[DISCUSSION DRAFT]

117TH CONGRESS  
1ST SESSION  

H. R. ______

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

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

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

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3
4 SECTION 1. SHORT TITLE.
5 This Act may be cited as the “Reforming Disaster
6 Recovery Act of 2021”.
SEC. 2. COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY PROGRAM.

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

"SEC. 123. CDBG-DISASTER RECOVERY ASSISTANCE.

“(a) AUTHORITY; USE.—The Secretary may provide assistance under this section to States, including Puerto Rico, units of general local government, and Indian tribes for necessary expenses for activities authorized under this title related to disaster relief, resiliency, long-term recovery, restoration of infrastructure and housing, mitigation, and economic revitalization in the most impacted and distressed areas (as such term shall be defined by the Secretary by regulation) resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

“(b) ALLOCATION; COORDINATION.—

“(1) ALLOCATION FOR MITIGATION.—In determining the amount allocated under this section for any grantee, the Secretary shall include an additional amount for mitigation that is not less than 45 percent of the amount allocated for such grantee for unmet needs.

“(2) DEADLINES FOR ALLOCATION.—Except as provided in paragraph (3), after the enactment of an
Act making funds available for assistance under this section, the Secretary shall allocate for grantees, based on the best available data all funds provided for assistance under this section within 60 days of the date of the enactment of such Act. Such data shall include information from the Federal Emergency Management Agency, the Small Business Administration, and any other relevant Federal, State, or local agency, and block-level data from the Bureau of the Census to assess the unmet needs of both homeowners and renters. Upon receipt of updated data demonstrating additional unmet needs, the Secretary may later revise the amount of funds that are allocated.

“(3) INAPPLICABILITY OF DEADLINES BASED ON INSUFFICIENT INFORMATION.—The deadlines under paragraph (2) for allocation of funds shall not apply in the case of funds made available for assistance under this section if the Secretary determines there is insufficient information regarding relevant unmet recovery needs to make allocations in accordance with such deadlines. The Secretary shall notify the Congress of progress on or delay in receiving the necessary information within 60 days following dec-
laration of such a major disaster and monthly thereafter until all necessary information is received.

“(4) **OBLIGATION OF AMOUNTS BY SECRETARY.**—Subject to subsection (c)(1), the Secretary shall provide for the disbursement of the amounts allocated for a grantee, but shall require the grantee to be in substantial compliance with the requirements of this section before each such disbursement.

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

“(A) **COORDINATION OF DATA.**—The Secretary shall coordinate with other agencies to obtain data on recovery needs, including the Administrator of the Federal Emergency Management Agency and the Administrator of the Small Business Administration, and other agencies when necessary regarding disaster benefits.

“(B) **COORDINATION WITH FEMA.**—The Secretary shall share with the Administrator of the Federal Emergency Management Agency, and make publicly available, all data collected, possessed, or analyzed during the course of a disaster recovery for which assistance is provided under this section including—
“(i) all data on damage caused by the disaster;

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

“(iii) information regarding the effect of the disaster on education, transportation capabilities and dependence, housing needs, health care capacity, and displacement of persons.

“(C) REQUIREMENTS REGARDING ELIGIBILITY FOR DIRECT ASSISTANCE AND DUPLICATION OF BENEFITS.—

“(i) COMPLIANCE.—Funds made available for assistance under this subsection shall be used in accordance with section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254), and such rules as may be prescribed under such section.

“(ii) PRIORITY.—Households having the lowest incomes shall be prioritized for
assistance under this subsection until all unmet needs are satisfied for families having an income up to 120 percent of the median for the area.

“(D) Treatment of duplicative benefits.—In any case in which a grantee provides assistance that duplicates benefits available to a person for the same purpose from another source, the grantee itself shall either (i) be subject to remedies for noncompliance under section 111, or (ii) bear responsibility for absorbing such cost of duplicative benefits and returning an amount equal to any duplicative benefits paid to the grantee’s funds available for use under this section or to the Community Development Block Grant Disaster Recovery Reserve Fund under section 124, unless the Secretary issues a public determination by publication in the Federal Register that it is not in the best interest of the Federal Government to pursue such remedies.

“(E) Waiver of recoupment.—A grantee of assistance from funds made available for use under this section may request a waiver from the Secretary of any recoupment by the
Secretary of such funds for amounts owed by persons who have received such assistance from such funds and who have been defrauded, or after receiving assistance, have filed for bankruptcy, gone through a foreclosure procedure on property that received such assistance, or are deceased. If the grantee self-certifies to the Secretary in such request that it has verified that the individual conditions of each person it is requesting a waiver for meets one of the conditions specified in the preceding sentence, the Secretary may grant such waivers on the basis of grantee self-certification, issue a public determination by publication in the Federal Register that it is not in the best interest of the Federal Government to pursue such recoupment, and may conduct oversight to verify grantee self-certification and subject the grantee to remedies for noncompliance for any amounts that have not met such requirements.

“(F) PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION.—In carrying out this paragraph, the Secretary and the grantee shall take such actions as may be necessary to ensure that personally identifiable information regard-
ing recipients of assistance provided from funds
made available for use under this section is not
made publicly available by the Department of
Housing and Urban Development or any agency
with which information is shared pursuant to
this paragraph.

“(c) PLAN FOR USE OF ASSISTANCE.—

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

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

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

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

“(D) a plan for ensuring compliance with
the Fair Housing Act, which may include, at
the election of the grantee, providing for part-
nerships with local fair housing organizations
and funding set-aside for local fair housing or-
ganizations to handle complaints relating to as-
sistance with amounts made available for use
under this section; and
“(E) a plan to provide for the delivery of housing counseling services by housing counseling agencies approved by the Department of Housing and Urban Development to assist disaster-impacted residents in identifying, understanding, and accessing available Federal assistance and other resources.

“(2) PARTIAL SUBMISSION; EXTENSION.—Notwithstanding any provision of paragraph (1), a grantee may submit to the Secretary for approval the portions of a plan addressing the use of funds for unmet needs before submitting portions of the plan addressing the use of funds for long-term recovery and mitigation and may request an extension of the 90-day period under paragraph (1) for submission of such portions addressing long-term recovery and mitigation.

“(3) APPROVAL.—

“(A) IN GENERAL.—The Secretary shall, by regulation, specify criteria for approval of plans under paragraph (1), including approval of substantial amendments to such plans.

“(B) PARTIAL APPROVAL.—The Secretary may approve the portions of a plan addressing the use of funds for unmet needs under para-
graph (1) before approving portions of the plan addressing the use of funds for long-term recovery and mitigation.

“(4) **DISAPPROVAL.**—The Secretary shall disapprove a plan or substantial amendment to a plan if—

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

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

“(i) between infrastructure and housing activities; and

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

“(C) the plan or amendment does not provide an adequate plan for ensuring that funding provided under this section is used in compliance with the Fair Housing Act;

“(D) the plan or amendment does not prioritize the one-for-one replacement, with cost adjustment where appropriate, of damaged
dwelling units in public housing, in projects receiving tax credits pursuant to section 42 of the Internal Revenue Code of 1986, or in projects assisted under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), under the HOME Investment Partnerships Act (42 U.S.C. 12721 et seq.), under the community development block grant program under this title, or by the Housing Trust Fund under section 1338 of the Housing and Community Development Act of 1992 (12 U.S.C. 4568); or

“(E) the plan or amendment does not provide a process to provide applicants—

“(i) notice by grantee of applicant’s right to appeal any adverse action or inaction;

“(ii) right to full discovery of applicant’s entire application file; and

“(iii) right to appeal to a court of competent jurisdiction in the vicinage of the applicant’s residence at the time of the appeal.
“(5) PUBLIC CONSULTATION.—In developing the plan required under paragraph (1), a grantee shall, at a minimum—

“(A) consult with affected residents, stakeholders, local governments, and public housing authorities to assess needs;

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

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

“(D) publish the plan in a manner that affords citizens, affected local governments, and other interested parties a reasonable opportunity to examine the contents of the plan and provide feedback.

“(6) RESUBMISSION.—The Secretary shall permit a grantee to revise and resubmit a disapproved plan or plan amendment.

“(7) TIMING.—

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

“(B) DISAPPROVAL.—If the Secretary disapproves a plan, not later than 15 days after such disapproval the Secretary shall inform the applicant in writing of (A) the reasons for disapproval, and (B) actions that the applicant could take to meet the criteria for approval.

“(C) AMENDMENTS; RESUBMISSION.—The Secretary shall, for a period of not less than 45 days following the date of disapproval, permit amendments to, or the resubmission of, any plan that is disapproved. The Secretary shall approve or disapprove a plan amendment not less than 30 days after receipt of such amendments or resubmission.

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

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

“(A) proficient financial controls and procurement processes;

“(B) adequate procedures to ensure that all eligible families and individuals are approved for assistance with amounts made available for use under this section and that recipients are provided the full amount of assistance for which they are eligible;

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

“(D) adequate procedures to ensure the grantee will maintain comprehensive and publicly accessible websites that make available information regarding all disaster recovery activities assisted with such funds, which information shall include—
“(i) full and unredacted copies of all requests for qualification for assistance or for procurement with such funds, however styled;

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

“(iii) the identity of any entity that reviews, evaluates, scores, or otherwise influences or determines the disposition of such requests;

“(iv) all reports, however styled, containing the reviewing individual or entity’s scores, findings, and conclusions regarding such requests; and

“(v) any resulting contract, agreement, or other disposition of such requests; except that such procedures shall ensure that personally identifiable information regarding recipients of assistance provided from funds made available for use under this section shall not be made publicly available.

“(2) Evaluation of Compliance.—The Secretary shall provide, by regulation or guideline, a
method for qualitatively and quantitatively evaluating compliance with the requirements under paragraph (1).

“(3) CERTIFICATION.—As a condition of making any grant, the Secretary shall certify in advance that the grantee has in place the processes and procedures required under subparagraphs (A) through (D) of paragraph (1).

“(e) USE OF FUNDS.—

“(1) ADMINISTRATIVE COSTS.—

“(A) IN GENERAL.—A State, unit of general local government, or Indian tribe receiving a grant under this section may use not less than 7 percent and not more than 10 percent of the amount of grant funds received, or within such other percentage as may be established pursuant to subparagraph (B), for administrative costs and shall document the use of funds for such purpose in accordance with such requirements as the Secretary shall establish.

“(B) DISCRETION TO ESTABLISH SLIDING SCALE.—The Secretary may establish a series of percentage limitations on the amount of grant funds received that may be used by a grantee for administrative costs, but only if—
“(i) such percentage limitations are based on the amount of grant funds received by a grantee;

“(ii) such series provides that the percentage that may be so used is lower for grantees receiving a greater amount of grant funds and such percentage that may be so used is higher for grantees receiving a lesser amount of grant funds; and

“(iii) in no case may a grantee so use more than 10 percent of grant funds received.

“(2) LIMITATIONS ON USE.—Amounts from a grant under this section may not be used for activities—

“(A) that are reimbursable, or for which funds are made available, by the Federal Emergency Management Agency, including under the Robert T. Stafford Disaster Relief and Emergency Assistance Act or the National Flood Insurance Program; or

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

“(3) HUD ADMINISTRATIVE COSTS.—
“(A) LIMITATION.—Of any funds made available for use under this section by any single appropriations Act, the Secretary may use 1 percent of any such amount exceeding $1,000,000,000 for necessary costs, including information technology costs, of administering and overseeing the obligation and expenditure of amounts made available for use under this section.

“(B) TRANSFER OF FUNDS.—Any amounts made available for use in accordance with subparagraph (A)—

“(i) shall be transferred to the account for Program Office Salaries and Expenses—Community Planning and Development for the Department;

“(ii) shall remain available until expended; and

“(iii) may be used for administering any funds appropriated to the Department for any disaster and related purposes in any prior or future Act, notwithstanding the disaster for which such funds were appropriated.
“(4) Inspector General.—Of any funds made available for use in accordance with paragraph (3)(A), 15 percent shall be transferred to the Office of the Inspector General for necessary costs of audits, reviews, oversight, evaluation, and investigations relating to amounts made available for use under this section.

“(5) Capacity Building.—Of any funds made available for use under this section, not more than 0.1 percent or $15,000,000, whichever is less, shall be made available to the Secretary for capacity building and technical assistance, including assistance regarding contracting and procurement processes, to support grantees and subgrantees receiving funds under this section.

“(6) Mitigation Planning.—

“(A) Requirement.—The Secretary shall require each grantee to use a fixed percentage of any grant funds for comprehensive mitigation planning.

“(B) Amount.—Such fixed percentage shall not be less than 15 percent, except that the Secretary may by regulation establish a lower percentage for grantees receiving a grant exceeding $1,000,000,000.
“(C) COORDINATION.—Each grantee shall ensure that such comprehensive mitigation plans are coordinated and aligned with existing comprehensive, land use, transportation, and economic development plans, and specifically analyze multiple types of hazard exposures and risks. Each grantee shall coordinate and align such mitigation planning with other mitigation projects funded by the Federal Emergency Management Agency, the Army Corps of Engineers, the Forest Service, and other agencies as appropriate.

“(D) USE OF FUNDS.—Such funds may be used for the purchase of data and development or updating of risk mapping for all relevant hazards.

“(E) PRIORITY.—Grantees shall prioritize the expenditure of mitigation dollars for programs and projects primarily benefitting persons of low and moderate income with the greatest risk of harm from natural hazards.

“(7) BUILDING SAFETY.—

“(A) IN GENERAL.—After consultation with the Administrator of the Federal Emergency Management Agency, the Secretary shall
provide that no funds made available under this section shall be used for installation, substantial rehabilitation, reconstruction, or new construction of infrastructure or residential, commercial, or public buildings in hazard-prone areas, unless construction complies with paragraph (8) and with the latest published editions of relevant national consensus-based codes, and specifications and standards referenced therein, except that nothing in this section shall be construed to prohibit a grantee from requiring higher standards.

“(B) SAVINGS PROVISION.—Nothing in subparagraph (A) shall be construed as a requirement for a grantee to adopt the latest published editions of relevant national consensus-based codes, specifications, and standards.

“(C) COMPLIANCE.—Compliance with this paragraph may be certified by a registered design professional.

“(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

“(i) HAZARD-PRONE AREAS.—The term ‘hazard-prone areas’ means areas identified by the Secretary, in consultation
with the Administrator, at risk from natural hazards that threaten property damage or health, safety, and welfare, such as floods (including special flood hazard areas), wildfires (including Wildland-Urban Interface areas), earthquakes, tornados, and high winds. The Secretary may consider future risks and the likelihood such risks may pose to protecting property and health, safety, and general welfare when making the determination of or modification to hazard-prone areas.

“(ii) LATEST PUBLISHED EDITIONS.—

The term ‘latest published editions’ means, with respect to relevant national consensus-based codes, and specifications and standards referenced therein, the two most recent published editions, including, if any, amendments made by State, local, tribal, or territorial governments during the adoption process, that incorporate the latest natural hazard-resistant designs and establish criteria for the design, construction, and maintenance of structures and facilities that may be eligible for assistance
under this section for the purposes of protecting the health, safety, and general welfare of a building’s users against disasters.

“(8) FLOOD RISK MITIGATION.—

“(A) REQUIREMENTS.—Subject to subparagraph (B), the Secretary shall require that any structure that is located in an area having special flood hazards and that is newly constructed, for which substantial damage is repaired, or that is substantially improved, using amounts made available under this section, shall be elevated with the lowest floor, including the basement, at least two feet above the base flood level, except that critical facilities, including hospitals, nursing homes, and other public facilities providing social and economic lifelines, as defined by the Secretary, shall be elevated at least 3 feet above the base flood elevation (or higher if required under paragraph (7)).

“(B) ALTERNATIVE MITIGATION.—In the case of existing structures consisting of multifamily housing and row houses, the Secretary shall seek consultation with the Administrator of the Federal Emergency Management Agency,
shall provide for alternative forms of mitigation (apart from elevation), and shall exempt from the requirement under subparagraph (A) any such structure that meets the standards for such an alternative form of mitigation.

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

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

“(1) may not allow a grantee to use any such amounts for any purpose other than the purpose approved by the Secretary in the plan or amended plan submitted under subsection (e)(1) to the Secretary for use of such amounts;

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

“(3) shall prohibit a grantee from delegating, by contract or otherwise, the responsibility for inherent government functions.

“(g) TRAINING FOR GRANT MANAGEMENT FOR SUBGRANTEES.—The Secretary shall require each grantee to provide ongoing training to all staff and subgrantees.

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

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

“(A) follow its own procurement processes and procedures, but only if the Secretary makes a determination that such processes and procedures comply with the requirements under paragraph (2); or

“(B) comply with such processes and procedures as the Secretary shall, by regulation, establish for purposes of this section.

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

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

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

“(C) specify methods of procurement and their applicability, but not allow cost-plus-a-percentage-of-cost or percentage-of-construction-cost methods of procurement;

“(D) include standards of conduct governing employees engaged in the award or administration of contracts; and

“(E) ensure that all purchase orders and contracts include any clauses required by Federal statute, Executive order, or implementing regulation.

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

“(A) provide the grantee with specific written notice of the elements of noncompliance and
the changes necessary to such processes and procedures to provide for compliance;

“(B) provide the grantee a reasonable period of time to come into compliance; and

“(C) during such period allow the grantee to proceed with procuring property and services paid for in whole or in part with amounts from a grant under this section in compliance with the procurement processes and procedures of the grantee, but only if the Secretary determines that the grantee is making a good faith effort to effectuate compliance with the requirements of paragraph (2).

“(i) TREATMENT OF CDBG ALLOCATIONS.—

Amounts made available for use under this section shall not be considered relevant to the non-disaster formula allocations made pursuant to section 106 of this title (42 U.S.C. 5306).

“(j) WAIVERS.—

“(1) AUTHORITY.—Subject to the other provisions of this section, in administering amounts made available for use under this section, the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obliga-
tion by the Secretary or the use by the recipient of such funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment and except for the requirements of this section), if the Secretary makes a public finding that good cause exists for the waiver or alternative requirement and such waiver or alternative requirement would not be inconsistent with the overall purpose of this title.

“(2) NOTICE AND PUBLICATION.—Any waiver of or alternative requirement pursuant to paragraph (1) shall not take effect before the expiration of the 5-day period beginning upon the publication of notice in the Federal Register of such waiver or alternative requirement.

“(3) LOW- AND MODERATE-INCOME USE.—The requirements in this Act that apply to grants made under section 106 of this title (except those related to the allocation) apply equally to grants under this section unless modified by a waiver or alternative requirement pursuant to paragraph (1). Notwithstanding the preceding sentence, the Secretary may not grant a waiver to reduce the percentage of funds that must be used for activities that benefit persons of low and moderate income to less than 70 percent,
unless the Secretary specifically finds that there is
compelling need to further reduce the percentage re-
requirement and that funds are not necessary to ad-
dress the housing needs of low- and moderate-in-
come residents.

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

“(k) ENVIRONMENTAL REVIEW.—

“(1) ADOPTION.—Notwithstanding subsection
(j)(1), recipients of funds provided under this section
that use such funds to supplement Federal assist-
ance provided under section 402, 403, 404, 406,
407, 408(e)(4), 428, or 502 of the Robert T. Staff-
ford Disaster Relief and Emergency Assistance Act
(42 U.S.C. 5121 et seq.) may adopt, without review
or public comment, any environmental review, ap-
proval, or permit performed by a Federal agency,
and such adoption shall satisfy the responsibilities of
the recipient with respect to such environmental re-
view, approval, or permit under section 104(g)(1) of
this title (42 U.S.C. 5304(g)(1)).

“(2) RELEASE OF FUNDS.—Notwithstanding
section 104(g)(2) of this title (42 U.S.C.
5304(g)(2)), the Secretary may, upon receipt of a
request for release of funds and certification, immediate
ly approve the release of funds for an activity
or project assisted with amounts made available for
use under this section if the recipient has adopted
an environmental review, approval or permit under
paragraph (1) or the activity or project is categori-
cally excluded from review under the National Envi-
seq.).

“(l) COLLECTION OF INFORMATION; AUDITS AND
OVERSIGHT.—

“(1) COLLECTION OF INFORMATION.—For each
major disaster for which assistance is made available
under this section, the Secretary shall collect infor-
mation from grantees regarding all recovery activi-
ties so assisted, including information on applicants
and recipients of assistance, and shall make such in-
formation available to the public and to the Inspec-
tor General for the Department of Housing and
Urban Development on a monthly basis using uni-
form data collection practices, and shall provide a
monthly update to the Congress regarding compli-
ance with this section. Information collected and re-
ported by grantees and the Secretary shall be
disaggregated by program, race, income, geography,
and all protected classes of individuals under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Americans with Disabilities Act of 1990, the Fair Housing Act, the Civil Rights Act of 1964, and other civil rights and nondiscrimination protections, with respect to the smallest census tract, block group, or block possible for the data set.

“(2) AVAILABILITY OF INFORMATION.—In carrying out this paragraph, the Secretary may make full and unredacted information available to academic and research institutions for the purpose of research into the equitable distribution of recovery funds, adherence to civil rights protections, and other areas.

“(3) PROTECTION OF INFORMATION.—The Secretary shall take such actions and make such redactions as may be necessary to ensure that personally identifiable information regarding recipients of assistance provided from funds made available under this section shall not made publicly available.

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

“(m) BEST PRACTICES.—

“(1) STUDY.—The Secretary shall direct the Office of Community Planning and Development to collaborate with the Office of Policy Development and Research to identify best practices for grantees on issues including developing the action plan under subsection (c) and substantive amendments, establishing financial controls, building grantee technical and administrative capacity, procurement, compliance with Fair Housing Act statute and regulations, and use of grant funds as local match for other sources of federal funding. The Secretary shall publish a compilation of such identified best practices and share with all relevant grantees to facilitate a more efficient and effective disaster recovery process. The compilation shall include guidelines for housing and economic revitalization programs, including mitigation, with sufficient model language on program design for grantees to incorporate into action plans. The compilation shall include standards
for at least form of application, determining unmet need, and income eligibility.

“(2) PROMULGATION.—After publication of the final compilation, the Secretary shall issue either Federal regulations, as part of the final rule for the above authorization or as a separate rule, or a Federal Register notice that establishes the requirements which grantees must follow in order to qualify for expedited review and approval. Such guidance shall establish standard language for inclusion in action plans under subsection (c) and for establishing standardized programs and activities recognized by the Secretary. Use of best practices shall not preclude grantees from standard requirements for public comment, community engagement, and online posting of the action plan. Use of promulgated best practices shall allow for an expedited review process, under which the Secretary will approve or disapprove such programs within 30 days. The Secretary shall publish the draft compilation of best practices on its website and allow the public 60 days to submit comments. The Secretary shall review all public comments and publish a final compilation within 1 year from the date of enactment. The Secretary may re-
vise the requirements for best practices at any time after a public comment period of at least 60 days.

“(n) PLAN PRE-CERTIFICATION FOR UNITS OF GENERAL LOCAL GOVERNMENT.—

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

“(A) allow grantees that have consistently demonstrated the ability to administer funds responsibly and equitably in similar disasters to utilize in subsequent years plans which are substantially similar to those the Department has previously approved; and

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

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

“(A) demonstrate to the satisfaction of the Secretary compliance with the requirements of this section; and
“(B) have previously submitted a plan or its substantially similar equivalent and received assistance thereunder as a grantee or subgrantee under this section, or with amounts made available for the Community Development Block Grant—Disaster Recovery account, in connection with two or more major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

“(3) APPROVAL OF PLANS.—

“(A) EXPEDITED APPROVAL PROCESSES.—

The Secretary shall establish and maintain processes for expediting approval of plans for units of general local government that are pre-certified under this subsection.

“(B) EFFECT OF PRE-CERTIFICATION.—

Pre-certification pursuant to this subsection shall not—

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

“(ii) exempt any grantee from complying with any of the requirements under,
or established pursuant to, subsection (c)
or (d).

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

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

“(1) UNMET NEEDS.—If any amounts made available for assistance for unmet needs under this section to grantees remain unexpended upon the earlier of—

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

“(B) the expiration of the 6-year period beginning upon the Secretary obligating such amounts to the grantee, as such period may be extended pursuant to paragraph (3); the Secretary may, subject to authority provided in advance by appropriations Acts, transfer such unexpended amounts to the Secretary of the Treasury for deposit into the Community Development Block Grant Disaster Recovery Reserve Fund established under section 124, except that the Secretary may, by
regulation, permit the grantee to retain amounts
needed to close out the grant.

“(2) MITIGATION.—If any amounts made avail-
able for assistance for mitigation under this section
to grantees remain unexpended upon the earlier of—

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

“(B) the expiration of the 12-year period
beginning upon the Secretary obligating such
amounts to the grantee, as such period may be
extended pursuant to paragraph (3);

the Secretary may, subject to authority provided in
advance by appropriations Acts, transfer such unex-
pended amounts to the Secretary of the Treasury for
deposit into the Community Development Block
Grant Disaster Recovery Reserve Fund established
under section 124, except that the Secretary may, by
regulation, permit the grantee to retain amounts
needed to close out the grant.

“(3) EXTENSION OF PERIOD FOR USE OF
FUNDS.—
“(A) UNMET NEEDS.—

“(i) IN GENERAL.—The period under paragraph (1)(B) shall be extended by not more than 4 years if, before the expiration of such 6-year period, the Secretary waives this requirement and submits a written justification for such waiver to the Committees on Appropriations of the House of Representatives and the Senate that specifies the period of such extension.

“(ii) INSULAR AREAS.—For any amounts made available for unmet needs under this section to a grantee that is an insular area as specified in section 107(b)(1), the Secretary may extend the waiver period under subparagraph (A) by not more than an additional 4 years, and shall provide additional technical assistance to help increase capacity within the insular area receiving such extension. If the Secretary extends the waiver period pursuant to this subparagraph, the Secretary shall submit a written justification for such extension to the Committees on Appropriations of the House of Representatives and
the Senate that specifies the period of such extension.

“(B) MITIGATION.—The period under paragraph (2)(B) shall be extended to a date determined by the Secretary if, before the expiration of such 12-year period, the Secretary waives this requirement and submits a written justification for such waiver to the Committees on Appropriations of the House of Representa-
tives and the Senate that specifies the period of such extension.

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

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

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

“(3) OTHER TERMS.—Within 1 year of enact-
ment of this section, the Department shall issue rules to define the following terms:

“(A) Unmet needs.

“(B) Most impacted and distressed.
“(C) Substantial compliance.

“(D) Full and open competition.

“(E) Cost plus a percentage of cost.

“(F) Percentage of construction cost.

“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY RESERVE FUND.

“(a) ESTABLISHMENT.—There is established in the Treasury of the United States an account to be known as the Community Development Block Grant Disaster Recovery Reserve Fund (in this section referred to as the ‘Fund’).

“(b) AMOUNTS.—The Fund shall consist of any amounts appropriated to or deposited into the Fund, including amounts deposited into the Fund pursuant to section 123(o).

“(c) USE.—Amounts in the Fund shall be available, pursuant to the occurrence of a major disaster declared under the Robert T. Stafford Disaster Relief and Emergence Assistance Act, only for providing technical assistance and capacity building in connection with section 123 for grantees under such section that have been allocated assistance under such section in connection with such disaster to facilitate planning required under such section and increase capacity to administer assistance provided under such section, including for technical assistance and
training building and fire officials, builders, contractors
and subcontractors, architects, and other design and con-
struction professionals regarding the latest published edi-
tions of national consensus-based codes, specifications,
and standards (as such term is defined in section
123(e)(7)).”.

(b) Regulations.—

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

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