

In the Senate of the United States,

July 19, 2000.

Resolved, That the bill from the House of Representatives (H.R. 707) entitled “An Act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize a program for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE; TABLE OF CONTENTS.***

2 (a) *SHORT TITLE.*—*This Act may be cited as the “Dis-*
3 *aster Mitigation Act of 2000”.*

4 (b) *TABLE OF CONTENTS.*—*The table of contents of this*
5 *Act is as follows:*

Sec. 1. Short title; table of contents.

TITLE I—PREDISASTER HAZARD MITIGATION

Sec. 101. Findings and purpose.

Sec. 102. Predisaster hazard mitigation.

Sec. 103. Interagency task force.

*TITLE II—DISASTER PREPAREDNESS AND MITIGATION ASSISTANCE**Sec. 201. Insurance.**Sec. 202. Management costs.**Sec. 203. Assistance to repair, restore, reconstruct, or replace damaged facilities.**Sec. 204. Mitigation planning; hazard resistant construction standards.**Sec. 205. State administration of hazard mitigation grant program.**Sec. 206. Study regarding cost reduction.**Sec. 207. Fire management assistance.**Sec. 208. Public notice, comment, and consultation requirements.**Sec. 209. Community disaster loans.**Sec. 210. Temporary housing assistance.**Sec. 211. Individual and family grant program.**TITLE III—MISCELLANEOUS**Sec. 301. Technical correction of short title.**Sec. 302. Definitions.**Sec. 303. Public safety officer benefits for certain Federal and State employees.**Sec. 304. Disaster grant closeout procedures.**Sec. 305. Conforming amendment.*

1 ***TITLE I—PREDISASTER HAZARD***
2 ***MITIGATION***

3 ***SEC. 101. FINDINGS AND PURPOSE.***

4 (a) *FINDINGS.*—Congress finds that—

5 (1) *natural disasters, including earthquakes,*
6 *tsunamis, tornadoes, hurricanes, flooding, and*
7 *wildfires, pose great danger to human life and to*
8 *property throughout the United States;*

9 (2) *greater emphasis needs to be placed on—*

10 (A) *identifying and assessing the risks to*
11 *States and local communities from natural dis-*
12 *asters;*

13 (B) *implementing adequate measures to re-*
14 *duce losses from natural disasters; and*

1 (C) ensuring that the critical infrastructure
2 and facilities of communities will continue to
3 function after a natural disaster;

4 (3) expenditures for postdisaster assistance are
5 increasing without commensurate reductions in the
6 likelihood of future losses from natural disasters;

7 (4) in the expenditure of Federal funds under the
8 Robert T. Stafford Disaster Relief and Emergency As-
9 sistance Act (42 U.S.C. 5121 et seq.), high priority
10 should be given to mitigation of hazards to existing
11 and new construction at the local level; and

12 (5) with a unified effort of economic incentives,
13 awareness and education, technical assistance, and
14 demonstrated Federal support, States and local com-
15 munities will be able to—

16 (A) form effective community-based partner-
17 ships for hazard mitigation purposes;

18 (B) implement effective hazard mitigation
19 measures that reduce the potential damage from
20 natural disasters;

21 (C) ensure continued functionality of the
22 critical infrastructure of communities;

23 (D) leverage additional non-Federal re-
24 sources in meeting natural disaster resistance
25 goals; and

1 (E) make commitments to long-term hazard
2 mitigation efforts to be applied to new and exist-
3 ing construction.

4 (b) *PURPOSE.*—The purpose of this Act is to establish
5 a national disaster hazard mitigation program—

6 (1) to reduce the loss of life and property, human
7 suffering, economic disruption, and disaster assist-
8 ance costs resulting from natural disasters; and

9 (2) to provide a source of predisaster hazard
10 mitigation funding that will assist States and local
11 governments in implementing effective hazard mitiga-
12 tion measures that are designed to ensure the contin-
13 ued functionality of critical infrastructure and facili-
14 ties after a natural disaster.

15 **SEC. 102. PREDISASTER HAZARD MITIGATION.**

16 Title II of the Robert T. Stafford Disaster Relief and
17 Emergency Assistance Act (42 U.S.C. 5131 et seq.) is
18 amended by adding at the end the following:

19 **“SEC. 203. PREDISASTER HAZARD MITIGATION.**

20 “(a) *IN GENERAL.*—The Director of the Federal Emer-
21 gency Management Agency (referred to in this section as
22 the ‘Director’) may establish a program to provide technical
23 and financial assistance to States and local governments
24 to assist in the implementation of predisaster hazard miti-
25 gation measures designed to reduce injuries, loss of life, and

1 *damage and destruction of property, including damage to*
2 *critical infrastructure and facilities under the jurisdiction*
3 *of the States or local governments.*

4 “(b) *APPROVAL BY DIRECTOR.*—*If the Director deter-*
5 *mines that a State or local government has identified all*
6 *natural disaster hazards in areas under its jurisdiction and*
7 *has demonstrated the ability to form effective public-private*
8 *natural disaster hazard mitigation partnerships, the Direc-*
9 *tor, using amounts in the National Pre-disaster Mitigation*
10 *Fund established under subsection (e) (referred to in this*
11 *section as the ‘Fund’), may provide technical and financial*
12 *assistance to the State or local government to be used in*
13 *accordance with subsection (c).*

14 “(c) *USES OF TECHNICAL AND FINANCIAL ASSIST-*
15 *ANCE.*—*Technical and financial assistance provided under*
16 *subsection (b)—*

17 “(1) *shall be used by States and local govern-*
18 *ments principally to implement pre-disaster hazard*
19 *mitigation measures described in proposals approved*
20 *by the Director under this section; and*

21 “(2) *may be used—*

22 “(A) *to support effective public-private nat-*
23 *ural disaster hazard mitigation partnerships;*

24 “(B) *to ensure that new development and*
25 *construction is resistant to natural disasters;*

1 “(C) to improve the assessment of a commu-
2 nity’s vulnerability to natural hazards; or

3 “(D) to establish hazard mitigation prior-
4 ities, and an appropriate hazard mitigation
5 plan, for a community.

6 “(d) CRITERIA FOR ASSISTANCE AWARDS.—In deter-
7 mining whether to provide technical and financial assist-
8 ance to a State or local government under subsection (a),
9 the Director shall take into account—

10 “(1) the extent and nature of the hazards to be
11 mitigated;

12 “(2) the degree of commitment of the State or
13 local government to reduce damages from future nat-
14 ural disasters;

15 “(3) the degree of commitment by the State or
16 local government to support ongoing non-Federal sup-
17 port for the hazard mitigation measures to be carried
18 out using the technical and financial assistance; and

19 “(4) the extent to which the hazard mitigation
20 measures to be carried out using the technical and fi-
21 nancial assistance contribute to the mitigation goals
22 and priorities established by the State as a condition
23 of receipt of the annual emergency management per-
24 formance grant awarded to the State by the Federal
25 Emergency Management Agency.

1 “(e) *NATIONAL PREDISASTER MITIGATION FUND.*—

2 “(1) *ESTABLISHMENT.*—*The Director may estab-*
3 *lish in the Treasury of the United States a fund to*
4 *be known as the ‘National Predisaster Mitigation*
5 *Fund’, to be used in carrying out this section.*

6 “(2) *TRANSFERS TO FUND.*—*There shall be de-*
7 *posited in the Fund—*

8 “(A) *amounts appropriated to carry out*
9 *this section, which shall remain available until*
10 *expended; and*

11 “(B) *sums available from gifts, bequests, or*
12 *donations of services or property received by the*
13 *Director for the purpose of predisaster hazard*
14 *mitigation.*

15 “(3) *EXPENDITURES FROM FUND.*—*Upon request*
16 *by the Director, the Secretary of the Treasury shall*
17 *transfer from the Fund to the Director such amounts*
18 *as the Director determines are necessary to provide*
19 *technical and financial assistance under this section.*

20 “(4) *INVESTMENT OF AMOUNTS.*—

21 “(A) *IN GENERAL.*—*The Secretary of the*
22 *Treasury shall invest such portion of the Fund*
23 *as is not, in the judgment of the Secretary of the*
24 *Treasury, required to meet current withdrawals.*

1 *Investments may be made only in interest-bear-*
2 *ing obligations of the United States.*

3 “(B) *ACQUISITION OF OBLIGATIONS.*—*For*
4 *the purpose of investments under subparagraph*
5 *(A), obligations may be acquired—*

6 “(i) *on original issue at the issue*
7 *price; or*

8 “(ii) *by purchase of outstanding obli-*
9 *gations at the market price.*

10 “(C) *SALE OF OBLIGATIONS.*—*Any obliga-*
11 *tion acquired by the Fund may be sold by the*
12 *Secretary of the Treasury at the market price.*

13 “(D) *CREDITS TO FUND.*—*The interest on,*
14 *and the proceeds from the sale or redemption of,*
15 *any obligations held in the Fund shall be cred-*
16 *ited to and form a part of the Fund.*

17 “(E) *TRANSFERS OF AMOUNTS.*—

18 “(i) *IN GENERAL.*—*The amounts re-*
19 *quired to be transferred to the Fund under*
20 *this subsection shall be transferred at least*
21 *monthly from the general fund of the Treas-*
22 *ury to the Fund on the basis of estimates*
23 *made by the Secretary of the Treasury.*

24 “(ii) *ADJUSTMENTS.*—*Proper adjust-*
25 *ment shall be made in amounts subse-*

1 quently transferred to the extent prior esti-
2 mates were in excess of or less than the
3 amounts required to be transferred.

4 “(f) *MAXIMUM TOTAL FEDERAL SHARE.*—Subject to
5 subsection (g), the amount of financial assistance provided
6 from the Fund shall not exceed an amount equal to 75 per-
7 cent of the total costs of all hazard mitigation proposals
8 approved by the Director under this section.

9 “(g) *LIMITATION ON TOTAL AMOUNT OF FINANCIAL*
10 *ASSISTANCE.*—The Director shall not provide financial as-
11 *sistance under this section in an amount greater than the*
12 *amount available in the Fund.*

13 “(h) *TERMINATION OF AUTHORITY.*—The authority
14 *provided by this section terminates December 31, 2003.”.*

15 **SEC. 103. INTERAGENCY TASK FORCE.**

16 *Title II of the Robert T. Stafford Disaster Relief and*
17 *Emergency Assistance Act (42 U.S.C. 5131 et seq.) (as*
18 *amended by section 102) is amended by adding at the end*
19 *the following:*

20 **“SEC. 204. INTERAGENCY TASK FORCE.**

21 “(a) *IN GENERAL.*—The President shall establish a
22 *Federal interagency task force for the purpose of coordi-*
23 *nating the implementation of predisaster hazard mitigation*
24 *programs administered by the Federal Government.*

1 “(b) *CHAIRPERSON.*—*The Director of the Federal*
 2 *Emergency Management Agency shall serve as the chair-*
 3 *person of the task force.*

4 “(c) *MEMBERSHIP.*—*The membership of the task force*
 5 *shall include representatives of State and local government*
 6 *organizations and the American Red Cross.”.*

7 ***TITLE II—DISASTER PREPARED-***
 8 ***NESS AND MITIGATION AS-***
 9 ***SISTANCE***

10 ***SEC. 201. INSURANCE.***

11 “(a) *IN GENERAL.*—*Section 311(a)(2) of the Robert T.*
 12 *Stafford Disaster Relief and Emergency Assistance Act (42*
 13 *U.S.C. 5154(a)(2)) is amended—*

14 (1) *by striking “In” and inserting the following:*

15 “(A) *IN GENERAL.*—*In”;* *and*

16 (2) *by adding at the end the following:*

17 “(B) *REQUIRED INSURANCE OR SELF-IN-*
 18 *SURANCE.*—*Not later than 1 year after the date*
 19 *of enactment of this subparagraph, the President*
 20 *shall promulgate regulations under which States,*
 21 *communities, and other applicants subject to*
 22 *paragraph (1) shall be required to protect prop-*
 23 *erty through adequate levels of insurance or self-*
 24 *insurance if—*

1 “(i) the appropriate State insurance
2 commissioner makes the certification de-
3 scribed in subparagraph (A); and

4 “(ii) the President determines that the
5 property is not adequately protected against
6 natural or other disasters.

7 “(C) REGULATIONS.—In promulgating any
8 new regulation requiring public structures to be
9 insured to be eligible for assistance, the President
10 shall—

11 “(i) include in the regulation—

12 “(I) definitions relating to insur-
13 ance that are expressed in known and
14 generally accepted terms;

15 “(II) a definition of ‘adequate in-
16 surance’;

17 “(III) the specific criteria for a
18 waiver of any insurance eligibility re-
19 quirement under the regulation;

20 “(IV) a definition of ‘self-insur-
21 ance’ that is sufficiently flexible to take
22 into consideration alternative risk fi-
23 nancing methods;

1 “(V) *available market research*
2 *used in determining the availability of*
3 *insurance; and*

4 “(VI) *a cost-benefit analysis; and*
5 “(ii) *consider—*

6 “(I) *alternative risk-financing*
7 *mechanisms, including risk sharing*
8 *pools and self-insurance; and*

9 “(II) *the use of independent ex-*
10 *erts in insurance, disaster prepared-*
11 *ness, risk management, and finance to*
12 *assist in developing the proposed regu-*
13 *lation.”.*

14 (b) *TECHNICAL AMENDMENTS.—Section 311 of the*
15 *Robert T. Stafford Disaster Relief and Emergency Assist-*
16 *ance Act (42 U.S.C. 5154) is amended in subsections (a)(1),*
17 *(b), and (c) by striking “section 803 of the Public Works*
18 *and Economic Development Act of 1965” each place it ap-*
19 *pears and inserting “sections 201 and 209 of the Public*
20 *Works and Economic Development Act of 1965 (42 U.S.C.*
21 *3141, 3149)”.*

22 **SEC. 202. MANAGEMENT COSTS.**

23 (a) *IN GENERAL.—Title III of the Robert T. Stafford*
24 *Disaster Relief and Emergency Assistance Act (42 U.S.C.*
25 *5141 et seq.) is amended by adding at the end the following:*

1 **“SEC. 322. MANAGEMENT COSTS.**

2 “(a) *DEFINITION OF MANAGEMENT COST.*—*In this sec-*
3 *tion, the term ‘management cost’ includes any indirect cost,*
4 *administrative expense, and any other expense not directly*
5 *chargeable to a specific project under a major disaster,*
6 *emergency, or disaster preparedness or mitigation activity*
7 *or measure.*

8 “(b) *MANAGEMENT COST RATES.*—*Notwithstanding*
9 *any other provision of law (including any administrative*
10 *rule or guidance), the President shall establish management*
11 *cost rates for grantees and subgrantees that shall be used*
12 *to determine contributions under this Act for management*
13 *costs.*

14 “(c) *REVIEW.*—*The President shall review the manage-*
15 *ment cost rates established under subsection (b) not later*
16 *than 3 years after the date of establishment of the rates and*
17 *periodically thereafter.*

18 “(d) *REGULATIONS.*—*The President shall promulgate*
19 *regulations to define appropriate costs to be included in*
20 *management costs under this section.”.*

21 (b) *APPLICABILITY.*—*Section 322 of the Robert T.*
22 *Stafford Disaster Relief and Emergency Assistance Act (as*
23 *added by subsection (a)) shall apply as follows:*

24 (1) *IN GENERAL.*—*Subsections (a), (b), and (d)*
25 *of section 322 of that Act shall apply to each major*
26 *disaster declared under that Act on or after the date*

1 of enactment of this Act. Until the date on which the
2 President establishes the management cost rates under
3 subsection (b) of that section, section 406(f) of the
4 Robert T. Stafford Disaster Relief and Emergency As-
5 sistance Act (42 U.S.C. 5172(f)) shall be used for es-
6 tablishing the rates.

7 (2) *REVIEW.*—Section 322(c) of that Act shall
8 apply to each major disaster declared under that Act
9 on or after the date on which the President establishes
10 the management cost rates under section 322(b) of
11 that Act.

12 (c) *CONFORMING AMENDMENTS.*—

13 (1) *IN GENERAL.*—Section 406 of the Robert T.
14 Stafford Disaster Relief and Emergency Assistance
15 Act (42 U.S.C. 5172) is amended by striking sub-
16 section (f).

17 (2) *EFFECTIVE DATE.*—The amendment made by
18 paragraph (1) takes effect on the date of publication
19 in the Federal Register of the management cost rates
20 established under section 322(b) of the Robert T. Staf-
21 ford Disaster Relief and Emergency Assistance Act
22 (as added by subsection (a)).

1 **SEC. 203. ASSISTANCE TO REPAIR, RESTORE, RECON-**
2 **STRUCT, OR REPLACE DAMAGED FACILITIES.**

3 (a) *CONTRIBUTIONS.*—Section 406 of the Robert T.
4 *Stafford Disaster Relief and Emergency Assistance Act* (42
5 *U.S.C. 5172*) is amended by striking subsection (a) and in-
6 *serting the following:*

7 “(a) *CONTRIBUTIONS.*—

8 “(1) *IN GENERAL.*—

9 “(A) *AUTHORITY.*—The President may
10 *make contributions—*

11 “(i) *to a State or local government for*
12 *the repair, restoration, reconstruction, or re-*
13 *placement of a public facility that is dam-*
14 *aged or destroyed by a major disaster and*
15 *for associated expenses incurred by the gov-*
16 *ernment; and*

17 “(ii) *subject to paragraph (2), to a*
18 *person that owns or operates a private non-*
19 *profit facility damaged or destroyed by a*
20 *major disaster for the repair, restoration,*
21 *reconstruction, or replacement of the facility*
22 *and for associated expenses incurred by the*
23 *person.*

24 “(B) *ASSOCIATED EXPENSES.*—For the pur-
25 *poses of this section, associated expenses shall*
26 *include—*

1 “(i) the costs of mobilizing and em-
2 ploying the National Guard for performance
3 of eligible work;

4 “(ii) the costs of using prison labor to
5 perform eligible work, including wages actu-
6 ally paid, transportation to a worksite, and
7 extraordinary costs of guards, food, and
8 lodging;

9 “(iii) base and overtime wages for em-
10 ployees and extra hires performing eligible
11 work plus fringe benefits on such wages to
12 the extent that such benefits were being paid
13 before the major disaster; and

14 “(iv) other expenses determined appro-
15 priated by the President.

16 “(2) *CONDITIONS FOR ASSISTANCE FOR PRIVATE*
17 *NONPROFIT FACILITIES.*—*The President may make*
18 *contributions for a private nonprofit facility under*
19 *paragraph (1)(B) only if—*

20 “(A) *the facility provides critical infra-*
21 *structure in the event of a major disaster;*

22 “(B) *the person that owns or operates the*
23 *facility—*

1 “(i) has applied for a disaster loan
2 under section 7(b) of the Small Business
3 Act (15 U.S.C. 636(b)); and

4 “(ii) has been determined to be ineli-
5 gible for such a loan; or

6 “(C) the person that owns or operates the
7 facility has obtained such a loan in the max-
8 imum amount for which the Small Business Ad-
9 ministration determines the facility is eligible.

10 “(3) NOTIFICATION TO CONGRESS.—Before mak-
11 ing any contribution under this section in an amount
12 greater than \$20,000,000, the President shall notify—

13 “(A) the Committee on Environment and
14 Public Works of the Senate;

15 “(B) the Committee on Appropriations of
16 the Senate;

17 “(C) the Committee on Transportation and
18 Infrastructure of the House of Representatives;
19 and

20 “(D) the Committee on Appropriations of
21 the House of Representatives.”.

22 (b) FEDERAL SHARE.—Section 406 of the Robert T.
23 Stafford Disaster Relief and Emergency Assistance Act (42
24 U.S.C. 5172) is amended by striking subsection (b) and in-
25 serting the following:

1 “(b) *FEDERAL SHARE*.—

2 “(1) *MINIMUM FEDERAL SHARE*.—*Except as pro-*
3 *vided in paragraph (2), the Federal share of assist-*
4 *ance under this section shall be not less than 75 per-*
5 *cent of the eligible cost of repair, restoration, recon-*
6 *struction, or replacement carried out under this sec-*
7 *tion.*

8 “(2) *REDUCED FEDERAL SHARE*.—*The President*
9 *shall promulgate regulations to reduce the Federal*
10 *share of assistance under this section in the case of*
11 *the repair, restoration, reconstruction, or replacement*
12 *of any eligible public or private nonprofit facility—*

13 “(A) *that has previously been damaged, on*
14 *more than 1 occasion, by the same type of event;*
15 *and*

16 “(B) *the owner of which has failed to imple-*
17 *ment appropriate mitigation measures to ad-*
18 *dress the hazard that caused the damage to the*
19 *facility.*”.

20 “(c) *LARGE IN-LIEU CONTRIBUTIONS*.—*Section 406 of*
21 *the Robert T. Stafford Disaster Relief and Emergency As-*
22 *sistance Act (42 U.S.C. 5172) is amended by striking sub-*
23 *section (c) and inserting the following:*

24 “(c) *LARGE IN-LIEU CONTRIBUTIONS*.—

25 “(1) *FOR PUBLIC FACILITIES*.—

1 “(A) *IN GENERAL.*—*In any case in which a*
2 *State or local government determines that the*
3 *public welfare would not be best served by re-*
4 *pairing, restoring, reconstructing, or replacing*
5 *any public facility owned or controlled by the*
6 *State or local government, the State or local gov-*
7 *ernment may elect to receive, in lieu of a con-*
8 *tribution under subsection (a)(1)(A), a contribu-*
9 *tion in an amount equal to 75 percent of the*
10 *Federal share of the cost of repairing, restoring,*
11 *reconstructing, or replacing the facility and of*
12 *management costs, as estimated by the President.*

13 “(B) *USE OF FUNDS.*—

14 “(i) *IN GENERAL.*—*Subject to clause*
15 *(ii), funds made available to a State or*
16 *local government under this paragraph may*
17 *be used to repair, restore, or expand other*
18 *eligible public facilities, to construct new fa-*
19 *cilities, or to fund hazard mitigation meas-*
20 *ures, that the State or local government de-*
21 *termines to be necessary to meet a need for*
22 *governmental services and functions in the*
23 *area affected by the major disaster.*

24 “(ii) *LIMITATIONS.*—*Funds made*
25 *available to a State or local government*

1 *under this paragraph may not be used*
2 *for—*

3 *“(I) any public facility located in*
4 *a regulatory floodway (as defined in*
5 *section 59.1 of title 44, Code of Federal*
6 *Regulations (or a successor regula-*
7 *tion)); or*

8 *“(II) any uninsured public facil-*
9 *ity located in a special flood hazard*
10 *area identified by the Director of the*
11 *Federal Emergency Management Agen-*
12 *cy under the National Flood Insurance*
13 *Act of 1968 (42 U.S.C. 4001 et seq.).*

14 *“(2) FOR PRIVATE NONPROFIT FACILITIES.—*

15 *“(A) IN GENERAL.—In any case in which a*
16 *person that owns or operates a private nonprofit*
17 *facility determines that the public welfare would*
18 *not be best served by repairing, restoring, recon-*
19 *structing, or replacing the facility, the person*
20 *may elect to receive, in lieu of a contribution*
21 *under subsection (a)(1)(B), a contribution in an*
22 *amount equal to 75 percent of the Federal share*
23 *of the cost of repairing, restoring, reconstructing,*
24 *or replacing the facility and of management*
25 *costs, as estimated by the President.*

1 “(B) *USE OF FUNDS.*—

2 “(i) *IN GENERAL.*—*Subject to clause*
3 *(ii), funds made available to a person under*
4 *this paragraph may be used to repair, re-*
5 *store, or expand other eligible private non-*
6 *profit facilities owned or operated by the*
7 *person, to construct new private nonprofit*
8 *facilities owned or operated by the person,*
9 *or to fund hazard mitigation measures, that*
10 *the person determines to be necessary to*
11 *meet a need for services and functions in*
12 *the area affected by the major disaster.*

13 “(ii) *LIMITATIONS.*—*Funds made*
14 *available to a person under this paragraph*
15 *may not be used for—*

16 “(I) *any private nonprofit facility*
17 *located in a regulatory floodway (as*
18 *defined in section 59.1 of title 44, Code*
19 *of Federal Regulations (or a successor*
20 *regulation)); or*

21 “(II) *any uninsured private non-*
22 *profit facility located in a special flood*
23 *hazard area identified by the Director*
24 *of the Federal Emergency Management*
25 *Agency under the National Flood In-*

1 *urance Act of 1968 (42 U.S.C. 4001 et*
2 *seq.).”.*

3 *(d) ELIGIBLE COST.—*

4 *(1) IN GENERAL.—Section 406 of the Robert T.*
5 *Stafford Disaster Relief and Emergency Assistance*
6 *Act (42 U.S.C. 5172) is amended by striking sub-*
7 *section (e) and inserting the following:*

8 *“(e) ELIGIBLE COST.—*

9 *“(1) DETERMINATION.—*

10 *“(A) IN GENERAL.—For the purposes of this*
11 *section, the President shall estimate the eligible*
12 *cost of repairing, restoring, reconstructing, or re-*
13 *placing a public facility or private nonprofit*
14 *facility—*

15 *“(i) on the basis of the design of the fa-*
16 *ility as the facility existed immediately be-*
17 *fore the major disaster; and*

18 *“(ii) in conformity with codes, speci-*
19 *fications, and standards (including flood-*
20 *plain management and hazard mitigation*
21 *criteria required by the President or under*
22 *the Coastal Barrier Resources Act (16*
23 *U.S.C. 3501 et seq.)) applicable at the time*
24 *at which the disaster occurred.*

25 *“(B) COST ESTIMATION PROCEDURES.—*

1 “(i) *IN GENERAL.*—Subject to para-
2 graph (2), the President shall use the cost
3 estimation procedures developed under
4 paragraph (3) to determine the eligible cost
5 under this subsection.

6 “(ii) *APPLICABILITY.*—The procedures
7 specified in this paragraph and paragraph
8 (2) shall apply only to projects the eligible
9 cost of which is equal to or greater than the
10 amount specified in section 422.

11 “(2) *MODIFICATION OF ELIGIBLE COST.*—

12 “(A) *ACTUAL COST GREATER THAN CEILING*
13 *PERCENTAGE OF ESTIMATED COST.*—In any case
14 in which the actual cost of repairing, restoring,
15 reconstructing, or replacing a facility under this
16 section is greater than the ceiling percentage es-
17 tablished under paragraph (3) of the cost esti-
18 mated under paragraph (1), the President may
19 determine that the eligible cost includes a por-
20 tion of the actual cost of the repair, restoration,
21 reconstruction, or replacement that exceeds the
22 cost estimated under paragraph (1).

23 “(B) *ACTUAL COST LESS THAN ESTIMATED*
24 *COST.*—

1 “(i) *GREATER THAN OR EQUAL TO*
2 *FLOOR PERCENTAGE OF ESTIMATED*
3 *COST.—In any case in which the actual cost*
4 *of repairing, restoring, reconstructing, or*
5 *replacing a facility under this section is less*
6 *than 100 percent of the cost estimated under*
7 *paragraph (1), but is greater than or equal*
8 *to the floor percentage established under*
9 *paragraph (3) of the cost estimated under*
10 *paragraph (1), the State or local govern-*
11 *ment or person receiving funds under this*
12 *section shall use the excess funds to carry*
13 *out cost-effective activities that reduce the*
14 *risk of future damage, hardship, or suf-*
15 *fering from a major disaster.*

16 “(ii) *LESS THAN FLOOR PERCENTAGE*
17 *OF ESTIMATED COST.—In any case in*
18 *which the actual cost of repairing, restoring,*
19 *reconstructing, or replacing a facility under*
20 *this section is less than the floor percentage*
21 *established under paragraph (3) of the cost*
22 *estimated under paragraph (1), the State or*
23 *local government or person receiving assist-*
24 *ance under this section shall reimburse the*
25 *President in the amount of the difference.*

1 “(C) *NO EFFECT ON APPEALS PROCESS.*—
2 *Nothing in this paragraph affects any right of*
3 *appeal under section 423.*

4 “(3) *EXPERT PANEL.*—

5 “(A) *ESTABLISHMENT.*—*Not later than 18*
6 *months after the date of enactment of this para-*
7 *graph, the President, acting through the Director*
8 *of the Federal Emergency Management Agency,*
9 *shall establish an expert panel, which shall in-*
10 *clude representatives from the construction in-*
11 *dustry and State and local government.*

12 “(B) *DUTIES.*—*The expert panel shall de-*
13 *velop recommendations concerning—*

14 “(i) *procedures for estimating the cost*
15 *of repairing, restoring, reconstructing, or*
16 *replacing a facility consistent with industry*
17 *practices; and*

18 “(ii) *the ceiling and floor percentages*
19 *referred to in paragraph (2).*

20 “(C) *REGULATIONS.*—*Taking into account*
21 *the recommendations of the expert panel under*
22 *subparagraph (B), the President shall promul-*
23 *gate regulations to establish procedures and the*
24 *ceiling and floor percentages referred to in para-*
25 *graph (2).*

1 “(D) *REVIEW BY PRESIDENT.*—Not later
2 than 2 years after the date of promulgation of
3 regulations under subparagraph (C) and periodi-
4 cally thereafter, the President shall review the
5 cost estimation procedures and the ceiling and
6 floor percentages established under this para-
7 graph.

8 “(E) *REPORT TO CONGRESS.*—Not later
9 than 1 year after the date of promulgation of
10 regulations under subparagraph (C), 2 years
11 after that date, and at the end of each 2-year pe-
12 riod thereafter, the expert panel shall submit to
13 Congress a report on the appropriateness of the
14 cost estimation procedures.

15 “(4) *SPECIAL RULE.*—In any case in which the
16 facility being repaired, restored, reconstructed, or re-
17 placed under this section was under construction on
18 the date of the major disaster, the cost of repairing,
19 restoring, reconstructing, or replacing the facility
20 shall include, for the purposes of this section, only
21 those costs that, under the contract for the construc-
22 tion, are the owner’s responsibility and not the con-
23 tractor’s responsibility.”

24 “(2) *EFFECTIVE DATE.*—The amendment made by
25 paragraph (1) shall take effect on the date of enact-

1 *ment of this Act, except that paragraph (1) of section*
2 *406(e) of the Robert T. Stafford Disaster Relief and*
3 *Emergency Assistance Act (as amended by paragraph*
4 *(1)) shall take effect on the date on which the proce-*
5 *dures developed under paragraph (3) of that section*
6 *take effect.*

7 *(e) DEFINITION OF CRITICAL INFRASTRUCTURE.—Sec-*
8 *tion 102 of the Robert T. Stafford Disaster Relief and*
9 *Emergency Assistance Act (42 U.S.C. 5122) is amended by*
10 *adding at the end the following:*

11 *“(10) CRITICAL INFRASTRUCTURE.—The term*
12 *‘critical infrastructure’ has the meaning given the*
13 *term by the President, but includes, at a minimum,*
14 *the provision of power, water (including water pro-*
15 *vided by a nongovernment entity), sewer, wastewater*
16 *treatment, communications, and essential medical*
17 *care.”.*

18 **SEC. 204. MITIGATION PLANNING; HAZARD RESISTANT CON-**
19 **STRUCTION STANDARDS.**

20 *(a) IN GENERAL.—Title III of the Robert T. Stafford*
21 *Disaster Relief and Emergency Assistance Act (42 U.S.C.*
22 *5141 et seq.) (as amended by section 202(a)) is amended*
23 *by adding at the end the following:*

1 **“SEC. 323. MITIGATION PLANNING.**

2 “(a) *REQUIREMENT OF MITIGATION PLAN.*—As a con-
3 dition of receipt of a disaster loan or grant under this Act,
4 a State, local, or tribal government shall develop and sub-
5 mit for approval to the Director of the Federal Emergency
6 Management Agency a mitigation plan that outlines proc-
7 esses for identifying the natural hazards, risks, and
8 vulnerabilities of the area under the jurisdiction of the gov-
9 ernment.

10 “(b) *LOCAL AND TRIBAL PLANS.*—Each mitigation
11 plan developed by a local or tribal government shall—

12 “(1) describe actions to mitigate hazards, risks,
13 and vulnerabilities identified under the plan; and

14 “(2) establish a strategy to implement those ac-
15 tions.

16 “(c) *STATE PLANS.*—The State process of development
17 of a mitigation plan under this section shall—

18 “(1) identify the natural hazards, risks, and
19 vulnerabilities of areas in the State;

20 “(2) support development of local mitigation
21 plans;

22 “(3) provide for technical assistance to local and
23 tribal governments for mitigation planning; and

24 “(4) identify and prioritize mitigation actions
25 that the State will support, as resources become avail-
26 able.

1 “(d) *FUNDING.*—

2 “(1) *IN GENERAL.*—*Federal contributions under*
3 *section 404 may be used to fund the development and*
4 *updating of mitigation plans under this section.*

5 “(2) *MAXIMUM FEDERAL CONTRIBUTION.*—*With*
6 *respect to any mitigation plan, a State, local, or trib-*
7 *al government may use an amount of Federal con-*
8 *tributions under section 404 not to exceed 5 percent*
9 *of the amount of such contributions available to the*
10 *government as of a date determined by the govern-*
11 *ment.*

12 “(e) *INCREASED FEDERAL SHARE FOR HAZARD MITI-*
13 *GATION MEASURES.*—

14 “(1) *IN GENERAL.*—*If, at the time of the declara-*
15 *tion of a major disaster, a State has in effect an ap-*
16 *proved mitigation plan under this section, the Presi-*
17 *dent may increase to 20 percent, with respect to the*
18 *major disaster, the maximum percentage specified in*
19 *the last sentence of section 404(a).*

20 “(2) *FACTORS FOR CONSIDERATION.*—*In deter-*
21 *mining whether to increase the maximum percentage*
22 *under paragraph (1), the President shall consider*
23 *whether the State has established—*

24 “(A) *eligibility criteria for property acqui-*
25 *sition and other types of mitigation measures;*

1 “(B) requirements for cost effectiveness that
2 are related to the eligibility criteria;

3 “(C) a system of priorities that is related to
4 the eligibility criteria;

5 “(D) a process by which an assessment of
6 the effectiveness of a mitigation action may be
7 carried out after the mitigation action is com-
8 plete; and

9 “(E) hazard resistant construction stand-
10 ards, as may be required under section 324.

11 **“SEC. 324. HAZARD RESISTANT CONSTRUCTION STAND-**
12 **ARDS.**

13 “(a) *IN GENERAL.*—As a condition of receipt of a dis-
14 aster loan or grant under this Act—

15 “(1) the recipient shall carry out any repair or
16 construction to be financed with the loan or grant in
17 accordance with applicable standards of safety, de-
18 cency, and sanitation and in conformity with appli-
19 cable codes, specifications, and standards; and

20 “(2) the President may require safe land use and
21 construction practices, after adequate consultation
22 with appropriate State and local government officials.

23 “(b) *EVIDENCE OF COMPLIANCE.*—A recipient of a dis-
24 aster loan or grant under this Act shall provide such evi-

1 *dence of compliance with this section as the President may*
2 *require by regulation.”.*

3 *(b) CONFORMING AMENDMENTS.—*

4 *(1) Section 404(a) of the Robert T. Stafford Dis-*
5 *aster Relief and Emergency Assistance Act (42 U.S.C.*
6 *5170c(a)) is amended in the second sentence by strik-*
7 *ing “section 409” and inserting “section 323”.*

8 *(2) Section 409 of the Robert T. Stafford Dis-*
9 *aster Relief and Emergency Assistance Act (42 U.S.C.*
10 *5176) is repealed.*

11 **SEC. 205. STATE ADMINISTRATION OF HAZARD MITIGATION**
12 **GRANT PROGRAM.**

13 *Section 404 of the Robert T. Stafford Disaster Relief*
14 *and Emergency Assistance Act (42 U.S.C. 5170c) is amend-*
15 *ed by adding at the end the following:*

16 *“(c) PROGRAM ADMINISTRATION BY STATES.—*

17 *“(1) IN GENERAL.—A State desiring to admin-*
18 *ister the hazard mitigation grant program established*
19 *by this section with respect to hazard mitigation as-*
20 *sistance in the State may submit to the President an*
21 *application for the delegation of the authority.*

22 *“(2) CRITERIA.—The President, in consultation*
23 *and coordination with States and local governments,*
24 *shall establish criteria for the approval of applica-*

1 *tions submitted under paragraph (1). The criteria*
2 *shall include, at a minimum—*

3 *“(A) the demonstrated ability of the State to*
4 *manage the grant program under this section;*

5 *“(B) having in effect an approved mitiga-*
6 *tion plan under section 323; and*

7 *“(C) a demonstrated commitment to mitiga-*
8 *tion activities.*

9 *“(3) APPROVAL.—The President shall approve*
10 *an application submitted under paragraph (1) that*
11 *meets the criteria established under paragraph (2).*

12 *“(4) WITHDRAWAL OF APPROVAL.—If, after ap-*
13 *proving an application of a State submitted under*
14 *paragraph (1), the President determines that the*
15 *State is not administering the hazard mitigation*
16 *grant program established by this section in a man-*
17 *ner satisfactory to the President, the President shall*
18 *withdraw the approval.*

19 *“(5) AUDITS.—The President shall provide for*
20 *periodic audits of the hazard mitigation grant pro-*
21 *grams administered by States under this subsection.”.*

22 **SEC. 206. STUDY REGARDING COST REDUCTION.**

23 *(a) STUDY.—The National Academy of Sciences shall*
24 *conduct a study to estimate the reduction in Federal dis-*

1 *aster assistance that has resulted and is likely to result from*
2 *the enactment of this Act.*

3 *(b) REPORT.—Not later than 3 years after the date*
4 *of enactment of this Act, the National Academy of Sciences*
5 *shall submit to Congress a report on the results of the study.*

6 **SEC. 207. FIRE MANAGEMENT ASSISTANCE.**

7 *(a) IN GENERAL.—Section 420 of the Robert T. Staf-*
8 *ford Disaster Relief and Emergency Assistance Act (42*
9 *U.S.C. 5187) is amended to read as follows:*

10 **“SEC. 420. FIRE MANAGEMENT ASSISTANCE.**

11 *“(a) IN GENERAL.—The President is authorized to*
12 *provide assistance, including grants, equipment, supplies,*
13 *and personnel, to any State or local government for the*
14 *mitigation, management, and control of any fire on public*
15 *or private forest land or grassland with urban interface that*
16 *threatens such destruction as would constitute a major dis-*
17 *aster.*

18 *“(b) COORDINATION WITH STATE DEPARTMENTS OF*
19 *FORESTRY.—In providing assistance under this section, the*
20 *President shall coordinate with State departments of for-*
21 *estry.*

22 *“(c) ESSENTIAL ASSISTANCE.—In providing assist-*
23 *ance under this section, the President may use the authority*
24 *provided under section 403.*

1 “(d) *RULES AND REGULATIONS.*—*The President shall*
2 *prescribe such rules and regulations as are necessary to*
3 *carry out this section.*”.

4 “(b) *EFFECTIVE DATE.*—*The amendment made by sub-*
5 *section (a) takes effect 1 year after the date of enactment*
6 *of this Act.*

7 **SEC. 208. PUBLIC NOTICE, COMMENT, AND CONSULTATION**
8 **REQUIREMENTS.**

9 *Title III of the Robert T. Stafford Disaster Relief and*
10 *Emergency Assistance Act (42 U.S.C. 5141 et seq.) (as*
11 *amended by section 204) is amended by adding at the end*
12 *the following:*

13 **“SEC. 325. PUBLIC NOTICE, COMMENT, AND CONSULTATION**
14 **REQUIREMENTS.**

15 “(a) *PUBLIC NOTICE AND COMMENT CONCERNING*
16 *NEW OR MODIFIED POLICIES.*—

17 “(1) *IN GENERAL.*—*The President shall provide*
18 *for public notice and opportunity for comment before*
19 *adopting any new or modified policy that—*

20 “(A) *governs implementation of the public*
21 *assistance program administered by the Federal*
22 *Emergency Management Agency under this Act;*
23 *and*

24 “(B) *could result in a significant reduction*
25 *of assistance under the program.*

1 “(2) *APPLICATION.*—Any policy adopted under
2 paragraph (1) shall apply only to a major disaster or
3 emergency declared on or after the date on which the
4 policy is adopted.

5 “(b) *CONSULTATION CONCERNING INTERIM POLI-*
6 *CIES.*—Before adopting any interim policy under the public
7 assistance program to address specific conditions that relate
8 to a major disaster or emergency that has been declared
9 under this Act, the President, to the maximum extent prac-
10 ticable, shall solicit the views and recommendations of
11 grantees and subgrantees with respect to the major disaster
12 or emergency concerning the potential interim policy, if the
13 interim policy is likely—

14 “(1) to result in a significant reduction of assist-
15 ance to applicants for the assistance with respect to
16 the major disaster or emergency; or

17 “(2) to change the terms of a written agreement
18 to which the Federal Government is a party con-
19 cerning the declaration of the major disaster or emer-
20 gency.

21 “(c) *PUBLIC ACCESS.*—The President shall promote
22 public access to policies governing the implementation of
23 the public assistance program.

24 “(d) *NO LEGAL RIGHT OF ACTION.*—Nothing in this
25 section confers a legal right of action on any party.”.

1 **SEC. 209. COMMUNITY DISASTER LOANS.**

2 *Section 417 of the Robert T. Stafford Disaster Relief*
3 *and Emergency Assistance Act (42 U.S.C. 5184) is*
4 *amended—*

5 *(1) by striking “(a) The President” and insert-*
6 *ing the following:*

7 *“(a) IN GENERAL.—The President”;*

8 *(2) by striking “The amount” and inserting the*
9 *following:*

10 *“(b) AMOUNT.—The amount”;*

11 *(3) by striking “Repayment” and inserting the*
12 *following:*

13 *“(c) REPAYMENT.—*

14 *“(1) CANCELLATION.—Repayment”;*

15 *(4) by striking “(b) Any loans” and inserting*
16 *the following:*

17 *“(d) EFFECT ON OTHER ASSISTANCE.—Any loans”;*

18 *(5) in subsection (b) (as designated by para-*
19 *graph (2))—*

20 *(A) by striking “and shall” and inserting*
21 *“shall”; and*

22 *(B) by inserting before the period at the end*
23 *the following: “, and shall not exceed*
24 *\$5,000,000”; and*

25 *(6) in subsection (c) (as designated by para-*
26 *graph (3)), by adding at the end the following:*

1 “(2) *CONDITION ON CONTINUING ELIGIBILITY.*—
2 *A local government shall not be eligible for further as-*
3 *stance under this section during any period in*
4 *which the local government is in arrears with respect*
5 *to a required repayment of a loan under this sec-*
6 *tion.*”.

7 **SEC. 210. TEMPORARY HOUSING ASSISTANCE.**

8 *Section 408(c) of the Robert T. Stafford Disaster Relief*
9 *and Emergency Assistance Act (42 U.S.C. 5174(c)) is*
10 *amended—*

11 *(1) by striking “In lieu of” and inserting the fol-*
12 *lowing:*

13 “(1) *IN GENERAL.*—*In lieu of*”; and

14 *(2) by adding at the end the following:*

15 “(2) *LIMITATION ON ASSISTANCE.*—

16 “(A) *IN GENERAL.*—*Except as provided in*
17 *subparagraph (B), the amount of assistance pro-*
18 *vided to a household under this subsection shall*
19 *not exceed \$5,000, as adjusted annually to reflect*
20 *changes in the Consumer Price Index for All*
21 *Urban Consumers published by the Department*
22 *of Labor.*

23 “(B) *ADDITIONAL ASSISTANCE.*—*The Presi-*
24 *dent may provide additional assistance to a*
25 *household that is unable to secure temporary*

1 *housing through insurance proceeds or loans or*
2 *other financial assistance from the Small Busi-*
3 *ness Administration or another Federal agen-*
4 *cy.”.*

5 **SEC. 211. INDIVIDUAL AND FAMILY GRANT PROGRAM.**

6 *Section 411 of the Robert T. Stafford Disaster Relief*
7 *and Emergency Assistance Act (42 U.S.C. 5178) is*
8 *amended—*

9 *(1) by striking subsection (a) and inserting the*
10 *following:*

11 *“(a) IN GENERAL.—The President, in consultation*
12 *and coordination with a State, may make a grant directly,*
13 *or through the State, to an individual or a family that is*
14 *adversely affected by a major disaster to assist the indi-*
15 *vidual or family in meeting disaster-related necessary ex-*
16 *penses or serious needs of the individual or family, if the*
17 *individual or family is unable to meet the expenses or needs*
18 *through—*

19 *“(1) assistance under other provisions of this*
20 *Act; or*

21 *“(2) other means.”;*

22 *(2) by striking subsection (d) and inserting the*
23 *following:*

24 *“(d) ADMINISTRATIVE EXPENSES.—If a State deter-*
25 *mines that a grant to an individual or a family under this*

1 *section shall be made through the State, the State shall pay,*
 2 *without reimbursement from any funds made available*
 3 *under this Act, the cost of all administrative expenses asso-*
 4 *ciated with the management of the grant by the State.”;*

5 *(3) by striking subsection (e); and*

6 *(4) by redesignating subsection (f) as subsection*
 7 *(e).*

8 **TITLE III—MISCELLANEOUS**

9 **SEC. 301. TECHNICAL CORRECTION OF SHORT TITLE.**

10 *The first section of the Robert T. Stafford Disaster Re-*
 11 *lief and Emergency Assistance Act (42 U.S.C. 5121 note)*
 12 *is amended to read as follows:*

13 **“SECTION 1. SHORT TITLE.**

14 *“This Act may be cited as the ‘Robert T. Stafford Dis-*
 15 *aster Relief and Emergency Assistance Act’.”.*

16 **SEC. 302. DEFINITIONS.**

17 *Section 102 of the Robert T. Stafford Disaster Relief*
 18 *and Emergency Assistance Act (42 U.S.C. 5122) is*
 19 *amended—*

20 *(1) in each of paragraphs (3) and (4), by strik-*
 21 *ing “the Northern” and all that follows through “Pa-*
 22 *cific Islands” and inserting “and the Commonwealth*
 23 *of the Northern Mariana Islands”;*

24 *(2) by striking paragraph (6) and inserting the*
 25 *following:*

1 “(6) *LOCAL GOVERNMENT.*—*The term ‘local gov-*
2 *ernment’ means—*

3 “(A) *a county, municipality, city, town,*
4 *township, local public authority, school district,*
5 *special district, intrastate district, council of*
6 *governments (regardless of whether the council of*
7 *governments is incorporated as a nonprofit cor-*
8 *poration under State law), regional or interstate*
9 *government entity, or agency or instrumentality*
10 *of a local government;*

11 “(B) *an Indian tribe or authorized tribal*
12 *organization, or Alaska Native village or organi-*
13 *zation; and*

14 “(C) *a rural community, unincorporated*
15 *town or village, or other public entity, for which*
16 *an application for assistance is made by a State*
17 *or political subdivision of a State.”; and*

18 (3) *in paragraph (9), by inserting “irrigation,”*
19 *after “utility.”*

20 **SEC. 303. PUBLIC SAFETY OFFICER BENEFITS FOR CERTAIN**
21 **FEDERAL AND STATE EMPLOYEES.**

22 (a) *IN GENERAL.*—*Section 1204 of the Omnibus Crime*
23 *Control and Safe Streets Act of 1968 (42 U.S.C. 3796b)*
24 *is amended by striking paragraph (7) and inserting the fol-*
25 *lowing:*

1 “(7) ‘public safety officer’ means—

2 “(A) an individual serving a public agency
3 in an official capacity, with or without com-
4 pensation, as a law enforcement officer, as a fire-
5 fighter, or as a member of a rescue squad or am-
6 bulance crew;

7 “(B) an employee of the Federal Emergency
8 Management Agency who is performing official
9 duties of the Agency in an area, if those official
10 duties—

11 “(i) are related to a major disaster or
12 emergency that has been, or is later, de-
13 clared to exist with respect to the area
14 under the Robert T. Stafford Disaster Relief
15 and Emergency Assistance Act (42 U.S.C.
16 5121 et seq.); and

17 “(ii) are determined by the Director of
18 the Federal Emergency Management Agency
19 to be hazardous duties; or

20 “(C) an employee of a State or local emer-
21 gency management or civil defense agency who is
22 performing official duties in cooperation with
23 the Federal Emergency Management Agency in
24 an area, if those official duties—

1 “(i) are related to a major disaster or
2 emergency that has been, or is later, de-
3 clared to exist with respect to the area
4 under the Robert T. Stafford Disaster Relief
5 and Emergency Assistance Act (42 U.S.C.
6 5121 et seq.); and

7 “(ii) are determined by the head of the
8 agency to be hazardous duties.”.

9 (b) *EFFECTIVE DATE.*—The amendment made by sub-
10 section (a) applies only to employees described in subpara-
11 graphs (B) and (C) of section 1204(7) of the Omnibus
12 Crime Control and Safe Streets Act of 1968 (as amended
13 by subsection (a)) who are injured or who die in the line
14 of duty on or after the date of enactment of this Act.

15 **SEC. 304. DISASTER GRANT CLOSEOUT PROCEDURES.**

16 Title VII of the Robert T. Stafford Disaster Relief and
17 Emergency Assistance Act (42 U.S.C. 5101 et seq.) is
18 amended by adding at the end the following:

19 **“SEC. 705. DISASTER GRANT CLOSEOUT PROCEDURES.**

20 “(a) *STATUTE OF LIMITATIONS.*—

21 “(1) *IN GENERAL.*—Except as provided in para-
22 graph (2), no administrative action to recover any
23 payment made to a State or local government for dis-
24 aster or emergency assistance under this Act shall be
25 initiated in any forum after the date that is 3 years

1 *after the date of transmission of the final expenditure*
2 *report for the disaster or emergency.*

3 “(2) *FRAUD EXCEPTION.*—*The limitation under*
4 *paragraph (1) shall apply unless there is evidence of*
5 *civil or criminal fraud.*

6 “(b) *REBUTTAL OF PRESUMPTION OF RECORD MAIN-*
7 *TENANCE.*—

8 “(1) *IN GENERAL.*—*In any dispute arising*
9 *under this section after the date that is 3 years after*
10 *the date of transmission of the final expenditure re-*
11 *port for the disaster or emergency, there shall be a*
12 *presumption that accounting records were maintained*
13 *that adequately identify the source and application of*
14 *funds provided for financially assisted activities.*

15 “(2) *AFFIRMATIVE EVIDENCE.*—*The presumption*
16 *described in paragraph (1) may be rebutted only on*
17 *production of affirmative evidence that the State or*
18 *local government did not maintain documentation de-*
19 *scribed in that paragraph.*

20 “(3) *INABILITY TO PRODUCE DOCUMENTATION.*—
21 *The inability of the Federal, State, or local govern-*
22 *ment to produce source documentation supporting ex-*
23 *penditure reports later than 3 years after the date of*
24 *the transmission of the final expenditure report shall*

1 *not constitute evidence to rebut the presumption de-*
2 *scribed in paragraph (1).*

3 “(4) *RIGHT OF ACCESS.*—*The period during*
4 *which the Federal, State, or local government has the*
5 *right to access source documentation shall not be lim-*
6 *ited to the required 3-year retention period referred to*
7 *in paragraph (3), but shall last as long as the records*
8 *are maintained.*

9 “(c) *BINDING NATURE OF GRANT REQUIREMENTS.*—
10 *A State or local government shall not be liable for reim-*
11 *bursement or any other penalty for any payment made*
12 *under this Act if—*

13 “(1) *the payment was authorized by an ap-*
14 *proved agreement specifying the costs;*

15 “(2) *the costs were reasonable; and*

16 “(3) *the purpose of the grant was accom-*
17 *plished.”.*

18 **SEC. 305. CONFORMING AMENDMENT.**

19 *Title II of the Robert T. Stafford Disaster Relief and*
20 *Emergency Assistance Act (42 U.S.C. 5131 et seq.) is*
21 *amended by striking the title heading and inserting the fol-*
22 *lowing:*

1 **“TITLE II—DISASTER PREPARED-**
2 **NESS AND MITIGATION AS-**
3 **SISTANCE”.**

Attest:

Secretary.

106TH CONGRESS
2D SESSION

H. R. 707

AMENDMENT

HR 707 EAS—2

HR 707 EAS—3

HR 707 EAS—4

HR 707 EAS—5