “(B) shall be related to disaster relief,
16 long-term recovery, restoration of housing and
17 infrastructure, economic revitalization, and
18 mitigation in the most impacted and distressed
19 areas resulting from the major disaster for
20 which the grant was awarded.

21 “(2) PROHIBITION.—Grant funds under this
22 section may not be used for costs reimbursable by,
23 or for which funds have been made available by, the
24 Federal Emergency Management Agency, or the
25 United States Army Corps of Engineers.

1 “(3) ADMINISTRATIVE COSTS, TECHNICAL AS-
2 SISTANCE AND PLANNING.—

3 “(A) IN GENERAL.—The Secretary shall
4 establish in regulation the maximum grant
5 amounts a grantee may use for administrative
6 costs, technical assistance and planning activi-
7 ties, taking into consideration size of grant,
8 complexity of recovery, and other factors as de-
9 termined by the Secretary, but not to exceed 10
10 percent for administration and 20 percent in
11 total.

12 “(B) AVAILABILITY.—Amounts available
13 for administrative costs for a grant under this
14 section shall be available for eligible administra-
15 tive costs of the grantee for any grant made
16 under this section, without regard to a par-
17 ticular disaster.

18 “(4) PROGRAM INCOME.—Notwithstanding any
19 other provision of law, any grantee under this sec-
20 tion may retain program income that is realized
21 from grants made by the Secretary under this sec-
22 tion if the grantee agrees that the grantee will uti-
23 lize the program income in accordance with the re-
24 quirements for grants under this section, except that
25 the Secretary may—

1 “(A) by regulation, exclude from consider-
2 ation as program income any amounts deter-
3 mined to be so small that compliance with this
4 paragraph creates an unreasonable administra-
5 tive burden on the grantee; or

6 “(B) permit the grantee to transfer re-
7 maining program income to the other grants of
8 the grantee under this title upon closeout of the
9 grant.

10 “(5) PROHIBITION ON USE OF ASSISTANCE FOR
11 EMPLOYMENT RELOCATION ACTIVITIES.—

12 “(A) IN GENERAL.—Grants under this sec-
13 tion may not be used to assist directly in the
14 relocation of any industrial or commercial plant,
15 facility, or operation, from one area to another
16 area, if the relocation is likely to result in a sig-
17 nificant loss of employment in the labor market
18 area from which the relocation occurs.

19 “(B) APPLICABILITY.—The prohibition
20 under subparagraph (A) shall not apply to a
21 business that was operating in the disaster-de-
22 clared labor market area before the incident
23 date of the applicable disaster and has since
24 moved, in whole or in part, from the affected

1 area to another State or to a labor market area
2 within the same State to continue business.

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

9 “(g) ENVIRONMENTAL REVIEW.—

10 “(1) ADOPTION.—A recipient of funds provided
11 under this section that uses the funds to supplement
12 Federal assistance provided under section 203, 402,
13 403, 404, 406, 407, 408(c)(4), 428, or 502 of the
14 Robert T. Stafford Disaster Relief and Emergency
15 Assistance Act (42 U.S.C. 5170a, 5170b, 5170c,
16 5172, 5173, 5174(c)(4), 5189f, 5192) may adopt,
17 without review or public comment, any environ-
18 mental review, approval, or permit performed by a
19 Federal agency, and that adoption shall satisfy the
20 responsibilities of the recipient with respect to the
21 environmental review, approval, or permit under sec-
22 tion 104(g)(1).

23 “(2) APPROVAL OF RELEASE OF FUNDS.—Not-
24 withstanding section 104(g)(2), the Secretary or a
25 State may, upon receipt of a request for release of

1 funds and certification, immediately approve the re-
2 lease of funds for an activity or project to be as-
3 sisted under this section if the recipient has adopted
4 an environmental review, approval, or permit under
5 paragraph (1) or the activity or project is categori-
6 cally excluded from review under the National Envi-
7 ronmental Policy Act of 1969 (42 U.S.C. 4321 et
8 seq.).

9 “(3) UNITS OF GENERAL LOCAL GOVERN-
10 MENT.—The provisions of section 104(g)(4) shall
11 apply to assistance under this section that a State
12 distributes to a unit of general local government.

13 “(h) FINANCIAL CONTROLS AND PROCEDURES.—

14 “(1) IN GENERAL.—The Secretary shall develop
15 requirements and procedures to demonstrate that a
16 grantee under this section—

17 “(A) has adequate financial controls and
18 procurement processes;

19 “(B) has adequate procedures to detect
20 and prevent fraud, waste, abuse, and duplica-
21 tion of benefit; and

22 “(C) maintains a comprehensive and pub-
23 licly accessible website.

24 “(2) CERTIFICATION.—Before making a grant
25 under this section, the Secretary shall certify that

1 the grantee has in place proficient processes and
2 procedures to comply with the requirements devel-
3 oped under paragraph (1), as determined by the
4 Secretary.

5 “(3) COMPLIANCE BEFORE ALLOCATION.—The
6 Secretary may permit a State, unit of general local
7 government, or Indian tribe to demonstrate compli-
8 ance with the requirements for adequate financial
9 controls developed under paragraph (1) before a dis-
10 aster occurs and before receiving an allocation for a
11 grant under this section.

12 “(4) DUPLICATION OF BENEFITS.—

13 “(A) IN GENERAL.—Funds made available
14 under this section shall be used in accordance
15 with section 312 of the Robert T. Stafford Dis-
16 aster Relief and Emergency Assistance Act (42
17 U.S.C. 5155), as amended by section 1210 of
18 the Disaster Recovery Reform Act of 2018 (di-
19 vision D of Public Law 115–254), and such
20 rules as may be prescribed under such section
21 312.

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

1 “(i) apply an amount equal to the
2 identified duplication to any allowable costs
3 of the award consistent with actual, imme-
4 diate cash requirement;

5 “(ii) remit any excess amounts to the
6 Secretary to be credited to the obligated,
7 undisbursed balance of the grant con-
8 sistent with requirements on Federal pay-
9 ments applicable to such grantee; and

10 “(iii) if excess amounts under clause
11 (ii) are identified after the period of per-
12 formance or after the closeout of the
13 award, remit such amounts to the Sec-
14 retary to be credited to the Fund.

15 “(C) FAILURE TO COMPLY.—Any grantee
16 provided funds under this section or from prior
17 Appropriations Acts under the heading ‘Com-
18 munity Development Fund’ for purposes related
19 to major disasters that fails to comply with sec-
20 tion 312 of the Robert T. Stafford Disaster Re-
21 lief and Emergency Assistance Act (42 U.S.C.
22 5155) or fails to satisfy penalties to resolve a
23 duplication of benefits shall be subject to rem-
24 edies for noncompliance under section 111, un-
25 less the Secretary publishes a determination in

1 the Federal Register that it is not in the best
2 interest of the Federal Government to pursue
3 remedial actions.

4 “(i) WAIVERS.—

5 “(1) IN GENERAL.—In administering grants
6 under this section, the Secretary may waive, or
7 specify alternative requirements for, any provision of
8 any statute or regulation that the Secretary admin-
9 isters in connection with the obligation by the Sec-
10 retary or the use by the grantee of those funds (ex-
11 cept for requirements related to fair housing, non-
12 discrimination, labor standards, the environment,
13 and the requirements of this section that do not ex-
14 pressly authorize modifications by waiver or alter-
15 native requirement), if the Secretary makes a public
16 finding that good cause exists for the waiver or al-
17 ternative requirement and the waiver or alternative
18 requirement would not be inconsistent with the find-
19 ings in section 2 of the Reforming Disaster Recovery
20 Act.

21 “(2) EFFECTIVE DATE.—A waiver or alter-
22 native requirement described in paragraph (1) shall
23 not take effect before the date that is 5 days after
24 the date of publication of the waiver or alternative
25 requirement on the website of the Department of

1 Housing and Urban Development or the effective
2 date for any regulation published in the Federal
3 Register.

4 “(3) PUBLIC NOTIFICATION.—The Secretary
5 shall notify the public of all waivers or alternative
6 requirements described in paragraph (1) in accord-
7 ance with the requirements of section 7(q)(3) of the
8 Department of Housing and Urban Development
9 Act (42 U.S.C. 3535(q)(3)).

10 “(j) UNUSED AMOUNTS.—

11 “(1) DEADLINE TO USE AMOUNTS.—A grantee
12 under this section shall use an amount equal to the
13 grant within 6 years beginning on the date on which
14 the Secretary obligates the amounts to the grantee,
15 as such period may be extended under paragraph
16 (4).

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

21 “(A) the date on which the grantee notifies
22 the Secretary that the grantee has completed all
23 activities identified in the disaster grantee’s
24 plan under subsection (c); or

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

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

7 “(A) amounts needed to close out grants;
8 and

9 “(B) up to 10 percent of the remaining
10 funds to support maintenance of the minimal
11 capacity to launch a new program in the event
12 of a future disaster and to support pre-disaster
13 long-term recovery and mitigation planning.

14 “(4) EXTENSION OF PERIOD FOR USE OF
15 FUNDS.—The Secretary may extend the 6-year pe-
16 riod described in paragraph (1) by not more than 4
17 years, or not more than 6 years for mitigation activi-
18 ties, if—

19 “(A) the grantee submits to the Sec-
20 retary—

21 “(i) written documentation of the exi-
22 gent circumstances impacting the ability of
23 the grantee to expend funds that could not
24 be anticipated; or

1 “(ii) a justification that such request
2 is necessary due to the nature and com-
3 plexity of the program and projects; and

4 “(B) the Secretary submits a written jus-
5 tification for the extension to the Committees
6 on Appropriations of Senate and the House of
7 Representatives that specifies the period of that
8 extension.”.

9 **SEC. 7. REGULATIONS.**

10 (a) **PROPOSED RULES.**—Following consultation with
11 the Federal Emergency Management Agency, the Small
12 Business Administration, and other Federal agencies, not
13 later than 6 months after the date of enactment of this
14 Act, the Secretary shall issue proposed rules to carry out
15 this Act and the amendments made by this Act and shall
16 provide a 90-day period for submission of public comments
17 on those proposed rules.

18 (b) **FINAL RULES.**—Not later than 1 year after the
19 date of enactment of this Act, the Secretary shall issue
20 final regulations to carry out section 123 of the Housing
21 and Community Development Act of 1974, as added by
22 section 6.

1 **SEC. 8. COORDINATION OF DISASTER RECOVERY ASSIST-**
2 **ANCE, BENEFITS, AND DATA WITH OTHER**
3 **FEDERAL AGENCIES.**

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

15 (b) DATA SHARING AGREEMENTS.—To support the
16 coordination of data to prevent duplication of benefits with
17 other Federal disaster recovery programs while also expe-
18 diting recovery and reducing burden on disaster survivors,
19 the Department shall establish data sharing agreements
20 that safeguard privacy with relevant Federal agencies to
21 ensure disaster benefits effectively and efficiently reach in-
22 tended beneficiaries, while using effective means of pre-
23 venting harm to people and property.

24 (c) DATA TRANSFER FROM FEMA AND SBA TO
25 HUD.—As permitted and deemed necessary for efficient
26 program execution, and consistent with a computer match-

1 ing agreement entered into under subsection (f)(1), the
2 Administrator of the Federal Emergency Management
3 Agency and the Administrator of the Small Business Ad-
4 ministration shall provide data on disaster applicants to
5 the Department, including, when necessary, personally
6 identifiable information, disaster recovery needs, and re-
7 sources determined eligible for, and amounts expended, to
8 the Secretary for all major disasters declared by the Presi-
9 dent pursuant to section 401 of Robert T. Stafford Dis-
10 aster Relief and Emergency Assistance Act (42 U.S.C.
11 5170) for the purpose of providing additional assistance
12 to disaster survivors and prevent duplication of benefits.

13 (d) DATA TRANSFERS FROM HUD TO HUD GRANT-
14 EES.—The Secretary is authorized to provide to grantees
15 under section 123 of the Housing and Community Devel-
16 opment Act of 1974, as added by section 6, offices of the
17 Department, technical assistance providers, and lenders
18 information that in the determination of the Secretary is
19 reasonably available and appropriate to inform the provi-
20 sion of assistance after a major disaster, including infor-
21 mation provided to the Secretary by the Administrator of
22 the Federal Emergency Management Agency, the Admin-
23 istrator of the Small Business Administration, or other
24 Federal agencies.

1 (e) DATA TRANSFERS FROM HUD GRANTEES TO
2 HUD, FEMA, AND SBA.—

3 (1) REPORTING.—Grantees under section 123
4 of the Housing and Community Development Act of
5 1974, as added by section 6, shall report informa-
6 tion requested by the Secretary on households, busi-
7 nesses, and other entities assisted and the type of
8 assistance provided.

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

16 (f) PRIVACY PROTECTION.—The Secretary may make
17 and receive data transfers authorized under this section,
18 including the use and retention of that data for computer
19 matching programs, to inform the provision of assistance,
20 assess disaster recovery needs, and prevent the duplication
21 of benefits and other waste, fraud, and abuse, provided
22 that—

23 (1) the Secretary enters an information sharing
24 agreement or a computer matching agreement, when
25 required by section 522a of title 5, United States

1 Code (commonly known as the “Privacy Act of
2 1974”), with the Administrator of the Federal
3 Emergency Management Agency, the Administrator
4 of the Small Business Administration, or other Fed-
5 eral agencies covering the transfer of data;

6 (2) the Secretary publishes intent to disclose
7 data in the Federal Register;

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

17 (A) in the determination of the Secretary,
18 include measures adequate to safeguard the pri-
19 vacy and personally identifiable information of
20 individuals; and

21 (B) include provisions that describe how
22 the personally identifiable information of an in-
23 dividual will be adequately safeguarded and
24 protected, which requires consultation with the
25 Secretary and the head of each Federal agency

- 1 the data of which is being shared subject to the
- 2 agreement.

○