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SENATE

{ REPORT
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DISASTER MITIGATION ASSISTANCE FOR STATES AND LOCAL GOVERNMENTS

DECEMBER 13, 2001.—Ordered to be printed

Mr. JEFFORDS, from the Committee on Environment and Public
Works, submitted the following

REPORT

[to accompany S. 1632]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred a bill (S. 1632), to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to extend the deadline for submission of State recommendations of local governments to receive assistance for pre-disaster hazard mitigation and to authorize the President to provide additional repair assistance to individuals and households, having considered the same, reports favorably thereon and recommends that the bill do pass.

BACKGROUND

Section 203 of the Stafford Act establishes a pre-disaster mitigation grant program. The program provides technical and financial assistance to State and local governments to assist in the implementation of pre-disaster hazard mitigation measures. The section allows State governors to submit recommendations for eligible communities. The deadline for these recommendations was October 1, 2001, and every October 1 thereafter. Prior to the deadline, the Federal Emergency Management Agency (FEMA) requested an extension of the deadline. The agency requested an amendment to the Stafford Act extending the recommendation deadline until 60 days after the enactment of the appropriation to implement this program. S.1632 incorporates this request.

Section 408 of the Stafford Act establishes a program for federal assistance to individuals and households affected by a disaster. Specifically, section 408(c)(2) authorizes the President to provide financial assistance for the repair of owner-occupied private residences, utilities, and residential infrastructure damaged by a major disaster, and to make hazard mitigation grants. Repair assistance may not exceed \$5,000. The Stafford Act limits the total federal assistance to individuals and households available under section 408 to \$25,000.

FEMA has requested an amendment to the Stafford Act eliminating the \$5,000 cap on repair assistance imposed by section 408(c)(2)(C). S.1632 incorporates this request.

SECTION-BY-SECTION ANALYSIS

Section 1. Deadline for Submission of State Recommendations for Pre-disaster Hazard Mitigation

SUMMARY

Section 1 amends the Stafford Act and extends the deadline for State recommendation of certain local governments for pre-disaster mitigation funding.

DISCUSSION

This section extends the State recommendation deadline for pre-disaster mitigation funding until 60 days after the appropriation of funds for the pre-disaster mitigation grant program. In subsequent fiscal years, States must make recommendations by October 1, or at such later date as the President may determine.

Section 2. Additional Repair Assistance for Individuals and Households

SUMMARY

Section 2 amends the Stafford Act and eliminates the \$5,000 cap on household repair assistance imposed by section 408(c)(2)(C).

DISCUSSION

This waiver would only apply to homeowners who do not meet Small Business Administration requirements for low interest loans and other assistance. Recipients of repair grants under section 408(c)(2) must still show that insurance proceeds cannot meet their needs. Recipients are still subject to the \$25,000 cap for total assistance available under section 408. Eliminating the assistance limits gives FEMA the flexibility to keep qualifying repair recipients in their own homes rather other temporary housing alternatives.

LEGISLATIVE HISTORY

Senator James M. Jeffords introduced S. 1632 on November 5, 2001. The Senate Committee on Environment and Public Works reported the bill by voice vote on November 8, 2001.

HEARINGS

On November 1, 2001, the committee held a hearing to consider several legislative proposals including a proposal to extend the deadline for submission of State recommendations of local governments to receive assistance for predisaster mitigation and to authorize the President to provide additional repair assistance to individuals and households. Testifying at the hearing were the following individuals: Michael Brown, Deputy Director, Federal Emergency Management Agency, Washington, DC; Joe Moravec, Commissioner, Public Building Service, General Services Administration, Washington, DC; Dr. David Sampson, Assistant Secretary for Economic Development, Economic Development Administration, U.S. Department of Commerce, Washington, DC; Richard Meserve, Chairman, Nuclear Regulatory Commission, Rockville, MD; Herbert Mitchell, Associate Administrator for Disaster Assistance, Small Business Administration, Washington, DC; and Marianne L. Horinko, Assistant Administrator Office of Solid Waste and Emergency Response, Environmental Protection Agency, Washington, DC.

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider S.1632 on November 8, 2001, and reported S. 1632 by voice vote.

REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes evaluation of the regulatory impact of the reported bill.

The bill does not create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), the Committee finds that S.1632 would impose no unfunded mandates on local, State, or tribal governments.

COST OF LEGISLATION

Section 403 of the Congressional Budget and Impoundment control Act requires that a statement of the cost of the reported bill, prepared by the Congressional Budget Office, be included in the report. That statement follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, December 11, 2001.

Hon. JAMES JEFFORDS, *Chairman,*
Committee on Environment and Public Works,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1632, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to extend the deadline for submission of state recommendations of local governments to receive assistance for predisaster hazard mitigation and to authorize the President to provide additional repair assistance to individuals and households.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Julie Middleton, who can be reached at 226-2860.

Sincerely,

DAN L. CRIPPEN

S. 1632, A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to extend the deadline for submission of state recommendations of local governments to receive assistance for predisaster hazard mitigation and to authorize the President to provide additional repair assistance to individuals and households, as ordered reported by the Senate Committee on Environment and Public Works on November 8, 2001

S. 1632 would authorize the Federal Emergency Management Agency (FEMA) to extend a reporting deadline for certain state funding recommendations. In addition, the bill would authorize FEMA to increase the type of assistance provided to homeowners who have received disaster assistance funds to repair their homes, but who are in need of additional money and cannot get that additional money through insurance proceeds or loans. Based on information from FEMA, CBO estimates that implementing S. 1632 would cost about \$7 million a year, assuming appropriation of the necessary funds. Under current law, disaster victims (including households or individuals) are eligible to receive housing assistance up to \$5,000. Disaster victims can seek additional assistance for housing repairs by applying for a disaster loan from the Small Business Administration. If a household does not qualify for a loan, no other housing repair assistance is available from the federal government. Under S. 1632, the cap of \$5,000 for housing repairs would be removed. Based on information from FEMA, an average of 4,000 disaster victims can be expected to have housing repairs in excess of \$5,000 who would not qualify for disaster loans. Information from FEMA indicates that disaster victims would seek an average of \$1,800 in additional housing repair assistance.

S. 1632 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1632 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on the budgets of state, local, or tribal governments.

The CEO staff contact for this estimate is Julie Middleton, who can be reached at 226-2860. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

In compliance with section 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill as reported

are shown as follows: Existing law proposed to be omitted is enclosed in [black brackets], new matter is printed in *italic*, existing law in which no change is proposed is shown in roman:

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

[As Amended Through P.L. 106–580, Dec. 29, 2000]

AN ACT Entitled the “Disaster Relief Act Amendments of 1974”.

*Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Robert T. Stafford Disaster Relief and Emergency Assistance Act”.

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SEC. 203. PREDISASTER HAZARD MITIGATION.

(a) **DEFINITION OF SMALL IMPOVERISHED COMMUNITY.**—In this section, the term “small impoverished community” means a community of 3,000 or fewer individuals that is economically disadvantaged, as determined by the State in which the community is located and based on criteria established by the President.

(b) **ESTABLISHMENT OF PROGRAM.**—The President may establish a program to provide technical and financial assistance to States and local governments to assist in the implementation of predisaster hazard mitigation measures that are cost-effective and are designed to reduce injuries, loss of life, and damage and destruction of property, including damage to critical services and facilities under the jurisdiction of the States or local governments.

(c) **APPROVAL BY PRESIDENT.**—If the President determines that a State or local government has identified natural disaster hazards in areas under its jurisdiction and has demonstrated the ability to form effective public-private natural disaster hazard mitigation partnerships, the President, using amounts in the National Predisaster Mitigation Fund established under subsection (i) (referred to in this section as the “Fund”), may provide technical and financial assistance to the State or local government to be used in accordance with subsection (e).

(d) **STATE RECOMMENDATIONS.**—

(1) **IN GENERAL.**—

(A) **RECOMMENDATIONS.**—The Governor of each State may recommend to the President not fewer than five local governments to receive assistance under this section.

(B) **DEADLINE FOR SUBMISSION.**—The recommendations under subparagraph (A) shall be submitted to the President [not later than October 1, 2001, and each October 1st thereafter or such later date in the year as the President may establish.] *not later than*—

(i) in the case of fiscal year 2002, 60 days after the date on which funds are made available to carry out the program established under this section; and

(ii) in the case of each fiscal year thereafter, October 1 or such later date as the President may determine.

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SEC. 408. FEDERAL ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS.

(a) IN GENERAL.—

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

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

(b) HOUSING ASSISTANCE.—

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

(2) **DETERMINATION OF APPROPRIATE TYPES OF ASSISTANCE.—**

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

(B) **MULTIPLE TYPES OF ASSISTANCE.**—One or more types of housing assistance may be made available under this section, based on the suitability and availability of the types of assistance, to meet the needs of individuals and households in the particular disaster situation.

(c) TYPES OF HOUSING ASSISTANCE.—

(1) **TEMPORARY HOUSING.—**

(A) **FINANCIAL ASSISTANCE.—**

(i) **IN GENERAL.**—The President may provide financial assistance to individuals or households to rent alternate housing accommodations, existing rental units, manufactured housing, recreational vehicles, or other readily fabricated dwellings.

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

(B) DIRECT ASSISTANCE.—

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

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

(iii) COLLECTION OF RENTAL CHARGES.—After the end of the 18-month period referred to in clause (ii), the President may charge fair market rent for each temporary housing unit provided.

(2) REPAIRS.—

(A) IN GENERAL.—The President may provide financial assistance for—

(i) the repair of owner-occupied private residences, utilities, and residential infrastructure (such as a private access route) damaged by a major disaster to a safe and sanitary living or functioning condition; and

(ii) eligible hazard mitigation measures that reduce the likelihood of future damage to such residences, utilities, or infrastructure.

[(B) RELATIONSHIP TO OTHER ASSISTANCE.—A recipient of assistance provided under this paragraph shall not be required to show that the assistance can be met through other means, except insurance proceeds.]

[(C) MAXIMUM AMOUNT OF ASSISTANCE.—The amount of assistance provided to a household under this paragraph shall not exceed \$5,000, as adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.]

(B) INITIAL ASSISTANCE.—

(i) RELATIONSHIP TO OTHER ASSISTANCE.—A recipient of initial assistance described in subparagraph (A) shall not be required to show that the need for the initial assistance cannot be met through other means, except that a recipient shall be required to show that the need cannot be met through insurance proceeds.

(ii) MAXIMUM AMOUNT OF INITIAL ASSISTANCE.—The amount of initial assistance provided to a household under this subparagraph shall not exceed \$5,000, as adjusted annually to reflect changes in the Con-

sumer Price Index for All Urban Consumers published by the Department of Labor.

(C) ADDITIONAL ASSISTANCE.—Subject to subsection (h), the President may provide additional repair assistance to an individual or household that is unable to complete the repairs described in subparagraph (A)(i) through use of insurance proceeds, loans, or other means, including assistance from the Small Business Administration.

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