

**H.R. 3709, Preliminary Damage Assessment Improvement Act of 2021**

As ordered reported by the House Committee on Transportation and Infrastructure on July 28, 2021

By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	22	not estimated
Statutory pay-as-you-go procedures apply?	No	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

Following a major disaster declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Federal Emergency Management Agency (FEMA) works with state and local partners to generate a preliminary damage assessment (PDA) quantifying the potential magnitude of damages caused by the event. That assessment informs subsequent requests for federal assistance.

H.R. 3709 would require FEMA to convene an advisory panel consisting of federal, state, and local officials to make recommendations on training, the use of a technological platform to integrate data, and other ways to improve the PDA process. Under the bill, FEMA would need to issue regulations to implement any activities that the panel recommends. Finally, the bill would require the agency to report to the Congress on several issues, including the PDA process and the panel's recommendations.

The costs of the legislation, detailed in Table 1, fall within budget function 450 (community and regional development).

CBO assumes that the bill will be enacted by the end of calendar year 2021 and that FEMA would begin implementing the recommendations from the panel in fiscal year 2023. In total, CBO estimates that implementing the bill would cost \$22 million over the 2022-2026 period; that spending would be subject to the availability of appropriated funds.

**Table 1.  
Estimated Increases in Spending Subject to Appropriation Under H.R. 3709**

	By Fiscal Year, Millions of Dollars					2022-2026
	2022	2023	2024	2025	2026	
Estimated Authorization	*	7	5	5	5	22
Estimated Outlays	*	7	5	5	5	22

\* = between zero and \$500,000.

CBO cannot determine what recommendations the panel would make in its final report. Based on information from the agency, however, we expect that the panel would recommend the creation of a common technological platform for integrating PDA data from federal, state, and local officials, as well as additional training for FEMA officials.

Using information from FEMA about the costs of software systems for its grant programs, CBO estimates that it would cost \$18 million through 2026 to develop a technological platform. Most of those costs would probably be for contracts with a software vendor. In addition, CBO estimates that training officials throughout the country on PDA guidelines and processes would cost about \$3 million over the 2022-2026 period. Finally, based on the costs of similar advisory panels and reporting requirements, we estimate that implementing those requirements would cost about \$1 million.

The panel could recommend implementing more, fewer, or different activities than CBO used as the basis for this estimate. Depending on what the panel ultimately recommends, the costs of implementing H.R. 3709 could be higher or lower than our estimate.

The CBO staff contact for this estimate is Jon Sperl. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.