

FEMA ASSISTANCE RELIEF ACT OF 2020

NOVEMBER 16, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DEFAZIO, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 8266]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 8266) to modify the Federal cost share of certain emergency assistance provided under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to modify the activities eligible for assistance under the emergency declaration issued by the President on March 13, 2020, relating to COVID-19, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

	Page
Purpose of Legislation	3
Background and Need for Legislation	4
Hearings	5
Legislative History and Consideration	5
Committee Votes	7
Committee Oversight Findings	7
New Budget Authority and Tax Expenditures	7
Congressional Budget Office Cost Estimate	7
Performance Goals and Objectives	8
Duplication of Federal Programs	8
Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits ...	8
Federal Mandates Statement	8
Preemption Clarification	8
Advisory Committee Statement	8
Applicability to Legislative Branch	8
Section-by-Section Analysis of the Legislation	9
Changes in Existing Law Made by the Bill, as Reported	10

The amendment is as follows:
 Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “FEMA Assistance Relief Act of 2020”.

SEC. 2. COST SHARE.

(a) **TEMPORARY FEDERAL SHARE.**—Notwithstanding sections 403(b), 403(c)(4), 404(a), 406(b), 408(d), 408(g)(2), 428(e)(2)(B), and 503(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), for any emergency or major disaster declared by the President under such Act during the period beginning on January 1, 2020 and ending on December 31, 2020, the Federal share of assistance provided under such sections shall be not less than 90 percent of the eligible cost of such assistance.

(b) **COST SHARE UNDER COVID EMERGENCY DECLARATION.**—Notwithstanding subsection (a), assistance provided under the emergency declaration issued by the President on March 13, 2020, pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)), and under any subsequent major disaster declaration under section 401 of such Act (42 U.S.C. 5170) that supersedes such emergency declaration, shall be at a 100 percent Federal cost share.

SEC. 3. CLARIFICATION OF ASSISTANCE.

(a) **IN GENERAL.**—For the emergency declared on March 13, 2020 by the President under section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191), the President may provide assistance for activities, costs, and purchases of States, Indian tribal governments, or local governments, including—

(1) activities eligible for assistance under sections 301, 415, 416, and 426 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141, 5182, 5183, 5189d);

(2) backfill costs for first responders and other essential employees who are ill or quarantined;

(3) increased operating costs for essential government services due to such emergency, including costs for implementing continuity plans, and sheltering or housing for first responders, emergency managers, health providers and other essential employees;

(4) costs of providing guidance and information to the public and for call centers to disseminate such guidance and information, including private nonprofit organizations;

(5) costs associated with establishing and operating virtual services;

(6) costs for establishing and operating remote test sites, including comprehensive community based testing;

(7) training provided specifically in anticipation of or in response to the event on which such emergency declaration is predicated;

(8) personal protective equipment and other critical supplies and services for first responders and other essential employees, including individuals working in public schools, courthouses, law enforcement, and public transit systems;

(9) medical equipment, regardless of whether such equipment is used for emergency or inpatient care;

(10) public health costs, including provision and distribution of medicine and medical supplies;

(11) costs associated with maintaining alternate care facilities or related facilities currently inactive but related to future needs tied to the ongoing pandemic event;

(12) costs of establishing and operating shelters and providing services, including transportation, that help alleviate the need of individuals for shelter; and

(13) costs, including costs incurred by private nonprofit organizations, of procuring and distributing food to individuals affected by the pandemic through networks established by State, local, or Tribal governments, or other organizations, including restaurants and farms, and for the purchase of food directly from food producers and farmers.

(b) **APPLICATION TO SUBSEQUENT MAJOR DISASTER.**—The activities described in subsection (a) may also be eligible for assistance under any major disaster declared by the President under section 401 of such Act (42 U.S.C. 5170) that supersedes the emergency declaration described in such subsection.

(c) **FINANCIAL ASSISTANCE FOR FUNERAL EXPENSES.**—For any emergency or major disaster described in subsection (a) or (b), the President shall provide financial assistance to an individual or household to meet disaster-related funeral expenses under section 408(e)(1) of such Act (42 U.S.C. 5174(e)).

(d) **ADVANCED ASSISTANCE.**—

(1) **IN GENERAL.**—In order to facilitate activities under this section, the President, acting through the Administrator of the Federal Emergency Management Agency, may provide assistance in advance to an eligible applicant if a failure to do so would prevent the applicant from carrying out such activities.

(2) **ANNUAL REPORT.**—The Administrator shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs a report on assistance provided in advance pursuant to paragraph (1).

(3) **AUDIT BY DEPARTMENT OF HOMELAND SECURITY INSPECTOR GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Inspector General of the Department of Homeland Security shall conduct a follow-up review of assistance provided in advance pursuant to paragraph (1).

(4) **REVIEW.**—The audit under paragraph (2) shall include, at a minimum—

(A) a review of the assumptions and methodologies used to determine eligibility for advanced assistance; and

(B) a determination of whether the advanced assistance was used appropriately.

(5) **REPORT TO CONGRESS.**—The Inspector General shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report on the results of the review carried out under this subsection.

(e) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to make ineligible any assistance that would otherwise be eligible under section 403, 408, or 502 of such Act (42 U.S.C. 5170b, 5192).

(f) **STATE; INDIAN TRIBAL GOVERNMENT; LOCAL GOVERNMENT DEFINED.**—In this section, the terms “State”, “Indian tribal government”, and “local government” have the meanings given such terms in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).

SEC. 4. HAZARD MITIGATION ASSISTANCE.

For all States or Indian tribal governments, as such terms are defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122), receiving an emergency declaration on March 13, 2020 by the President under section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191), and a major disaster declared by the President under section 401 of such Act (42 U.S.C. 5170) that supersedes such emergency declaration, the President shall approve the availability of hazard mitigation assistance pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) as part of such major disaster declarations, if requested.

SEC. 5. REPORT ON STAFFORD ACT RESPONSE CAPABILITIES.

Not later than 60 days after the date of enactment of this Act, the Administrator of the Federal Emergency Management Agency shall seek to enter into an agreement with the National Academy of Sciences to convene a committee of experts to conduct a comprehensive study on the use of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) to respond to an emergency which does not cause physical damages, such as the emergency declaration issued by the President on March 13, 2020, including—

(1) how non-physical damages can be quantified;

(2) consideration of any factors that allow for an adjustment of cost shares;

(3) recommendations to Congress on thresholds or criteria to be met to trigger a future declaration; and

(4) other items that the Administrator determines necessary to increase future preparedness to such events.

SEC. 6. FEDERAL ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS.

Section 408(f)(3)(J)(iii) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174(f)(3)(J)(iii)) is amended by striking “2 years” and inserting “3 years”.

PURPOSE OF LEGISLATION

The purpose of H.R. 8266, as amended, is to modify the Federal cost share of certain assistance provided under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to modify the activities eligible for assistance under the emergency declaration issued by the President on March 13, 2020, relating to COVID-19, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

The *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act, P.L. 93–288 as amended) authorizes the President to make assistance available via the Federal Emergency Management Agency (FEMA) to supplement state, tribal, territorial, and local (STTL) efforts to respond to and recover from an incident that exceeds all available resources and overwhelms STTL governments. FEMA’s Public Assistance (PA) program provides Federal help, typically through reimbursement, to STTL governments and certain private non-profit organizations for emergency and/or permanent work. PA eligibility is based on work and damage which occurred as a direct result of the incident that resulted in a Presidential declaration of Emergency or Major Disaster. FEMA covers no less than 75 percent of the cost of eligible PA projects. The Stafford Act and 44 CFR § 206.47 provides the President the authority and guidance to adjust the cost share requirement for the Public Assistance program.

Calendar year 2020 has been unprecedented for STTL governments facing a record-setting number of natural disasters¹ while simultaneously fighting the COVID–19 pandemic. Fiscal resources at the STTL levels are being impacted by disaster response and public health costs, while also facing declines in revenues that fund services for healthcare, education, public safety, transportation, and other vital programs as a result of necessary measures taken to combat COVID–19 and slow its spread.²

H.R. 8266, as amended, increases the Federal share from 75 percent to not less than 90 percent for emergencies and disasters declared by the President in calendar year 2020. Further, for COVID–19-related declarations—for which the President invoked Section 501(b) of the Stafford Act, which explicitly states “the United States exercises exclusive or preeminent responsibility and authority”—the bill increases the Federal share to 100 percent.

Additionally, the bill clarifies eligibility for certain services and activities undertaken to combat COVID–19 and protect public health, including personal protective equipment (PPE) and disinfecting services for front-line public sector employees and facilities, including first responders, courthouses, public schools, and public transit.

Given the lack of physical damages during COVID–19, the bill, as amended, also directs FEMA to enter into an agreement with the National Academy of Sciences to convene a committee to conduct a study on the use of the Stafford Act to respond to an event which does not cause physical damages. The results of this study could help to inform the use of Stafford Act authorities for future events without physical damages and whether any policy or legislative reforms may be necessary.

Finally, the bill authorizes FEMA to provide assistance in advance in certain circumstances. FEMA must provide reports to the

¹See National Oceanic and Atmospheric Administration, National Centers for Environmental Information, “Billion-Dollar Weather and Climate Disasters: Overview”. Available at <https://www.ncdc.noaa.gov/billions/>; Thompson, Andrea. *Scientific American*. “A Running List of Record-Breaking Natural Disasters in 2020”. Available at <https://www.scientificamerican.com/article/a-running-list-of-record-breaking-natural-disasters-in-2020/>.

²Davidson, Kate and David Harrison. *Wall Street Journal*. “Coronavirus-Hit State Budgets Create a Drag on U.S. Recovery”. August 12, 2020. Available at <https://www.wsj.com/articles/coronavirus-hit-state-budgets-create-a-drag-on-u-s-recovery-11597224600>.

Committee when this occurs and the Inspector General of the Department of Homeland Security is required to audit such assistance.

HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress—

(1) The following hearing was used to develop or consider H.R. 8266;

On October 22, 2019, the Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing entitled “An Assessment of Federal Recovery Efforts from Recent Disasters.” The Subcommittee received testimony from Mr. Jeffrey Byard, Associate Administrator, Office of Response and Recovery, Federal Emergency Management Agency, Department of Homeland Security; Mr. Dennis Alvord, Deputy Assistant Secretary, Economic Development Administration, U.S. Department of Commerce; Mr. Chris P. Currie, Director, Homeland Security and Justice, U.S. Government Accountability Office; Mr. Mike Sprayberry, Director, Emergency Management, Department of Public Safety, State of North Carolina, testifying on behalf of the National Emergency Management Association; Hon. Fernando Gil-Ensénat, Secretary, Department of Housing, Commonwealth of Puerto Rico; Ms. Rhonda Wiley, Emergency Management/911 Director/Floodplain Administrator, Atchison County, State of Missouri; and Mr. Reese C. May, Chief Strategy and Innovation Officer, The Saint Bernard Project. The Department of Housing and Urban Development submitted a statement for the record.

(2) The following related hearings were held:

On March 11, 2020, the Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing entitled “FEMA’s Priorities for 2020 and Beyond: Coordinating Mission and Vision.” The Subcommittee received testimony from Hon. Peter T. Gaynor, Administrator, Federal Emergency Management Agency, Department of Homeland Security.

LEGISLATIVE HISTORY AND CONSIDERATION

H.R. 8266 was introduced in the House on September 16, 2020, by Mr. DeFazio and 34 original cosponsors and referred to the Committee on Transportation and Infrastructure.

Within the Committee, H.R. 8266 was referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management.

On September 30, 2020, the Subcommittee on Economic Development, Public Buildings, and Emergency Management was discharged from further consideration of H.R. 8266.

The Committee met in open session on September 30, 2020, to consider H.R. 8266, and ordered the measure to be reported to the House with a favorable recommendation, as amended, by voice vote.

The following amendments were offered:

An Amendment in the Nature of a Substitute offered by Mr. DeFazio (#1); was AGREED TO, as amended, by voice vote.

An amendment to the Amendment in the Nature of a Substitute offered by Ms. Mucarsel-Powell (#1A) was AGREED TO by voice vote.

Page 5 after line 22, insert a new section entitled “Sec 4. Hazard Mitigation Assistance.”

An en bloc amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1B) was NOT AGREED TO by voice vote. Consisting of the following amendments:

An amendment—Page 2, line 5, strike “shall be at a 100 percent Federal cost share” and insert “may be at a 100 percent Federal cost share in any area that has experienced a severe local impact or recent multiple major disasters or emergencies, applying the same considerations as carried out by the Administrator of the Federal Emergency Management Agency under section 1232 of the Disaster Recovery Reform Act of 2018 (42 U.S.C. 5170 note) and as determined appropriate by the Administrator”.

An amendment—Page 1, line 14, strike the period and insert “in any area that has experienced a severe local impact or recent multiple major disasters or emergencies in accordance with section 1232 of the Disaster Recovery Reform Act of 2018 (Public Law 115–254), as determined by the Administrator of the Federal Emergency Management Agency.”

An amendment—On page 5, after line 22, insert a new section entitled “Sec. 4. Local Impact.”

An amendment—Page 2, strike line 20 and all that follows through page 3, line 6 and insert the following:

- (3) reasonable increased operating costs for essential government services directly due to such emergency, including costs for implementing continuity plans, and sheltering or housing for first responders, emergency managers, health providers, and other essential employees;
- (4) costs of providing guidance and information to the public and for call centers to disseminate such guidance and information, including private nonprofit organizations;
- (5) reasonable costs associated with establishing and operating virtual services directly due to such emergency;

An amendment—On page 5, after line 22, insert new sections entitled “Sec. 4. Definitions.”; “Sec. 5. Removal of Debris Resulting from a Major Disaster in Residential Common Interest Communities.”; “Sec. 6. Condominiums and Housing Cooperatives by a Major Disaster.”; and “Sec. 6. Applicability.”

An en bloc amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1C) was AGREED TO by voice vote. Consisting of the following amendments:

An amendment—Page 5, after line 12, insert the following new subsections: “(3) Audit by Department of Homeland Security Inspector General.”; “(4) Review.”; and “(5) Report to Congress.”

An amendment—Page 3, line 16, insert “law enforcement,” before “and”.

An amendment—On page 5, after line 22, insert a new section entitled “Sec. 4. Report on Stafford Act Response Capabilities.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1D) was NOT AGREED TO by voice vote.

At the end of the bill add new sections entitled “Sec. 4. Unmet Need Assistance.”; “Sec. 5. Repair and Rebuilding.”; and “Sec. 6. Review by Comptroller General.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1E) was NOT AGREED TO by voice vote.

Page 5, after line 22, insert a new section entitled “Sec. 4. Duplication of Benefits.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1F) was AGREED TO by voice vote.

Page 5, after line 22, insert a new section entitled “Sec. 4. Federal Assistance to Individuals and Households.”

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

There were no recorded votes taken in connection with consideration of H.R. 8266, as amended.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. The Chairman of the Committee shall cause such estimate and statement to be printed in the *Congressional Record* upon its receipt by the Committee.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, a cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to reduce the financial burden on state, tribal, local, and territorial governments by increasing the Federal cost share for all disasters declared during calendar year 2020.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 8266, as amended, establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the rule XXI.

FEDERAL MANDATES STATEMENT

An estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that H.R. 8266, as amended, does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section provides that this bill may be cited as the “FEMA Assistance Relief Act of 2020”.

Sec. 2. Cost share

This section states that the Federal share of assistance provided pursuant to sections 403(b), 403(c)(4), 404(a), 406(b), 408(d), 408(g)(2), 428(e)(2)(B), and 503(a) of the Stafford Act for any emergency or major disaster declared by the President between January 1, 2020 and December 31, 2020 shall be not less than 90 percent of the eligible cost of such assistance. The section also states that assistance provided under the emergency declaration issued by the President on March 13, 2020, pursuant to section 501(b) of the Stafford Act and any subsequent major disaster declaration under section 401 of the Act that supersedes such emergency declaration, shall be at a 100 percent Federal cost share.

Sec. 3. Clarification of assistance

This section clarifies that the President may provide assistance for activities, costs, and purchases of states, tribal governments, territorial, or local governments, including but not limited to, back-fill costs for first responders and other essential employees who are ill or quarantined, increased operating costs for essential government services, costs of providing guidance and information to the public, costs associated with establishing and operating virtual services, costs for establishing and operating remote test sites, personal protective equipment and other critical supplies and services for first responders—including law enforcement—and other essential employees, including individuals working in public schools, courthouses, and public transit systems, medical equipment, public health costs, and costs associated with maintaining alternate care facilities. Additionally, it requires limited Federal assistance to cover funeral costs of COVID-19-related deaths.

Sec. 4. Hazard Mitigation assistance

This section approves Hazard Mitigation Grant Program assistance for all states and tribal governments that applied for such assistance as part of their major disaster declaration request to fight the COVID-19 pandemic.

Sec. 5. Report on Stafford Act response capabilities

This section directs the FEMA Administrator to enter into an agreement with the National Academy of Sciences to convene a committee to conduct a study on the use of the Stafford Act to respond to an emergency which does not cause physical damages.

Sec. 6. Federal assistance to individuals and households

This section amends Section 408(f)(3)(J)(iii) of the Stafford Act by extending the FEMA Administrator’s authority to implement pilot programs and waive notice and comment rulemaking from two years to three years, with a new expiration date of October 5, 2021.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

**ROBERT T. STAFFORD DISASTER RELIEF AND
EMERGENCY ASSISTANCE ACT**

* * * * *

**TITLE IV—MAJOR DISASTER
ASSISTANCE PROGRAMS**

* * * * *

SEC. 408. FEDERAL ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS.

(a) IN GENERAL.—

(1) PROVISION OF ASSISTANCE.—In accordance with this section, the President, in consultation with the Governor of a State, may provide financial assistance, and, if necessary, direct services, to individuals and households in the State who, as a direct result of a major disaster, have necessary expenses and serious needs in cases in which the individuals and households are unable to meet such expenses or needs through other means.

(2) RELATIONSHIP TO OTHER ASSISTANCE.—Under paragraph (1), an individual or household shall not be denied assistance under paragraph (1), (3), or (4) of subsection (c) solely on the basis that the individual or household has not applied for or received any loan or other financial assistance from the Small Business Administration or any other Federal agency.

(b) HOUSING ASSISTANCE.—

(1) ELIGIBILITY.—The President may provide financial or other assistance under this section to individuals and households to respond to the disaster-related housing needs of individuals and households who are displaced from their predisaster primary residences or whose predisaster primary residences are rendered uninhabitable, or with respect to individuals with disabilities, rendered inaccessible or uninhabitable, as a result of damage caused by a major disaster.

(2) DETERMINATION OF APPROPRIATE TYPES OF ASSISTANCE.—

(A) IN GENERAL.—The President shall determine appropriate types of housing assistance to be provided under this section to individuals and households described in subsection (a)(1) based on considerations of cost effectiveness, convenience to the individuals and households, and such other factors as the President may consider appropriate.

(B) MULTIPLE TYPES OF ASSISTANCE.—One or more types of housing assistance may be made available under this section, based on the suitability and availability of the

types of assistance, to meet the needs of individuals and households in the particular disaster situation.

(c) TYPES OF HOUSING ASSISTANCE.—

(1) TEMPORARY HOUSING.—

(A) FINANCIAL ASSISTANCE.—

(i) IN GENERAL.—The President may provide financial assistance to individuals or households to rent alternate housing accommodations, existing rental units, manufactured housing, recreational vehicles, or other readily fabricated dwellings. Such assistance may include the payment of the cost of utilities, excluding telephone service.

(ii) AMOUNT.—The amount of assistance under clause (i) shall be based on the fair market rent for the accommodation provided plus the cost of any transportation, utility hookups, security deposits, or unit installation not provided directly by the President.

(B) DIRECT ASSISTANCE.—

(i) IN GENERAL.—The President may provide temporary housing units, acquired by purchase or lease, directly to individuals or households who, because of a lack of available housing resources, would be unable to make use of the assistance provided under subparagraph (A).

(ii) LEASE AND REPAIR OF RENTAL UNITS FOR TEMPORARY HOUSING.—

(I) IN GENERAL.—The President, to the extent the President determines it would be a cost-effective alternative to other temporary housing options, may—

(aa) enter into lease agreements with owners of multifamily rental property impacted by a major disaster or located in areas covered by a major disaster declaration to house individuals and households eligible for assistance under this section; and

(bb) make repairs or improvements to properties under such lease agreements, to the extent necessary to serve as safe and adequate temporary housing.

(II) IMPROVEMENTS OR REPAIRS.—Under the terms of any lease agreement for property entered into under this subsection, the value of the improvements or repairs shall be deducted from the value of the lease agreement.

(iii) PERIOD OF ASSISTANCE.—The President may not provide direct assistance under clause (i) with respect to a major disaster after the end of the 18-month period beginning on the date of the declaration of the major disaster by the President, except that the President may extend that period if the President determines that due to extraordinary circumstances an extension would be in the public interest.

- (iv) COLLECTION OF RENTAL CHARGES.—After the end of the 18-month period referred to in clause (iii), the President may charge fair market rent for each temporary housing unit provided.
- (2) REPAIRS.—
- (A) IN GENERAL.—The President may provide financial assistance for—
- (i) the repair of owner-occupied private residences, utilities, and residential infrastructure (such as a private access route) damaged by a major disaster to a safe and sanitary living or functioning condition; and
 - (ii) eligible hazard mitigation measures that reduce the likelihood of future damage to such residences, utilities, or infrastructure.
- (B) RELATIONSHIP TO OTHER ASSISTANCE.—A recipient of assistance provided under this paragraph shall not be required to show that the assistance can be met through other means, except insurance proceeds.
- (3) REPLACEMENT.—
- (A) IN GENERAL.—The President may provide financial assistance for the replacement of owner-occupied private residences damaged by a major disaster.
- (B) APPLICABILITY OF FLOOD INSURANCE REQUIREMENT.—With respect to assistance provided under this paragraph, the President may not waive any provision of Federal law requiring the purchase of flood insurance as a condition of the receipt of Federal disaster assistance.
- (4) PERMANENT HOUSING CONSTRUCTION.—The President may provide financial assistance or direct assistance to individuals or households to construct permanent or semi-permanent housing in insular areas outside the continental United States and in other locations in cases in which—
- (A) no alternative housing resources are available; and
 - (B) the types of temporary housing assistance described in paragraph (1) are unavailable, infeasible, or not cost-effective.
- (d) TERMS AND CONDITIONS RELATING TO HOUSING ASSISTANCE.—
- (1) SITES.—
- (A) IN GENERAL.—Any readily fabricated dwelling provided under this section shall, whenever practicable, be located on a site that—
- (i) is complete with utilities;
 - (ii) meets the physical accessibility requirements for individuals with disabilities; and
 - (iii) is provided by the State or local government, by the owner of the site, or by the occupant who was displaced by the major disaster.
- (B) SITES PROVIDED BY THE PRESIDENT.—A readily fabricated dwelling may be located on a site provided by the President if the President determines that such a site would be more economical or accessible.
- (2) DISPOSAL OF UNITS.—
- (A) SALE TO OCCUPANTS.—
- (i) IN GENERAL.—Notwithstanding any other provision of law, a temporary housing unit purchased under

this section by the President for the purpose of housing disaster victims may be sold directly to the individual or household who is occupying the unit if the individual or household lacks permanent housing.

(ii) SALE PRICE.—A sale of a temporary housing unit under clause (i) shall be at a price that is fair and equitable.

(iii) DEPOSIT OF PROCEEDS.—Notwithstanding any other provision of law, the proceeds of a sale under clause (i) shall be deposited in the appropriate Disaster Relief Fund account.

(iv) HAZARD AND FLOOD INSURANCE.—A sale of a temporary housing unit under clause (i) shall be made on the condition that the individual or household purchasing the housing unit agrees to obtain and maintain hazard and flood insurance on the housing unit.

(v) USE OF GSA SERVICES.—The President may use the services of the General Services Administration to accomplish a sale under clause (i).

(B) OTHER METHODS OF DISPOSAL.—If not disposed of under subparagraph (A), a temporary housing unit purchased under this section by the President for the purpose of housing disaster victims—

(i) may be sold to any person; or

(ii) may be sold, transferred, donated, or otherwise made available directly to a State or other governmental entity or to a voluntary organization for the sole purpose of providing temporary housing to disaster victims in major disasters and emergencies if, as a condition of the sale, transfer, or donation, the State, other governmental agency, or voluntary organization agrees—

(I) to comply with the nondiscrimination provisions of section 308; and

(II) to obtain and maintain hazard and flood insurance on the housing unit.

(e) FINANCIAL ASSISTANCE TO ADDRESS OTHER NEEDS.—

(1) MEDICAL, DENTAL, CHILD CARE, AND FUNERAL EXPENSES.—The President, in consultation with the Governor of a State, may provide financial assistance under this section to an individual or household in the State who is adversely affected by a major disaster to meet disaster-related medical, dental, child care, and funeral expenses.

(2) PERSONAL PROPERTY, TRANSPORTATION, AND OTHER EXPENSES.—The President, in consultation with the Governor of a State, may provide financial assistance under this section to an individual or household described in paragraph (1) to address personal property, transportation, and other necessary expenses or serious needs resulting from the major disaster.

(f) STATE ROLE.—

(1) STATE- OR INDIAN TRIBAL GOVERNMENT-ADMINISTERED ASSISTANCE AND OTHER NEEDS ASSISTANCE.—

(A) GRANT TO STATE.—Subject to subsection (g), a Governor may request a grant from the President to provide assistance to individuals and households in the State

under subsections (c)(1)(B), (c)(4), and (e) if the President and the State or Indian tribal government comply, as determined by the Administrator, with paragraph (3).

(B) ADMINISTRATIVE COSTS.—A State that receives a grant under subparagraph (A) may expend not more than 5 percent of the amount of the grant for the administrative costs of providing assistance to individuals and households in the State under subsections (c)(1)(B), (c)(4), and (e).

(2) ACCESS TO RECORDS.—In providing assistance to individuals and households under this section, the President shall provide for the substantial and ongoing involvement of the States in which the individuals and households are located, including by providing to the States access to the electronic records of individuals and households receiving assistance under this section in order for the States to make available any additional State and local assistance to the individuals and households.

(3) REQUIREMENTS.—

(A) APPLICATION.—A State or Indian tribal government desiring to provide assistance under subsection (c)(1)(B), (c)(4), or (e) shall submit to the President an application for a grant to provide financial assistance under the program.

(B) CRITERIA.—The President, in consultation and coordination with State and Indian tribal governments, shall establish criteria for the approval of applications submitted under subparagraph (A). The criteria shall include, at a minimum—

(i) a requirement that the State or Indian tribal government submit a housing strategy under subparagraph (C);

(ii) the demonstrated ability of the State or Indian tribal government to manage the program under this section;

(iii) there being in effect a plan approved by the President as to how the State or Indian tribal government will comply with applicable Federal laws and regulations and how the State or Indian tribal government will provide assistance under its plan;

(iv) a requirement that the State or Indian tribal government comply with rules and regulations established pursuant to subsection (j); and

(v) a requirement that the President, or the designee of the President, comply with subsection (i).

(C) REQUIREMENT OF HOUSING STRATEGY.—

(i) IN GENERAL.—A State or Indian tribal government submitting an application under this paragraph shall have an approved housing strategy, which shall be developed and submitted to the President for approval.

(ii) REQUIREMENTS.—The housing strategy required under clause (i) shall—

(I) outline the approach of the State in working with Federal partners, Indian tribal governments, local communities, nongovernmental organiza-

tions, and individual disaster survivors to meet disaster-related sheltering and housing needs; and

(II) include the establishment of an activation plan for a State Disaster Housing Task Force, as outlined in the National Disaster Housing Strategy, to bring together State, tribal, local, Federal, nongovernmental, and private sector expertise to evaluate housing requirements, consider potential solutions, recognize special needs populations, and propose recommendations.

(D) QUALITY ASSURANCE.—Before approving an application submitted under this section, the President, or the designee of the President, shall institute adequate policies, procedures, and internal controls to prevent waste, fraud, abuse, and program mismanagement for this program and for programs under subsections (c)(1)(B), (c)(4), and (e). The President shall monitor and conduct quality assurance activities on a State or Indian tribal government's implementation of programs under subsections (c)(1)(B), (c)(4), and (e). If, after approving an application of a State or Indian tribal government submitted under this paragraph, the President determines that the State or Indian tribal government is not administering the program established by this section in a manner satisfactory to the President, the President shall withdraw the approval.

(E) AUDITS.—The Inspector General of the Department of Homeland Security shall provide for periodic audits of the programs administered by States and Indian tribal governments under this subsection.

(F) APPLICABLE LAWS.—All Federal laws applicable to the management, administration, or contracting of the programs by the Federal Emergency Management Agency under this section shall be applicable to the management, administration, or contracting by a non-Federal entity under this section.

(G) REPORT ON EFFECTIVENESS.—Not later than 18 months after the date of enactment of this paragraph, the Inspector General of the Department of Homeland Security shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the State or Indian tribal government's role to provide assistance under this section. The report shall contain an assessment of the effectiveness of the State or Indian tribal government's role in providing assistance under this section, including—

(i) whether the State or Indian tribal government's role helped to improve the general speed of disaster recovery;

(ii) whether the State or Indian tribal government providing assistance under this section had the capacity to administer this section; and

(iii) recommendations for changes to improve the program if the State or Indian tribal government's role to administer the programs should be continued.

(H) REPORT ON INCENTIVES.—Not later than 12 months after the date of enactment of this paragraph, the Administrator of the Federal Emergency Management Agency shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on a potential incentive structure for awards made under this section to encourage participation by eligible States and Indian tribal governments. In developing this report, the Administrator of the Federal Emergency Management Agency shall consult with State, local, and Indian tribal entities to gain their input on any such incentive structure to encourage participation and shall include this information in the report. This report should address, among other options, potential adjustments to the cost-share requirement and management costs to State and Indian tribal governments.

(I) PROHIBITION.—The President may not condition the provision of Federal assistance under this Act on a State or Indian tribal government requesting a grant under this section.

(J) MISCELLANEOUS.—

(i) NOTICE AND COMMENT.—The Administrator of the Federal Emergency Management Agency may waive notice and comment rulemaking with respect to rules to carry out this section, if the Administrator determines doing so is necessary to expeditiously implement this section, and may carry out this section as a pilot program until such regulations are promulgated.

(ii) FINAL RULE.—Not later than 2 years after the date of enactment of this paragraph, the Administrator of the Federal Emergency Management Agency shall issue final regulations to implement this subsection as amended by the Disaster Recovery Reform Act of 2018.

(iii) WAIVER AND EXPIRATION.—The authority under clause (i) and any pilot program implemented pursuant to such clause shall expire ~~2 years~~ 3 years after the date of enactment of this paragraph or upon issuance of final regulations pursuant to clause (ii), whichever occurs sooner.

(g) COST SHARING.—

(1) FEDERAL SHARE.—Except as provided in paragraph (2), the Federal share of the costs eligible to be paid using assistance provided under this section shall be 100 percent.

(2) FINANCIAL ASSISTANCE TO ADDRESS OTHER NEEDS.—In the case of financial assistance provided under subsection (e)—

(A) the Federal share shall be 75 percent; and

(B) the non-Federal share shall be paid from funds made available by the State.

(h) MAXIMUM AMOUNT OF ASSISTANCE.—

(1) IN GENERAL.—No individual or household shall receive financial assistance greater than \$25,000 under this section with respect to a single major disaster, excluding financial assistance to rent alternate housing accommodations under sub-

section (c)(1)(A)(i) and financial assistance to address other needs under subsection (e).

(2) OTHER NEEDS ASSISTANCE.—The maximum financial assistance any individual or household may receive under subsection (e) shall be equivalent to the amount set forth in paragraph (1) with respect to a single major disaster.

(3) ADJUSTMENT OF LIMIT.—The limit established under paragraphs (1) and (2) shall be adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

(4) EXCLUSION OF NECESSARY EXPENSES FOR INDIVIDUALS WITH DISABILITIES.—

(A) IN GENERAL.—The maximum amount of assistance established under paragraph (1) shall exclude expenses to repair or replace damaged accessibility-related improvements under paragraphs (2), (3), and (4) of subsection (c) for individuals with disabilities.

(B) OTHER NEEDS ASSISTANCE.—The maximum amount of assistance established under paragraph (2) shall exclude expenses to repair or replace accessibility-related personal property under subsection (e)(2) for individuals with disabilities.

(i) VERIFICATION MEASURES.—In carrying out this section, the President shall develop a system, including an electronic database, that shall allow the President, or the designee of the President, to—

(1) verify the identity and address of recipients of assistance under this section to provide reasonable assurance that payments are made only to an individual or household that is eligible for such assistance;

(2) minimize the risk of making duplicative payments or payments for fraudulent claims under this section;

(3) collect any duplicate payment on a claim under this section, or reduce the amount of subsequent payments to offset the amount of any such duplicate payment;

(4) provide instructions to recipients of assistance under this section regarding the proper use of any such assistance, regardless of how such assistance is distributed; and

(5) conduct an expedited and simplified review and appeal process for an individual or household whose application for assistance under this section is denied.

(j) RULES AND REGULATIONS.—The President shall prescribe rules and regulations to carry out this section, including criteria, standards, and procedures for determining eligibility for assistance.

* * * * *