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S. 1691

[Report No. 106-295]

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 5, 1999

Mr. INHOFE (for himself, Mr. GRAHAM, Mr. VOINOVICH, Mr. GRASSLEY, Mr. SMITH of New Hampshire, Mr. DEWINE, Mr. BAUCUS, and Mr. BOND) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

MAY 16, 2000

Reported by Mr. SMITH of New Hampshire, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, 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 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
 5 “Disaster Mitigation Act of 1999”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
 7 this 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. Maximum contribution for mitigation costs.

Sec. 104. Natural disaster mitigation zones.

Sec. 105. Interagency task force.

Sec. 106. Conforming amendment.

**TITLE II—DISASTER PREPAREDNESS AND MITIGATION
ASSISTANCE**

Sec. 201. Insurance.

Sec. 202. Management costs.

Sec. 203. Assistance to repair, restore, reconstruct, or replace damaged facili-
ties.

Sec. 204. Federal assistance to households.

Sec. 205. State administration of hazard mitigation grant program.

Sec. 206. Study regarding cost reduction.

Sec. 207. Fire management assistance.

Sec. 208. Public comment requirement.

Sec. 209. Community disaster loans.

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. Inspector General.

Sec. 305. National Urban Search and Rescue Response System.

8 **TITLE I—PREDISASTER HAZARD**
 9 **MITIGATION**

10 **SEC. 101. FINDINGS AND PURPOSE.**

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

1 (1) natural disasters, including earthquakes,
2 tsunamis, tornadoes, hurricanes, and flooding, pose
3 great danger to human life and to property through-
4 out the United States;

5 (2) greater emphasis needs to be placed on—

6 (A) identifying and assessing the risks to
7 States and local communities from natural dis-
8 asters;

9 (B) implementing adequate measures to
10 reduce losses from natural disasters; and

11 (C) ensuring that the critical infrastruc-
12 ture and facilities of communities will continue
13 to function after a natural disaster;

14 (3) expenditures for postdisaster assistance are
15 increasing without commensurate reductions in the
16 likelihood of future losses from natural disasters;

17 (4) in the expenditure of Federal funds under
18 the Robert T. Stafford Disaster Relief and Emer-
19 gency Assistance Act (42 U.S.C. 5121 et seq.); high
20 priority should be given to mitigation of hazards to
21 existing and new construction at the local level; and

22 (5) with a unified effort of economic incentives,
23 awareness and education, technical assistance, and
24 demonstrated Federal support, States and local com-
25 munities will be able to—

1 (A) form effective community-based part-
2 nerships for hazard mitigation purposes;

3 (B) implement effective hazard mitigation
4 measures that reduce the potential damage
5 from natural disasters;

6 (C) ensure continued functionality of the
7 critical infrastructure of communities;

8 (D) leverage additional non-Federal re-
9 sources in meeting natural disaster resistance
10 goals; and

11 (E) make commitments to long-term haz-
12 ard mitigation efforts to be applied to new and
13 existing construction.

14 (b) PURPOSE.—The purpose of this Act is to estab-
15 lish a national disaster hazard mitigation program—

16 (1) to reduce the loss of life and property;
17 human suffering; economic disruption; and disaster
18 assistance costs resulting from natural disasters;
19 and

20 (2) to provide a source of predisaster hazard
21 mitigation funding that will assist States and local
22 governments in implementing effective hazard miti-
23 gation measures that are designed to ensure the con-
24 tinued functionality of critical infrastructure and fa-
25 cilities after a natural disaster.

1 **SEC. 102. PREDISASTER HAZARD MITIGATION.**

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

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

6 “(a) **IN GENERAL.**—The Director of the Federal
7 Emergency Management Agency (referred to in this sec-
8 tion as the ‘Director’) may establish a program to provide
9 technical and financial assistance to States and local gov-
10 ernments to assist in the implementation of predisaster
11 hazard mitigation measures designed to reduce injuries,
12 loss of life, and damage and destruction of property, in-
13 cluding damage to critical infrastructure and facilities
14 under the jurisdiction of the States or local governments.

15 “(b) **APPROVAL BY DIRECTOR.**—If the Director de-
16 termines that a State or local government has identified
17 all natural disaster hazards in areas under its jurisdiction
18 and has demonstrated the ability to form effective public-
19 private natural disaster hazard mitigation partnerships,
20 the Director, using amounts in the National Predisaster
21 Mitigation Fund established under subsection (c) (referred
22 to in this section as the ‘Fund’), may provide technical
23 and financial assistance to the State or local government
24 to be used in accordance with subsection (c).

1 “(c) USES OF TECHNICAL AND FINANCIAL ASSIST-
 2 ANCE.—Technical and financial assistance provided under
 3 subsection (b)—

4 “(1) shall be used by States and local govern-
 5 ments principally to implement predisaster hazard
 6 mitigation measures described in proposals approved
 7 by the Director under this section; and

8 “(2) may be used—

9 “(A) to support effective public-private
 10 natural disaster hazard mitigation partnerships;

11 “(B) to ensure that new development and
 12 construction is resistant to natural disasters;

13 “(C) to improve the assessment of a com-
 14 munity’s vulnerability to natural hazards; or

15 “(D) to establish hazard mitigation prior-
 16 ities; and an appropriate hazard mitigation
 17 plan, for a community.

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

22 “(1) the extent and nature of the hazards to be
 23 mitigated;

1 “(2) the degree of commitment of the State or
2 local government to reduce damages from future
3 natural disasters; and

4 “(3) the degree of commitment by the State or
5 local government to support ongoing non-Federal
6 support for the hazard mitigation measures to be
7 carried out using the technical and financial assist-
8 ance.

9 “(e) NATIONAL PREDISASTER MITIGATION FUND.—

10 “(1) ESTABLISHMENT.—The Director may es-
11 tablish in the Treasury of the United States a fund
12 to be known as the ‘National Predisaster Mitigation
13 Fund’, to be used in carrying out this section.

14 “(2) TRANSFERS TO FUND.—There shall be de-
15 posited in the Fund—

16 “(A) amounts appropriated to carry out
17 this section, which shall remain available until
18 expended; and

19 “(B) sums available from gifts, bequests,
20 or donations of services or property received by
21 the Director for the purpose of predisaster haz-
22 ard mitigation.

23 “(3) EXPENDITURES FROM FUND.—Upon re-
24 quest by the Director, the Secretary of the Treasury
25 shall transfer from the Fund to the Director such

1 amounts as the Director determines are necessary to
 2 provide technical and financial assistance under this
 3 section.

4 “(4) INVESTMENT OF AMOUNTS.—

5 “(A) IN GENERAL.—The Secretary of the
 6 Treasury shall invest such portion of the Fund
 7 as is not, in the judgment of the Secretary of
 8 the Treasury, required to meet current with-
 9 draws. Investments may be made only in in-
 10 terest-bearing obligations of the United States.

11 “(B) ACQUISITION OF OBLIGATIONS.—For
 12 the purpose of investments under subparagraph
 13 (A), obligations may be acquired—

14 “(i) on original issue at the issue
 15 price; or

16 “(ii) by purchase of outstanding obli-
 17 gations at the market price.

18 “(C) SALE OF OBLIGATIONS.—Any obliga-
 19 tion acquired by the Fund may be sold by the
 20 Secretary of the Treasury at the market price.

21 “(D) CREDITS TO FUND.—The interest on,
 22 and the proceeds from the sale or redemption
 23 of, any obligations held in the Fund shall be
 24 credited to and form a part of the Fund.

25 “(E) TRANSFERS OF AMOUNTS.—

1 “(i) IN GENERAL.—The amounts re-
 2 quired to be transferred to the Fund under
 3 this subsection shall be transferred at least
 4 monthly from the general fund of the
 5 Treasury to the Fund on the basis of esti-
 6 mates made by the Secretary of the Treas-
 7 ury.

8 “(ii) ADJUSTMENTS.—Proper adjust-
 9 ment shall be made in amounts subse-
 10 quently transferred to the extent prior esti-
 11 mates were in excess of or less than the
 12 amounts required to be transferred.

13 “(f) MAXIMUM TOTAL FEDERAL SHARE.—Subject to
 14 subsection (g), the amount of financial assistance provided
 15 from the Fund shall not exceed an amount equal to 75
 16 percent of the total costs of all hazard mitigation pro-
 17 posals approved by the Director under this section.

18 “(g) LIMITATION ON TOTAL AMOUNT OF FINANCIAL
 19 ASSISTANCE.—The Director shall not provide financial as-
 20 sistance under this section in an amount greater than the
 21 amount available in the Fund.

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

1 **SEC. 103. MAXIMUM CONTRIBUTION FOR MITIGATION**
 2 **COSTS.**

3 (a) **IN GENERAL.**—Section 404(a) of the Robert T.
 4 Stafford Disaster Relief and Emergency Assistance Act
 5 (42 U.S.C. 5170e(a)) is amended in the last sentence by
 6 striking “15 percent” and inserting “20 percent”.

7 (b) **APPLICABILITY.**—The amendment made by sub-
 8 section (a) shall apply to each major disaster declared
 9 under the Robert T. Stafford Disaster Relief and Emer-
 10 gency Assistance Act (42 U.S.C. 5121 et seq.) after the
 11 date of enactment of this Act.

12 **SEC. 104. NATURAL DISASTER MITIGATION ZONES.**

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

17 **“SEC. 204. NATURAL DISASTER MITIGATION ZONES.**

18 **“(a) DESIGNATION.—**

19 **“(1) IN GENERAL.**—In consultation with States,
 20 local governments, and appropriate Federal agencies,
 21 the President shall designate as a natural disaster
 22 mitigation zone each area in which commonly recur-
 23 ring natural hazards (including flooding, hurricanes
 24 and severe winds, seismic events, and other hazards)
 25 create a substantial likelihood of disasters that may
 26 require assistance under this Act.

1 “(2) FLOOD AND WIND ZONES.—At a min-
 2 imum, the President shall designate as a natural dis-
 3 aster mitigation zone each coastal flood zone identi-
 4 fied on a map prepared under the national flood in-
 5 surance program established under chapter 1 of the
 6 National Flood Insurance Act of 1968 (42 U.S.C.
 7 4011 et seq.) that is also within a wind zone that
 8 is identified by the American Society of Civil Engi-
 9 neers under ASCE 7–98 (or a successor document)
 10 and that has commonly recurring winds in excess of
 11 90 miles per hour.

12 “(3) INTEGRATION AND DEVELOPMENT OF ALL-
 13 HAZARD MAPS.—

14 “(A) IN GENERAL.—To carry out para-
 15 graphs (1) and (2), the President shall direct
 16 all appropriate Federal agencies that gather in-
 17 formation relating to natural resources and nat-
 18 ural and technological hazards to integrate, or
 19 develop and maintain, comprehensive all-hazard
 20 maps using global information systems tech-
 21 nology.

22 “(B) COORDINATOR.—The President shall
 23 designate the Director of the Federal Emer-
 24 gency Management Agency to serve as coordi-

nator of the activities carried out under subparagraph (A).

~~“(C) AVAILABILITY TO THE PUBLIC.—~~The maps and other resources developed under subparagraph (A) shall be made available to the public.

~~“(b) DISASTER MITIGATION POLICIES.—~~

~~“(1) IN GENERAL.—~~In order to reduce the likelihood or severity of damage from the hazards anticipated to occur in natural disaster mitigation zones, the President may identify disaster mitigation policies for implementation in the zones, comparable to Executive Order No. 11988 (42 U.S.C. 4321 note; relating to flood-prone areas) and Executive Order No. 12699 (55 Fed. Reg. 835; relating to seismic hazards), including recommended voluntary minimum building codes, test methods, and specifications established by—

~~“(A) the American Society of Civil Engineers;~~

~~“(B) the American Society for Testing and Materials; or~~

~~“(C) any other voluntary consensus standard setting organization.~~

1 ~~“(2) WIND IMPACT STANDARDS.—~~Disaster
 2 mitigation policies identified by the President under
 3 paragraph ~~(1)~~ shall include, with respect to any nat-
 4 ural disaster mitigation zone designated under sub-
 5 section ~~(a)(2)~~, wind impact standards contained in
 6 the American Society for Testing and Materials
 7 Standards E1886 and 1996 (or successor stand-
 8 ards).

9 ~~“(c) CONDITIONS ON FEDERAL FUNDING OF NEW~~
 10 FEDERAL BUILDINGS.—Each Federal agency responsible
 11 for the design and construction of any new Federal build-
 12 ing in a natural disaster mitigation zone shall ensure that
 13 the building is designed and constructed in accordance
 14 with the voluntary minimum building codes, test methods,
 15 and specifications and other mitigation policies identified
 16 under subsection ~~(b)~~.

17 ~~“(d) INCENTIVES.—~~

18 ~~“(1) IN GENERAL.—~~The President may provide
 19 incentives—

20 ~~“(A) to encourage owners of buildings lo-~~
 21 cated in a natural disaster mitigation zone that
 22 are not subject to subsection ~~(c)~~ to implement
 23 the mitigation policies identified under sub-
 24 section ~~(b)~~; and

1 ~~“(B) to encourage the owners of buildings~~
 2 ~~located in a natural disaster mitigation zone to~~
 3 ~~build or modify the buildings in a manner that~~
 4 ~~is likely to produce more hazard mitigation ben-~~
 5 ~~efits than the minimum requirements of the~~
 6 ~~mitigation policies identified under subsection~~
 7 ~~(b).~~

8 ~~“(2) TYPES OF INCENTIVES.—Incentives pro-~~
 9 ~~vided under paragraph (1) may include—~~

10 ~~“(A) lower premiums for Federal flood in-~~
 11 ~~surance under chapter 1 of the National Flood~~
 12 ~~Insurance Act of 1968 (42 U.S.C. 4011 et~~
 13 ~~seq.);~~

14 ~~“(B) more favorable financing through~~
 15 ~~Federal loans, loan guarantees, and insured~~
 16 ~~loans; and~~

17 ~~“(C) other incentives within the authority~~
 18 ~~of the President or any Federal agency to pro-~~
 19 ~~vide.~~

20 ~~“(e) IMPLEMENTATION.—Not later than 18 months~~
 21 ~~after the date of enactment of this section, each Federal~~
 22 ~~agency that provides financing, insurance, or other assist-~~
 23 ~~ance for the construction, modification, or acquisition of~~
 24 ~~buildings in natural disaster mitigation zones shall issue~~
 25 ~~regulations to carry out this section.”.~~

1 **SEC. 105. INTERAGENCY TASK FORCE.**

2 Title II of the Robert T. Stafford Disaster Relief and
3 Emergency Assistance Act (42 U.S.C. 5131 et seq.) (as
4 amended by section 104) is amended by adding at the end
5 the following:

6 **“SEC. 205. INTERAGENCY TASK FORCE.**

7 “(a) IN GENERAL.—The President shall establish a
8 Federal interagency task force for the purpose of coordi-
9 nating the implementation of predisaster hazard mitiga-
10 tion programs administered by the Federal Government.

11 “(b) CHAIRPERSON.—The Director of the Federal
12 Emergency Management Agency shall serve as the chair-
13 person of the task force.

14 “(c) MEMBERSHIP.—The membership of the task
15 force shall include representatives of State and local gov-
16 ernment organizations and the Red Cross.”.

17 **SEC. 106. CONFORMING AMENDMENT.**

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

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

4 **TITLE II—DISASTER PREPARED-**
 5 **NESS AND MITIGATION AS-**
 6 **SISTANCE**

7 **SEC. 201. INSURANCE.**

8 Section 311(a)(2) of the Robert T. Stafford Disaster
 9 Relief and Emergency Assistance Act (42 U.S.C.
 10 5154(a)(2)) is amended—

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

12 “(A) IN GENERAL.—In”; and

13 (2) by adding at the end the following:

14 “(B) REQUIRED INSURANCE OR SELF-IN-
 15 SURANCE.—The President shall promulgate
 16 regulations under which States, communities,
 17 and other applicants subject to paragraph (1)
 18 shall be required to protect property through
 19 adequate levels of insurance or self-insurance
 20 if—

21 “(i) the appropriate State insurance
 22 commissioner makes the certification de-
 23 scribed in subparagraph (A); and

1 “(ii) the President determines that
2 the property is not adequately protected
3 against natural or other disasters.

4 “(C) REGULATIONS.—In promulgating any
5 new regulation requiring public structures to be
6 insured to be eligible for assistance, the Presi-
7 dent shall—

8 “(i) include in the regulation—

9 “(I) definitions relating to insur-
10 ance that are expressed in known and
11 generally accepted terms;

12 “(II) a definition of ‘adequate in-
13 surance’;

14 “(III) the specific criteria for a
15 waiver of any insurance eligibility re-
16 quirement under the regulation;

17 “(IV) a definition of ‘self-insur-
18 ance’ that is sufficiently flexible to
19 take into consideration alternative
20 risk financing;

21 “(V) available market research
22 used in determining the availability of
23 insurance; and

24 “(VI) a cost-benefit analysis; and

25 “(ii) consider—

1 “(I) alternative risk-financing
 2 mechanisms, including risk sharing
 3 pools and self-insurance; and
 4 “(H) the use of independent in-
 5 surance experts to assist in developing
 6 the proposed regulation.”.

7 **SEC. 202. MANAGEMENT COSTS.**

8 (a) IN GENERAL.—Title III of the Robert T. Stafford
 9 Disaster Relief and Emergency Assistance Act (42 U.S.C.
 10 5141 et seq.) is amended by adding at the end the fol-
 11 lowing:

12 **“SEC. 322. MANAGEMENT COSTS.**

13 “(a) DEFINITION OF MANAGEMENT COST.—In this
 14 section, the term ‘management cost’ includes any indirect
 15 cost, administrative expense, and any other expense not
 16 directly chargeable to a specific project under a major dis-
 17 aster, emergency, or disaster preparedness or mitigation
 18 activity or measure.

19 “(b) MANAGEMENT COST RATES.—Notwithstanding
 20 any other provision of law (including any administrative
 21 rule or guidance), the President shall establish manage-
 22 ment cost rates for grantees and subgrantees that shall
 23 be used to determine contributions under this Act for
 24 management costs.

1 “(c) REVIEW.—The President shall review the man-
 2 agement cost rates established under subsection (b) not
 3 later than 3 years after the date of establishment of the
 4 rates and periodically thereafter.

5 “(d) REGULATIONS.—The President shall promul-
 6 gate regulations to define appropriate costs to be included
 7 in management costs under this section.”.

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

11 (1) IN GENERAL.—Subsections (a), (b), and (d)
 12 of section 322 of that Act shall apply to each major
 13 disaster declared under that Act on or after the date
 14 of enactment of this Act. Until the date on which
 15 the President establishes the management cost rates
 16 under subsection (b) of that section, section 406(f)
 17 of the Robert T. Stafford Disaster Relief and Emer-
 18 gency Assistance Act (42 U.S.C. 5172(f)) shall be
 19 used for establishing the rates.

20 (2) REVIEW.—Section 322(c) of that Act shall
 21 apply to each major disaster declared under that Act
 22 on or after the date on which the President estab-
 23 lishes the management cost rates under section
 24 322(b) of that Act.

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
 5 (42 U.S.C. 5172) is amended by striking subsection (a)
 6 and inserting the following:

7 “(a) CONTRIBUTIONS.—

8 “(1) IN GENERAL.—The President may make
 9 contributions—

10 “(A) to a State or local government for the
 11 repair, restoration, reconstruction, or replace-
 12 ment of a public facility that is damaged or de-
 13 stroyed by a major disaster and for associated
 14 expenses incurred by the government; and

15 “(B) subject to paragraph (2), to a person
 16 that owns or operates a private nonprofit facil-
 17 ity damaged or destroyed by a major disaster
 18 for the repair, restoration, reconstruction, or re-
 19 placement of the facility and for associated ex-
 20 penses incurred by the person.

21 “(2) CONDITIONS FOR ASSISTANCE FOR PRI-
 22 VATE NONPROFIT FACILITIES.—

23 “(A) CONDITIONS.—The President may
 24 make contributions for a private nonprofit facil-
 25 ity under paragraph (1)(B) only if—

1 “(i) the facility provides critical infra-
2 structure in the event of a major disaster;

3 “(ii) the person that owns or operates
4 the facility—

5 “(I) has applied for a disaster
6 loan under section 7(b) of the Small
7 Business Act (15 U.S.C. 636(b)); and

8 “(II) has been determined to be
9 ineligible for such a loan; or

10 “(iii) the person that owns or operates
11 the facility has obtained such a loan in the
12 maximum amount for which the Small
13 Business Administration determines the fa-
14 cility is eligible.

15 “(B) DETERMINATION OF WHETHER TO
16 DECLARE A MAJOR DISASTER.—In determining
17 whether to declare under this Act that a major
18 disaster exists, the President shall not take into
19 account the amount of any disaster loan under
20 section 7(b) of the Small Business Act (15
21 U.S.C. 636(b)) that is made to a person that
22 owns or operates a private nonprofit facility
23 damaged or destroyed by the major disaster.

24 “(C) DETERMINATION OF AMOUNT OF
25 CONTRIBUTIONS.—In determining the amount

of a contribution under paragraph (1)(B) to a person that owns or operates a private nonprofit facility damaged or destroyed by a major disaster and that has obtained a disaster loan under section 7(b) of the Small Business Act (~~15 U.S.C. 636(b)~~) with respect to the facility and the major disaster, the President shall not take into account the amount of the loan.”.

(b) ~~FEDERAL SHARE~~.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (~~42 U.S.C. 5172~~) is amended by striking subsection (b) and inserting the following:

“(b) ~~FEDERAL SHARE~~.—

“(1) ~~MINIMUM FEDERAL SHARE~~.—Except as provided in paragraph (2), the Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of repair, restoration, reconstruction, or replacement carried out under this section.

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

1 “(A) that has previously been damaged; on
2 more than 1 occasion; by the same type of
3 event; and

4 “(B) the owner of which has failed to im-
5 plement mitigation measures to address the
6 hazard that caused the damage to the facility.”.

7 ~~(c) LARGE IN-LIEU CONTRIBUTIONS.—~~Section 406
8 of the Robert T. Stafford Disaster Relief and Emergency
9 Assistance Act (42 U.S.C. 5172) is amended by striking
10 subsection (c) and inserting the following:

11 ~~“(c) LARGE IN-LIEU CONTRIBUTIONS.—~~

12 ~~“(1) FOR PUBLIC FACILITIES.—~~

13 ~~“(A) IN GENERAL.—~~In any case in which
14 a State or local government determines that the
15 public welfare would not be best served by re-
16 pairing, restoring, reconstructing, or replacing
17 any public facility owned or controlled by the
18 State or local government, the State or local
19 government may elect to receive, in lieu of a
20 contribution under subsection (a)(1)(A), a con-
21 tribution in an amount equal to 75 percent of
22 the Federal share of the cost of repairing, re-
23 storing, reconstructing, or replacing the facility
24 and of management costs, as estimated by the
25 President.

1 “(B) USE OF FUNDS.—

2 “(i) IN GENERAL.—Subject to clause
3 (ii), funds made available to a State or
4 local government under this paragraph
5 may be used to repair, restore, or expand
6 other eligible public facilities; to construct
7 new facilities; or to fund hazard mitigation
8 measures; that the State or local govern-
9 ment determines to be necessary to meet a
10 need for governmental services and func-
11 tions in the area affected by the major dis-
12 aster.

13 “(ii) LIMITATIONS.—Funds made
14 available to a State or local government
15 under this paragraph may not be used
16 for—

17 “(I) any public facility located in
18 a regulatory floodway (as defined in
19 section 59.1 of title 44, Code of Fed-
20 eral Regulations (or a successor regu-
21 lation)); or

22 “(H) any uninsured public facil-
23 ity located in a special flood hazard
24 area identified by the Director of the
25 Federal Emergency Management

1 Agency under the National Flood In-
2 surance Act of 1968 (42 U.S.C. 4001
3 et seq.).

4 “(2) FOR PRIVATE NONPROFIT FACILITIES.—

5 “(A) IN GENERAL.—In any case in which
6 a person that owns or operates a private non-
7 profit facility determines that the public welfare
8 would not be best served by repairing, restor-
9 ing, reconstructing, or replacing the facility, the
10 person may elect to receive, in lieu of a con-
11 tribution under subsection (a)(1)(B), a con-
12 tribution in an amount equal to 75 percent of
13 the Federal share of the cost of repairing, re-
14 storing, reconstructing, or replacing the facility
15 and of management costs, as estimated by the
16 President.

17 “(B) USE OF FUNDS.—

18 “(i) IN GENERAL.—Subject to clause
19 (ii), funds made available to a person
20 under this paragraph may be used to re-
21 pair, restore, or expand other eligible pri-
22 vate nonprofit facilities owned or operated
23 by the person, to construct new private
24 nonprofit facilities owned or operated by
25 the person, or to fund hazard mitigation

measures, that the person determines to be necessary to meet a need for services and functions in the area affected by the major disaster.

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

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

“(II) any uninsured private nonprofit facility located in a special flood hazard area identified by the Director of the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).”.

(d) ELIGIBLE COST.—

(1) IN GENERAL.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (e) and inserting the following:

“(e) ELIGIBLE COST.—

1 “(1) DETERMINATION.—

2 “(A) IN GENERAL.—For the purposes of
3 this section, the President shall estimate the eli-
4 gible cost of repairing, restoring, recon-
5 structing, or replacing a public facility or pri-
6 vate nonprofit facility—

7 “(i) on the basis of the design of the
8 facility as the facility existed immediately
9 before the major disaster; and

10 “(ii) in conformity with current appli-
11 cable codes, specifications, and standards
12 (including floodplain management and haz-
13 ard mitigation criteria required by the
14 President or under the Coastal Barrier Re-
15 sources Act (16 U.S.C. 3501 et seq.)).

16 “(B) COST ESTIMATION PROCEDURES.—

17 “(i) IN GENERAL.—Subject to para-
18 graph (2), the President shall use the cost
19 estimation procedures developed under
20 paragraph (3) to determine the eligible
21 cost under this subsection.

22 “(ii) APPLICABILITY.—The proce-
23 dures specified in this paragraph and para-
24 graph (2) shall apply only to projects the

eligible cost of which is equal to or greater
than the amount specified in section 422.

~~“(2) MODIFICATION OF ELIGIBLE COST.—~~

~~“(A) ACTUAL COST OVER 100 BUT LESS
THAN OR EQUAL TO 120 PERCENT OF ESTI-
MATED COST.—If, after the date on which a
cost estimate under paragraph (1) is made, ad-
ditional disaster-related damage is discovered
and the total actual cost of the eligible repair,
restoration, reconstruction, or replacement of
the facility is greater than 100 but less than or
equal to 120 percent of the cost estimated
under paragraph (1), the President shall deter-
mine that the eligible cost shall be the actual
cost of the repair, restoration, reconstruction,
or replacement described in paragraph (1)(A).~~

~~“(B) ACTUAL COST EXCEEDS 120 PERCENT
OF ESTIMATED COST.—If, after the date on
which a cost estimate under paragraph (1) is
made, additional disaster-related damage is dis-
covered and the total actual cost of the eligible
repair, restoration, reconstruction, or replace-
ment of the facility exceeds 120 percent of the
cost estimated under paragraph (1), the Presi-
dent may determine that the eligible cost shall~~

1 be the actual cost of the repair, restoration, re-
2 construction, or replacement described in para-
3 graph (1)(A).

4 “(3) EXPERT PANEL.—Not later than 18
5 months after the date of enactment of this para-
6 graph, the President, acting through the Director of
7 the Federal Emergency Management Agency, shall
8 establish an expert panel, which shall include rep-
9 resentatives from the construction industry and
10 State and local government, to develop procedures
11 for estimating the cost of repairing, restoring, recon-
12 structing, or replacing a facility consistent with in-
13 dustry practices.

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

23 (2) EFFECTIVE DATE.—The amendment made
24 by paragraph (1) shall take effect on the date of en-
25 actment of this Act, except that paragraph (1) of

1 section 406(c) of the Robert T. Stafford Disaster
 2 Relief and Emergency Assistance Act (as amended
 3 by paragraph (1)) shall take effect on the date on
 4 which the procedures developed under paragraph (3)
 5 of that section take effect.

6 (c) ~~DEFINITION OF CRITICAL INFRASTRUCTURE.—~~
 7 Section 102 of the Robert T. Stafford Disaster Relief and
 8 Emergency Assistance Act (42 U.S.C. 5122) is amended
 9 by adding at the end the following:

10 “(10) ~~CRITICAL INFRASTRUCTURE.—~~The term
 11 ‘critical infrastructure’ has the meaning given the
 12 term by the President, but includes, at a minimum,
 13 the provision of power, water, sewer, wastewater
 14 treatment, communications, and emergency medical
 15 care.”.

16 **SEC. 204. FEDERAL ASSISTANCE TO HOUSEHOLDS.**

17 (a) ~~IN GENERAL.—~~Section 408 of the Robert T.
 18 Stafford Disaster Relief and Emergency Assistance Act
 19 (42 U.S.C. 5174) is amended to read as follows:

20 **“SEC. 408. FEDERAL ASSISTANCE TO HOUSEHOLDS.**

21 “(a) ~~GENERAL AUTHORITY.—~~In accordance with this
 22 section, the President, in consultation and coordination
 23 with the Governor of an affected State, may provide finan-
 24 cial assistance, and, if necessary, direct services, to house-
 25 holds that—

1 “(1) as a direct result of a major disaster have
2 necessary expenses and serious needs; and

3 “(2) are unable to meet the necessary expenses
4 and serious needs through other means, including
5 insurance proceeds or loan or other financial assist-
6 ance from the Small Business Administration or an-
7 other Federal agency, except that households apply-
8 ing for assistance under subsection (c)(2) shall not
9 be required to demonstrate an inability to meet nec-
10 essary expenses and serious needs through loan or
11 other financial assistance from the Small Business
12 Administration or another Federal agency.

13 “(b) HOUSING ASSISTANCE.—

14 “(1) ELIGIBILITY.—The President may provide
15 financial or other assistance under this section to
16 households to respond to the disaster-related hous-
17 ing needs of households—

18 “(A) that are displaced from their
19 predisaster primary residences; or

20 “(B) the predisaster primary residences of
21 which are rendered uninhabitable as a result of
22 damage caused by a major disaster.

23 “(2) DETERMINATION OF APPROPRIATE TYPES
24 OF ASSISTANCE.—

1 “(A) IN GENERAL.—The President shall
 2 determine appropriate types of housing assist-
 3 ance to be provided to disaster victims under
 4 this section based on considerations of cost ef-
 5 fectiveness, convenience to disaster victims, and
 6 such other factors as the President considers to
 7 be appropriate.

8 “(B) MULTIPLE TYPES.—One or more
 9 types of housing assistance may be provided,
 10 based on the suitability and availability of the
 11 types of assistance, to meet the needs of dis-
 12 aster victims in a particular disaster situation.

13 “(c) TYPES OF HOUSING ASSISTANCE.—

14 “(1) MAXIMUM DURATION.—Federal financial
 15 or direct assistance under this subsection shall be
 16 provided for a period of not longer than 18 months
 17 after the date of the declaration by the President of
 18 the major disaster with respect to which the assist-
 19 ance is provided, unless the President determines
 20 that it is in the public interest to extend the 18-
 21 month period.

22 “(2) TEMPORARY HOUSING.—

23 “(A) FINANCIAL ASSISTANCE.—

24 “(i) IN GENERAL.—The President
 25 may provide financial assistance under this

1 section to households to rent alternate
 2 housing accommodations, existing rental
 3 units, manufactured housing, recreational
 4 vehicles, or other readily fabricated dwell-
 5 ings.

6 “(ii) AMOUNT.—The amount of as-
 7 sistance under clause (i) shall be based on
 8 the sum of—

9 “(I) the fair market rent for the
 10 accommodation being provided; and

11 “(II) the cost of any transpor-
 12 tation, utility hookups, or unit instal-
 13 lation not being directly provided by
 14 the President.

15 “(B) DIRECT ASSISTANCE.—

16 “(i) IN GENERAL.—Under this sec-
 17 tion, the President may directly provide
 18 housing units, acquired by purchase or
 19 lease, to households that, because of a lack
 20 of available housing resources, would be
 21 unable to make use of the assistance pro-
 22 vided under subparagraph (A).

23 “(ii) COLLECTION OF RENT.—After
 24 the end of the 18-month period described
 25 in paragraph (1), the President may

1 charge fair market rent for a housing unit
 2 provided under clause (i).

3 ~~“(3) REPAIRS.—~~

4 ~~“(A) IN GENERAL.—~~The President may
 5 provide financial assistance for the repair, to a
 6 habitable or functioning condition, of owner-oc-
 7 cupied primary residences, utilities, and resi-
 8 dential infrastructure (such as private access
 9 routes) damaged by a major disaster.

10 ~~“(B) EMERGENCY REPAIRS.—~~To be eligi-
 11 ble to receive assistance under subparagraph
 12 (A), a recipient shall not be required to dem-
 13 onstrate that the recipient is unable to meet the
 14 need for the assistance through other means,
 15 except insurance proceeds, if the assistance—

16 ~~“(i) is used for emergency repairs to~~
 17 ~~make a private primary residence habit-~~
 18 ~~able; and~~

19 ~~“(ii) does not exceed \$5,000, as ad-~~
 20 ~~justed annually to reflect changes in the~~
 21 ~~Consumer Price Index for All Urban Con-~~
 22 ~~sumers published by the Department of~~
 23 ~~Labor.~~

24 ~~“(4) PERMANENT HOUSING CONSTRUCTION.—~~

25 The President may provide financial assistance or

1 direct assistance under this section to households to
 2 construct permanent housing in insular areas out-
 3 side the continental United States and in other re-
 4 mote locations in cases in which—

5 “(A) no alternative housing resources are
 6 available;

7 “(B) the types of temporary housing as-
 8 sistance described in paragraph (2) are unavail-
 9 able, infeasible, or not cost effective; and

10 “(C) the household has applied for and has
 11 been determined to be ineligible for a disaster
 12 loan under section 7(b) of the Small Business
 13 Act (15 U.S.C. 636(b)).

14 “(d) TERMS AND CONDITIONS RELATING TO HOUS-
 15 ING ASSISTANCE.—

16 “(1) SITES.—

17 “(A) IN GENERAL.—Any readily fabricated
 18 dwelling provided under this section shall,
 19 whenever practicable, be located on a site
 20 that—

21 “(i) is provided by the State or local
 22 government; and

23 “(ii) is complete with utilities provided
 24 by the State or local government, by the

owner of the site, or by the occupant that was displaced by the major disaster.

~~“(B) SITES PROVIDED BY THE PRESIDENT.—~~Readily fabricated dwellings may be located on sites provided by the President if the President determines that the sites would be more economical or accessible.

~~“(2) DISPOSAL OF UNITS.—~~

~~“(A) SALE TO OCCUPANTS.—~~

~~“(i) IN GENERAL.—~~Notwithstanding any other provision of law, a temporary housing unit purchased under this section by the President for the purpose of housing disaster victims may be sold directly to the household that is occupying the unit if the household needs permanent housing.

~~“(ii) SALES PRICE.—~~Sales of temporary housing units under clause (i) shall be accomplished at prices that are fair and equitable.

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

1 “(iv) ~~USE OF GENERAL SERVICES AD-~~
 2 ~~MINISTRATION SERVICES.~~—The President
 3 may use the services of the General Serv-
 4 ices Administration to accomplish a sale
 5 under clause (i).

6 “(B) ~~OTHER METHODS OF DISPOSAL.~~—

7 “(i) ~~SALE.~~—If not disposed of under
 8 subparagraph (A), a temporary housing
 9 unit purchased by the President for the
 10 purpose of housing disaster victims may be
 11 resold.

12 “(ii) ~~DISPOSAL TO GOVERNMENT EN-~~
 13 ~~TITIES AND VOLUNTARY ORGANIZA-~~
 14 ~~TIONS.~~—A temporary housing unit de-
 15 scribed in clause (i) may be sold, trans-
 16 ferred, donated, or otherwise made avail-
 17 able directly to a State or other govern-
 18 ment entity or to a voluntary organization,
 19 giving priority to State and local govern-
 20 ments, for the sole purpose of providing
 21 temporary housing to victims of major dis-
 22 asters and emergencies if, as a condition of
 23 the sale, transfer, donation, or other mak-
 24 ing available, the State, other government
 25 entity, or voluntary organization agrees—

1 “(I) to comply with the non-
 2 discrimination provisions of section
 3 308; and

4 “(H) to obtain and maintain haz-
 5 ard and flood insurance on the hous-
 6 ing unit.

7 “(e) TEMPORARY MORTGAGE OR RENTAL PAYMENT
 8 ASSISTANCE.—

9 “(1) IN GENERAL.—The President may provide
 10 assistance on a temporary basis in the form of mort-
 11 gage or rental payments on behalf of individuals or
 12 families who, as a result of financial hardship caused
 13 by a major disaster, are at risk of dispossession or
 14 eviction from a residence by reason of a foreclosure
 15 of a mortgage or lien, cancellation of a contract or
 16 sale, or termination of a lease, entered into before
 17 the major disaster.

18 “(2) DURATION OF FINANCIAL ASSISTANCE.—
 19 Assistance under paragraph (1) shall be provided for
 20 the period of the financial hardship but not to ex-
 21 ceed 18 months.

22 “(f) FINANCIAL ASSISTANCE TO ADDRESS OTHER
 23 NEEDS.—

24 “(1) MEDICAL, DENTAL, AND FUNERAL EX-
 25 PENSES.—The President, in consultation and coordi-

1 nation with the Governor of the affected State, may
 2 provide financial assistance under this section to a
 3 household adversely affected by a major disaster to
 4 meet disaster-related medical, dental, and funeral
 5 expenses.

6 ~~“(2) PERSONAL PROPERTY, TRANSPORTATION,~~
 7 ~~AND OTHER EXPENSES.—The President, in con-~~
 8 ~~sultation and coordination with the Governor of the~~
 9 ~~affected State, may provide financial assistance~~
 10 ~~under this section to a household described in para-~~
 11 ~~graph (1) to address personal property, transpor-~~
 12 ~~tation, and other necessary expenses or serious~~
 13 ~~needs resulting from the major disaster.~~

14 ~~“(g) STATE ROLE.—The President shall provide for~~
 15 ~~the substantial and ongoing involvement of the affected~~
 16 ~~State in administering assistance under this section.~~

17 ~~“(h) MAXIMUM AMOUNT OF ASSISTANCE.—The max-~~
 18 ~~imum amount of financial assistance that a household may~~
 19 ~~receive under this section with respect to a single major~~
 20 ~~disaster shall be \$25,000, as adjusted annually to reflect~~
 21 ~~changes in the Consumer Price Index for All Urban Con-~~
 22 ~~sumers published by the Department of Labor.~~

23 ~~“(i) REGULATIONS.—The President shall promulgate~~
 24 ~~regulations to carry out the program established by this~~

1 section, including criteria, standards, and procedures for
 2 determining eligibility for assistance.”.

3 (b) CONFORMING AMENDMENT.—Section 502(a)(6)
 4 of the Robert T. Stafford Disaster Relief and Emergency
 5 Assistance Act (42 U.S.C. 5192(a)(6)) is amended by
 6 striking “temporary housing”.

7 (c) REPEAL OF INDIVIDUAL AND FAMILY GRANT
 8 PROGRAMS.—

9 (1) IN GENERAL.—Section 411 of the Robert T.
 10 Stafford Disaster Relief and Emergency Assistance
 11 Act (42 U.S.C. 5178) is repealed.

12 (2) CONFORMING AMENDMENT.—Section 204
 13 of the Omnibus Insular Areas Act of 1992 (42
 14 U.S.C. 5204e) is amended by striking “408, and
 15 411” and inserting “, and 408”.

16 (d) EFFECTIVE DATE.—The amendments made by
 17 this section take effect 18 months after the date of enact-
 18 ment of this Act.

19 **SEC. 205. STATE ADMINISTRATION OF HAZARD MITIGATION**
 20 **GRANT PROGRAM.**

21 Section 404 of the Robert T. Stafford Disaster Relief
 22 and Emergency Assistance Act (42 U.S.C. 5170e) is
 23 amended by adding at the end the following:

24 “(e) PROGRAM ADMINISTRATION BY STATES.—

1 “(1) IN GENERAL.—A State desiring to admin-
 2 ister the hazard mitigation grant program estab-
 3 lished by this section with respect to hazard mitiga-
 4 tion assistance in the State may submit to the Presi-
 5 dent an application for the delegation of the author-
 6 ity.

7 “(2) CRITERIA.—The President, in consultation
 8 and coordination with States and local governments,
 9 shall establish criteria for the approval of applica-
 10 tions submitted under paragraph (1). The criteria
 11 shall include, at a minimum—

12 “(A) the demonstrated ability of the State
 13 to manage the grant program under this sec-
 14 tion;

15 “(B) submission of the plan required under
 16 section 201(c); and

17 “(C) a demonstrated commitment to miti-
 18 gation activities.

19 “(3) APPROVAL.—The President shall approve
 20 an application submitted under paragraph (1) that
 21 meets the criteria established under paragraph (2).

22 “(4) WITHDRAWAL OF APPROVAL.—If, after
 23 approving an application of a State submitted under
 24 paragraph (1), the President determines that the
 25 State is not administering the hazard mitigation

1 grant program established by this section in a man-
 2 ner satisfactory to the President, the President shall
 3 withdraw the approval.

4 “(5) AUDITS.—The President shall provide for
 5 periodic audits of the hazard mitigation grant pro-
 6 grams administered by States under this sub-
 7 section.”.

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

9 (a) STUDY.—The Comptroller General of the United
 10 States shall conduct a study to estimate the reduction in
 11 Federal disaster assistance that has resulted and is likely
 12 to result from the enactment of this Act.

13 (b) REPORT.—Not later than 3 years after the date
 14 of enactment of this Act, the Comptroller General shall
 15 submit to Congress a report on the results of the study.

16 **SEC. 207. FIRE MANAGEMENT ASSISTANCE.**

17 (a) IN GENERAL.—Section 420 of the Robert T.
 18 Stafford Disaster Relief and Emergency Assistance Act
 19 (42 U.S.C. 5187) is amended to read as follows:

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

21 “(a) IN GENERAL.—The President is authorized to
 22 provide assistance, including grants, equipment, supplies,
 23 and personnel, to any State or local government for the
 24 management and control of any fire on public or private

1 forest land or grassland with urban interface that threat-
 2 ens such destruction as would constitute a major disaster.

3 “(b) ~~ESSENTIAL ASSISTANCE.~~—In providing assist-
 4 ance under this section, the President may use the author-
 5 ity provided under section 403.

6 “(c) ~~RULES AND REGULATIONS.~~—The President
 7 shall prescribe such rules and regulations as are necessary
 8 to carry out this section.”.

9 (b) ~~EFFECTIVE DATE.~~—The amendment made by
 10 subsection (a) takes effect 1 year after the date of enact-
 11 ment of this Act.

12 **SEC. 208. PUBLIC COMMENT REQUIREMENT.**

13 Title III of the Robert T. Stafford Disaster Relief
 14 and Emergency Assistance Act (42 U.S.C. 5141 et seq.)
 15 (as amended by section 202(a)) is amended by adding at
 16 the end the following:

17 **“SEC. 323. PUBLIC COMMENT REQUIREMENT.**

18 “(a) ~~IN GENERAL.~~—The President shall provide an
 19 opportunity for public comment before adopting any new
 20 or modified policy governing implementation of the public
 21 assistance program administered by the Federal Emer-
 22 gency Management Agency under this Act.

23 “(b) ~~CONSULTATION.~~—

24 “(1) ~~IN GENERAL.~~—The President, to the max-
 25 imum extent practicable, shall solicit the views and

1 recommendations of grantees under the program
 2 concerning any potential policy to be implemented
 3 under the program if the policy is likely—

4 “(A) to have a significant financial impact
 5 on the victims of a major disaster or emergency
 6 declared under this Act; or

7 “(B) to change the terms of a written
 8 agreement concerning a declaration of a major
 9 disaster or emergency under this Act.

10 “(2) NO LEGAL RIGHT OF ACTION.—Nothing in
 11 paragraph (1) confers a legal right of action on any
 12 party.

13 “(c) RETROACTIVE APPLICATION OF POLICIES.—The
 14 President may not adopt any new or modified policy that
 15 would reduce retroactively the amount of assistance pro-
 16 vided to a State or local government under this Act.”.

17 **SEC. 209. COMMUNITY DISASTER LOANS.**

18 Section 417(a) of the Robert T. Stafford Disaster Re-
 19 lief and Emergency Assistance Act (42 U.S.C. 5184(a))
 20 is amended—

21 (1) by striking “(a) The President” and insert-
 22 ing the following:

23 “(a) IN GENERAL.—The President”;

24 (2) by striking “The amount” and inserting the
 25 following:

1 “(b) AMOUNT.—The amount”;

2 (3) by striking “Repayment” and inserting the
3 following:

4 “(c) REPAYMENT.—

5 “(1) CANCELLATION.—Repayment”;

6 (4) in subsection (b) (as designated by para-
7 graph (2))—

8 (A) by striking “and shall” and inserting
9 “shall”; and

10 (B) by inserting before the period at the
11 end the following: “, and shall not exceed
12 \$5,000,000”; and

13 (5) in subsection (c) (as designated by para-
14 graph (3)), by adding at the end the following:

15 “(2) CONDITION ON CONTINUING ELIGI-
16 BILITY.—A local government shall not be eligible for
17 further assistance under this section during any pe-
18 riod in which the local government is in arrears with
19 respect to a required repayment of a loan under this
20 section.”.

21 **TITLE III—MISCELLANEOUS**

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

23 The first section of the Robert T. Stafford Disaster
24 Relief and Emergency Assistance Act (42 U.S.C. 5121
25 note) is amended to read as follows:

1 **~~“SECTION 1. SHORT TITLE.~~**

2 ~~“This Act may be cited as the ‘Robert T. Stafford~~
 3 ~~Disaster Relief and Emergency Assistance Act’.”.~~

4 **~~SEC. 302. DEFINITIONS.~~**

5 Section 102 of the Robert T. Stafford Disaster Relief
 6 and Emergency Assistance Act (42 U.S.C. 5122) is
 7 amended in each of paragraphs (3) and (4) by striking
 8 “the Northern” and all that follows through “Pacific Is-
 9 lands” and inserting “and the Commonwealth of the
 10 Northern Mariana Islands”.

11 **~~SEC. 303. PUBLIC SAFETY OFFICER BENEFITS FOR CER-~~**
 12 **~~TAIN FEDERAL AND STATE EMPLOYEES.~~**

13 (a) IN GENERAL.—Section 1204 of the Omnibus
 14 Crime Control and Safe Streets Act of 1968 (42 U.S.C.
 15 3796b) is amended by striking paragraph (7) and insert-
 16 ing the following:

17 ~~“(7) ‘public safety officer’ means—~~

18 ~~“(A) an individual serving a public agency~~
 19 ~~in an official capacity, with or without com-~~
 20 ~~pensation, as a law enforcement officer, as a~~
 21 ~~firefighter, or as a member of a rescue squad~~
 22 ~~or ambulance crew;~~

23 ~~“(B) an employee of the Federal Emer-~~
 24 ~~gency Management Agency who is performing~~
 25 ~~official duties of the Agency in an area, if those~~
 26 ~~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 Re-
 5 lief and Emergency Assistance Act (42
 6 U.S.C. 5121 et seq.); and

7 “(ii) are determined by the Director
 8 of the Federal Emergency Management
 9 Agency to be hazardous duties; or

10 “(C) an employee of a State or local emer-
 11 gency management or civil defense agency who
 12 is performing official duties in cooperation with
 13 the Federal Emergency Management Agency in
 14 an area, if those official duties—

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

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

23 (b) EFFECTIVE DATE.—The amendment made by
 24 subsection (a) applies only to employees described in sub-
 25 paragraphs (B) and (C) of section 1204(7) of the Omni-

1 bus Crime Control and Safe Streets Act of 1968 (as
 2 amended by subsection (a)) who are injured or who die
 3 in the line of duty on or after the date of enactment of
 4 this Act.

5 **SEC. 304. INSPECTOR GENERAL.**

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

9 **“SEC. 705. INSPECTOR GENERAL.**

10 **“(a) STATUTE OF LIMITATIONS.—**

11 **“(1) IN GENERAL.—**Except as provided in para-
 12 **graph (2),** no administrative action to recover any
 13 payment made to a State or local government for
 14 emergency or disaster assistance under this Act shall
 15 be initiated in any forum after the date that is 3
 16 years after the date of transmission of the final ex-
 17 penditure report for the emergency or disaster.

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

21 **“(b) REBUTTAL OF PRESUMPTION OF RECORD**
 22 **MAINTENANCE.—**

23 **“(1) IN GENERAL.—**In any dispute arising
 24 under this section, there shall be a presumption that
 25 accounting records were maintained that adequately

1 identify the source and application of funds provided
2 for financially assisted activities.

3 “(2) AFFIRMATIVE EVIDENCE.—The presump-
4 tion described in paragraph (1) may be rebutted
5 only on production of affirmative evidence that the
6 State or local government did not maintain docu-
7 mentation described in that paragraph.

8 “(3) INABILITY TO PRODUCE DOCUMENTA-
9 TION.—The inability of the Federal, State, or local
10 government to produce source documentation sup-
11 porting expenditure reports later than 3 years after
12 the date of the transmission of the final expenditure
13 report shall not constitute evidence to rebut the pre-
14 sumption described in paragraph (1).

15 “(4) RIGHT OF ACCESS.—The period during
16 which the Federal, State, or local government has
17 the right to access source documentation shall not be
18 limited to the required 3-year retention period re-
19 ferred to in paragraph (3), but shall last as long as
20 the records are maintained.

21 “(e) AUDIT STANDARDS.—A State or local govern-
22 ment shall not be liable for reimbursement or any other
23 penalty for any payment made under this Act if—

24 “(1) the payment was authorized by an ap-
25 proved agreement specifying the costs;

1 ~~“(2) the costs were reasonable; and~~
 2 ~~“(3) the purpose of the grant was accom-~~
 3 ~~plished.”.~~

4 **SEC. 305. NATIONAL URBAN SEARCH AND RESCUE RE-**
 5 **SPONSE SYSTEM.**

6 ~~Texas Task Force 1, located in College Station,~~
 7 ~~Texas, is designated as a federally recognized member of~~
 8 ~~the National Urban Search and Rescue Response System.~~

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

10 (a) *SHORT TITLE.*—*This Act may be cited as the “Dis-*
 11 *aster Mitigation Act of 1999”.*

12 (b) *TABLE OF CONTENTS.*—*The table of contents of this*
 13 *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. Natural disaster mitigation zones.

Sec. 104. 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.

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*

15 (C) *ensuring that the critical infrastructure*
16 *and facilities of communities will continue to*
17 *function after a natural disaster;*

18 (3) *expenditures for postdisaster assistance are*
19 *increasing without commensurate reductions in the*
20 *likelihood of future losses from natural disasters;*

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

1 (5) *with a unified effort of economic incentives,*
 2 *awareness and education, technical assistance, and*
 3 *demonstrated Federal support, States and local com-*
 4 *munities will be able to—*

5 (A) *form effective community-based partner-*
 6 *ships for hazard mitigation purposes;*

7 (B) *implement effective hazard mitigation*
 8 *measures that reduce the potential damage from*
 9 *natural disasters;*

10 (C) *ensure continued functionality of the*
 11 *critical infrastructure of communities;*

12 (D) *leverage additional non-Federal re-*
 13 *sources in meeting natural disaster resistance*
 14 *goals; and*

15 (E) *make commitments to long-term hazard*
 16 *mitigation efforts to be applied to new and exist-*
 17 *ing construction.*

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

20 (1) *to reduce the loss of life and property, human*
 21 *suffering, economic disruption, and disaster assist-*
 22 *ance costs resulting from natural disasters; and*

23 (2) *to provide a source of predisaster hazard*
 24 *mitigation funding that will assist States and local*
 25 *governments in implementing effective hazard mitiga-*

1 *tion measures that are designed to ensure the contin-*
 2 *ued functionality of critical infrastructure and facili-*
 3 *ties after a natural disaster.*

4 **SEC. 102. PREDISASTER HAZARD MITIGATION.**

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

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

9 *“(a) IN GENERAL.—The Director of the Federal Emer-*
 10 *gency Management Agency (referred to in this section as*
 11 *the ‘Director’) may establish a program to provide technical*
 12 *and financial assistance to States and local governments*
 13 *to assist in the implementation of predisaster hazard miti-*
 14 *gation measures designed to reduce injuries, loss of life, and*
 15 *damage and destruction of property, including damage to*
 16 *critical infrastructure and facilities under the jurisdiction*
 17 *of the States or local governments.*

18 *“(b) APPROVAL BY DIRECTOR.—If the Director deter-*
 19 *mines that a State or local government has identified all*
 20 *natural disaster hazards in areas under its jurisdiction and*
 21 *has demonstrated the ability to form effective public-private*
 22 *natural disaster hazard mitigation partnerships, the Direc-*
 23 *tor, using amounts in the National Predisaster Mitigation*
 24 *Fund established under subsection (e) (referred to in this*
 25 *section as the ‘Fund’), may provide technical and financial*

1 *assistance to the State or local government to be used in*
 2 *accordance with subsection (c).*

3 “(c) *USES OF TECHNICAL AND FINANCIAL ASSIST-*
 4 *ANCE.—Technical and financial assistance provided under*
 5 *subsection (b)—*

6 “(1) *shall be used by States and local govern-*
 7 *ments principally to implement predisaster hazard*
 8 *mitigation measures described in proposals approved*
 9 *by the Director under this section; and*

10 “(2) *may be used—*

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

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

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

17 “(D) *to establish hazard mitigation prior-*
 18 *ities, and an appropriate hazard mitigation*
 19 *plan, for a community.*

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

24 “(1) *the extent and nature of the hazards to be*
 25 *mitigated;*

1 “(2) *the degree of commitment of the State or*
 2 *local government to reduce damages from future nat-*
 3 *ural disasters; and*

4 “(3) *the degree of commitment by the State or*
 5 *local government to support ongoing non-Federal sup-*
 6 *port for the hazard mitigation measures to be carried*
 7 *out using the technical and financial assistance.*

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

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

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

15 “(A) *amounts appropriated to carry out*
 16 *this section, which shall remain available until*
 17 *expended; and*

18 “(B) *sums available from gifts, bequests, or*
 19 *donations of services or property received by the*
 20 *Director for the purpose of predisaster hazard*
 21 *mitigation.*

22 “(3) *EXPENDITURES FROM FUND.—Upon request*
 23 *by the Director, the Secretary of the Treasury shall*
 24 *transfer from the Fund to the Director such amounts*

1 *as the Director determines are necessary to provide*
 2 *technical and financial assistance under this section.*

3 “(4) *INVESTMENT OF AMOUNTS.—*

4 “(A) *IN GENERAL.—The Secretary of the*
 5 *Treasury shall invest such portion of the Fund*
 6 *as is not, in the judgment of the Secretary of the*
 7 *Treasury, required to meet current withdrawals.*
 8 *Investments may be made only in interest-bear-*
 9 *ing obligations of the United States.*

10 “(B) *ACQUISITION OF OBLIGATIONS.—For*
 11 *the purpose of investments under subparagraph*
 12 *(A), obligations may be acquired—*

13 “(i) *on original issue at the issue*
 14 *price; or*

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

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

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

24 “(E) *TRANSFERS OF AMOUNTS.—*

1 “(i) *IN GENERAL.*—The amounts re-
 2 quired to be transferred to the Fund under
 3 this subsection shall be transferred at least
 4 monthly from the general fund of the Treas-
 5 ury to the Fund on the basis of estimates
 6 made by the Secretary of the Treasury.

7 “(ii) *ADJUSTMENTS.*—Proper adjust-
 8 ment shall be made in amounts subse-
 9 quently transferred to the extent prior esti-
 10 mates were in excess of or less than the
 11 amounts required to be transferred.

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

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

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

23 **SEC. 103. NATURAL DISASTER MITIGATION ZONES.**

24 *Title II of the Robert T. Stafford Disaster Relief and*
 25 *Emergency Assistance Act (42 U.S.C. 5131 et seq.) (as*

1 amended by section 102) is amended by adding at the end
 2 the following:

3 **“SEC. 204. NATURAL DISASTER MITIGATION ZONES.**

4 “(a) *DESIGNATION.*—

5 “(1) *IN GENERAL.*—In consultation with States,
 6 local governments, and appropriate Federal agencies,
 7 the President shall designate as a natural disaster
 8 mitigation zone each area in which commonly recur-
 9 ring natural hazards (including flooding, hurricanes
 10 and severe winds, seismic events, and other hazards)
 11 create a substantial likelihood of disasters that may
 12 require assistance under this Act.

13 “(2) *FLOOD AND WIND ZONES.*—At a minimum,
 14 the President shall designate as a natural disaster
 15 mitigation zone each coastal flood zone identified on
 16 a map prepared under the national flood insurance
 17 program established under chapter 1 of the National
 18 Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.)
 19 that is also within a wind zone that is identified by
 20 the American Society of Civil Engineers under ASCE
 21 7–98 (or a successor document) and that has com-
 22 monly recurring winds in excess of 90 miles per hour.

23 “(3) *INTEGRATION AND DEVELOPMENT OF ALL-*
 24 *HAZARD MAPS.*—

1 “(A) *IN GENERAL.*—To carry out para-
 2 graphs (1) and (2), the President shall direct all
 3 appropriate Federal agencies that gather infor-
 4 mation relating to natural resources and natural
 5 and technological hazards to integrate, or develop
 6 and maintain, comprehensive all-hazard maps
 7 using geographic information systems technology.

8 “(B) *COORDINATOR.*—The President shall
 9 designate the Director of the Federal Emergency
 10 Management Agency to serve as coordinator of
 11 the activities carried out under subparagraph
 12 (A).

13 “(C) *AVAILABILITY TO THE PUBLIC.*—The
 14 maps and other resources developed under sub-
 15 paragraph (A) shall be made available to the
 16 public.

17 “(b) *DISASTER MITIGATION POLICIES AND PRAC-*
 18 *TICES.*—

19 “(1) *IN GENERAL.*—In order to reduce the likeli-
 20 hood or severity of damage from the hazards antici-
 21 pated to occur in natural disaster mitigation zones
 22 designated under subsection (a), the President shall
 23 assign to the Director of the Federal Emergency Man-
 24 agement Agency the primary responsibility for identi-

1 *fying disaster mitigation policies and practices for*
2 *implementation in natural disaster mitigation zones.*

3 “(2) *POLICIES AND PRACTICES.*—*The policies*
4 *and practices referred to in paragraph (1) shall*
5 *include—*

6 “(A) *nationally mandated policies and*
7 *practices comparable to—*

8 “(i) *Executive Order No. 11988 (42*
9 *U.S.C. 4321 note; relating to floodplain*
10 *management);*

11 “(ii) *Executive Order No. 12699 (55*
12 *Fed. Reg. 835; relating to seismic safety of*
13 *Federal and federally assisted or regulated*
14 *new building construction); and*

15 “(iii) *Executive Order No. 12941 (59*
16 *Fed. Reg. 232; relating to seismic safety of*
17 *existing federally owned or leased build-*
18 *ings); and*

19 “(B) *recommended voluntary minimum*
20 *model building codes, consensus standards, test*
21 *methods, and specifications, such as those estab-*
22 *lished by—*

23 “(i) *the International Code Council*
24 *and its member organizations;*

1 “(ii) *the National Fire Protection As-*
 2 *sociation;*

3 “(iii) *the American National Stand-*
 4 *ards Institute;*

5 “(iv) *the American Society of Testing*
 6 *Materials; and*

7 “(v) *the American Society of Civil En-*
 8 *gineers.*

9 “(c) *CONDITIONS ON FEDERAL FUNDING OF NEW FED-*
 10 *ERAL BUILDINGS.—Each Federal agency responsible for the*
 11 *design and construction of any new Federal building in a*
 12 *natural disaster mitigation zone shall ensure that the build-*
 13 *ing is designed and constructed in accordance with the poli-*
 14 *cies and practices, voluntary minimum model building*
 15 *codes, consensus standards, test methods, and specifications*
 16 *identified under subsection (b).*

17 “(d) *INCENTIVES.—*

18 “(1) *IN GENERAL.—The President may provide*
 19 *incentives—*

20 “(A) *to encourage owners of buildings lo-*
 21 *cated in a natural disaster mitigation zone that*
 22 *are not subject to subsection (c) to implement the*
 23 *mitigation policies identified under subsection*
 24 *(b); and*

1 “(B) to encourage the owners of buildings
 2 located in a natural disaster mitigation zone to
 3 build or modify the buildings in a manner that
 4 is likely to produce more hazard mitigation ben-
 5 efits than the minimum requirements of the
 6 mitigation policies identified under subsection
 7 (b).

8 “(2) *TYPES OF INCENTIVES.*—Incentives pro-
 9 vided under paragraph (1) may include—

10 “(A) lower premiums for Federal flood in-
 11 surance under chapter 1 of the National Flood
 12 Insurance Act of 1968 (42 U.S.C. 4011 et seq.);

13 “(B) more favorable financing through Fed-
 14 eral loans, loan guarantees, and insured loans;
 15 and

16 “(C) other incentives within the authority
 17 of the President or any Federal agency to pro-
 18 vide.

19 “(e) *IMPLEMENTATION.*—Not later than 18 months
 20 after the date of enactment of this section, each Federal
 21 agency that provides financing, insurance, or other assist-
 22 ance for the construction, modification, or acquisition of
 23 buildings in natural disaster mitigation zones shall issue
 24 regulations to carry out this section.”.

1 **SEC. 104. INTERAGENCY TASK FORCE.**

2 *Title II of the Robert T. Stafford Disaster Relief and*
 3 *Emergency Assistance Act (42 U.S.C. 5131 et seq.) (as*
 4 *amended by section 103) is amended by adding at the end*
 5 *the following:*

6 **“SEC. 205. INTERAGENCY TASK FORCE.**

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

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

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

17 **TITLE II—DISASTER PREPARED-**
 18 **NESS AND MITIGATION AS-**
 19 **SISTANCE**

20 **SEC. 201. INSURANCE.**

21 *Section 311(a)(2) of the Robert T. Stafford Disaster*
 22 *Relief and Emergency Assistance Act (42 U.S.C.*
 23 *5154(a)(2)) is amended—*

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

25 *“(A) IN GENERAL.—In”; and*

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

1 “(B) *REQUIRED INSURANCE OR SELF-IN-*
 2 *SURANCE.*—Not later than 1 year after the date
 3 *of enactment of this subparagraph, the President*
 4 *shall promulgate regulations under which States,*
 5 *communities, and other applicants subject to*
 6 *paragraph (1) shall be required to protect prop-*
 7 *erty through adequate levels of insurance or self-*
 8 *insurance if—*

9 “(i) *the appropriate State insurance*
 10 *commissioner makes the certification de-*
 11 *scribed in subparagraph (A); and*

12 “(ii) *the President determines that the*
 13 *property is not adequately protected against*
 14 *natural or other disasters.*

15 “(C) *REGULATIONS.*—In promulgating any
 16 *new regulation requiring public structures to be*
 17 *insured to be eligible for assistance, the President*
 18 *shall—*

19 “(i) *include in the regulation—*

20 “(I) *definitions relating to insur-*
 21 *ance that are expressed in known and*
 22 *generally accepted terms;*

23 “(II) *a definition of ‘adequate in-*
 24 *surance’;*

1 “(III) the specific criteria for a
 2 waiver of any insurance eligibility re-
 3 quirement under the regulation;

4 “(IV) a definition of ‘self-insur-
 5 ance’ that is sufficiently flexible to take
 6 into consideration alternative risk fi-
 7 nancing methods;

8 “(V) available market research
 9 used in determining the availability of
 10 insurance; and

11 “(VI) a cost-benefit analysis; and
 12 “(ii) consider—

13 “(I) alternative risk-financing
 14 mechanisms, including risk sharing
 15 pools and self-insurance; and

16 “(II) the use of independent ex-
 17 perts in insurance, disaster prepared-
 18 ness, risk management, and finance to
 19 assist in developing the proposed regu-
 20 lation.”.

21 **SEC. 202. MANAGEMENT COSTS.**

22 (a) *IN GENERAL.*—Title III of the Robert T. Stafford
 23 Disaster Relief and Emergency Assistance Act (42 U.S.C.
 24 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 *istance 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*

under this paragraph may not be used
for—

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

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

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

“(A) *IN GENERAL.*—In any case in which a
person that owns or operates a private nonprofit
facility determines that the public welfare would
not be best served by repairing, restoring, recon-
structing, or replacing the facility, the person
may elect to receive, in lieu of a contribution
under subsection (a)(1)(B), a contribution in an
amount equal to 75 percent of the Federal share
of the cost of repairing, restoring, reconstructing,
or replacing the facility and of management
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 *cility as the facility existed immediately be-*
 17 *fore the major disaster; and*

18 *“(ii) in conformity with current appli-*
 19 *cable codes, specifications, and standards*
 20 *(including floodplain management and haz-*
 21 *ard mitigation criteria required by the*
 22 *President or under the Coastal Barrier Re-*
 23 *sources Act (16 U.S.C. 3501 et seq.)).*

24 *“(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.*—*If, at the time of the declaration of*
 14 *a major disaster, a State has in effect an approved mitiga-*
 15 *tion plan under this section, the President may increase*
 16 *to 20 percent, with respect to the major disaster, the max-*
 17 *imum percentage specified in the last sentence of section*
 18 *404(a).*

19 “**SEC. 324. HAZARD RESISTANT CONSTRUCTION STAND-**
 20 **ARDS.**

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

23 “(1) *the recipient shall carry out any repair or*
 24 *construction to be financed with the loan or grant in*
 25 *accordance with applicable standards of safety, de-*

1 *gency, and sanitation and in conformity with appli-*
 2 *cable codes, specifications, and standards; and*

3 *“(2) the President may require safe land use and*
 4 *construction practices, after adequate consultation*
 5 *with appropriate State and local government officials.*

6 *“(b) EVIDENCE OF COMPLIANCE.—A recipient of a dis-*
 7 *aster loan or grant under this Act shall provide such evi-*
 8 *dence of compliance with this section as the President may*
 9 *require by regulation.”.*

10 *(b) CONFORMING AMENDMENTS.—*

11 *(1) Section 404(a) of the Robert T. Stafford Dis-*
 12 *aster Relief and Emergency Assistance Act (42 U.S.C.*
 13 *5170c(a)) is amended in the second sentence by strik-*
 14 *ing “section 409” and inserting “section 323”.*

15 *(2) Section 409 of the Robert T. Stafford Dis-*
 16 *aster Relief and Emergency Assistance Act (42 U.S.C.*
 17 *5176) is repealed.*

18 **SEC. 205. STATE ADMINISTRATION OF HAZARD MITIGATION**

19 **GRANT PROGRAM.**

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

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

24 *“(1) IN GENERAL.—A State desiring to admin-*
 25 *ister the hazard mitigation grant program established*

1 *by this section with respect to hazard mitigation as-*
 2 *sistance in the State may submit to the President an*
 3 *application for the delegation of the authority.*

4 “(2) *CRITERIA.—The President, in consultation*
 5 *and coordination with States and local governments,*
 6 *shall establish criteria for the approval of applica-*
 7 *tions submitted under paragraph (1). The criteria*
 8 *shall include, at a minimum—*

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

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

13 “(C) *a demonstrated commitment to mitiga-*
 14 *tion activities.*

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

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

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

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

5 (a) *STUDY.*—*The National Academy of Sciences shall*
 6 *conduct a study to estimate the reduction in Federal dis-*
 7 *aster assistance that has resulted and is likely to result from*
 8 *the enactment of this Act.*

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

12 **SEC. 207. FIRE MANAGEMENT ASSISTANCE.**

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

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

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

24 “(b) *COORDINATION WITH STATE DEPARTMENTS OF*
 25 *FORESTRY.*—*In providing assistance under this section, the*

1 *President shall coordinate with State departments of for-*
 2 *estry.*

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

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

9 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
 10 *section (a) takes effect 1 year after the date of enactment*
 11 *of this Act.*

12 **SEC. 208. PUBLIC NOTICE, COMMENT, AND CONSULTATION**
 13 **REQUIREMENTS.**

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

18 **“SEC. 325. PUBLIC NOTICE, COMMENT, AND CONSULTATION**
 19 **REQUIREMENTS.**

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

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

1 “(A) governs implementation of the public
 2 assistance program administered by the Federal
 3 Emergency Management Agency under this Act;
 4 and

5 “(B) could result in a significant reduction
 6 of assistance under the program.

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

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

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

23 “(2) to change the terms of a written agreement
 24 to which the Federal Government is a party con-

1 *cerning the declaration of the major disaster or emer-*
 2 *gency.*

3 “(c) *PUBLIC ACCESS.*—*The President shall promote*
 4 *public access to policies governing the implementation of*
 5 *the public assistance program.*

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

8 **SEC. 209. COMMUNITY DISASTER LOANS.**

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

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

14 “(a) *IN GENERAL.*—*The President”;*

15 (2) *by striking “The amount” and inserting the*
 16 *following:*

17 “(b) *AMOUNT.*—*The amount”;*

18 (3) *by striking “Repayment” and inserting the*
 19 *following:*

20 “(c) *REPAYMENT.*—

21 “(1) *CANCELLATION.*—*Repayment”;*

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

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

1 (5) in subsection (b) (as designated by para-
2 graph (2))—

3 (A) by striking “and shall” and inserting
4 “shall”; and

5 (B) by inserting before the period at the end
6 the following: “, and shall not exceed
7 \$5,000,000”; and

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

10 “(2) *CONDITION ON CONTINUING ELIGIBILITY.*—
11 *A local government shall not be eligible for further as-*
12 *sistance under this section during any period in*
13 *which the local government is in arrears with respect*
14 *to a required repayment of a loan under this sec-*
15 *tion.*”.

16 ***TITLE III—MISCELLANEOUS***

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

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

21 ***“SECTION 1. SHORT TITLE.***

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

1 **SEC. 302. DEFINITIONS.**

2 Section 102 of the Robert T. Stafford Disaster Relief
3 and Emergency Assistance Act (42 U.S.C. 5122) is amend-
4 ed in each of paragraphs (3) and (4) by striking “the North-
5 ern” and all that follows through “Pacific Islands” and in-
6 serting “and the Commonwealth of the Northern Mariana
7 Islands”.

8 **SEC. 303. PUBLIC SAFETY OFFICER BENEFITS FOR CERTAIN**
9 **FEDERAL AND STATE EMPLOYEES.**

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

14 “(7) ‘public safety officer’ means—

15 “(A) an individual serving a public agency
16 in an official capacity, with or without com-
17 pensation, as a law enforcement officer, as a fire-
18 fighter, or as a member of a rescue squad or am-
19 bulance crew;

20 “(B) an employee of the Federal Emergency
21 Management Agency who is performing official
22 duties of the Agency in an area, if those official
23 duties—

24 “(i) are related to a major disaster or
25 emergency that has been, or is later, de-
26 clared to exist with respect to the area

1 *under the Robert T. Stafford Disaster Relief*
 2 *and Emergency Assistance Act (42 U.S.C.*
 3 *5121 et seq.); and*

4 *“(ii) are determined by the Director of*
 5 *the Federal Emergency Management Agency*
 6 *to be hazardous duties; or*

7 *“(C) an employee of a State or local emer-*
 8 *gency management or civil defense agency who is*
 9 *performing official duties in cooperation with*
 10 *the Federal Emergency Management Agency in*
 11 *an area, if those official duties—*

12 *“(i) are related to a major disaster or*
 13 *emergency that has been, or is later, de-*
 14 *clared to exist with respect to the area*
 15 *under the Robert T. Stafford Disaster Relief*
 16 *and Emergency Assistance Act (42 U.S.C.*
 17 *5121 et seq.); and*

18 *“(ii) are determined by the head of the*
 19 *agency to be hazardous duties.”.*

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

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

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

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

6 *“(a) STATUTE OF LIMITATIONS.—*

7 *“(1) IN GENERAL.—Except as provided in para-*
 8 *graph (2), no administrative action to recover any*
 9 *payment made to a State or local government for dis-*
 10 *aster or emergency assistance under this Act shall be*
 11 *initiated in any forum after the date that is 3 years*
 12 *after the date of transmission of the final expenditure*
 13 *report for the disaster or emergency.*

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

17 *“(b) REBUTTAL OF PRESUMPTION OF RECORD MAIN-*
 18 *TENANCE.—*

19 *“(1) IN GENERAL.—In any dispute arising*
 20 *under this section after the date that is 3 years after*
 21 *the date of transmission of the final expenditure re-*
 22 *port for the disaster or emergency, there shall be a*
 23 *presumption that accounting records were maintained*
 24 *that adequately identify the source and application of*
 25 *funds provided for financially assisted activities.*

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

6 “(3) *INABILITY TO PRODUCE DOCUMENTATION.*—
 7 *The inability of the Federal, State, or local govern-*
 8 *ment to produce source documentation supporting ex-*
 9 *penditure reports later than 3 years after the date of*
 10 *the transmission of the final expenditure report shall*
 11 *not constitute evidence to rebut the presumption de-*
 12 *scribed in paragraph (1).*

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

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

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

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

1 “(3) the purpose of the grant was accom-
2 plished.”.

3 **SEC. 305. CONFORMING AMENDMENT.**

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

8 **“TITLE II—DISASTER PREPARED-**
9 **NESS AND MITIGATION AS-**
10 **SISTANCE”.**

Calendar No. 550

106TH CONGRESS
2D SESSION

S. 1691

[Report No. 106-295]

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes.

MAY 16, 2000

Reported with an amendment