# S. 583

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

March 10, 1999

Mr. Chafee (by request) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

## 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.
- Sec. 2. Amendments to the Robert T. Stafford Disaster Relief and Emergency
  Assistance Act.

#### TITLE I—PREDISASTER HAZARD MITIGATION

- Sec. 101. Findings and purpose.
- Sec. 102. Predisaster Hazard Mitigation.
- Sec. 103. Maximum contribution for mitigation costs.
- Sec. 104. 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 facilities.
- Sec. 204. Federal assistance to households.
- Sec. 205. Repeals.

#### SEC. 2. AMENDMENTS TO THE ROBERT T. STAFFORD DIS-

- 2 ASTER RELIEF AND EMERGENCY ASSISTANCE
- 3 **ACT.**
- 4 Except as otherwise specifically provided, whenever in
- 5 this Act an amendment or repeal is expressed in terms
- 6 of an amendment to, or repeal of, a section or other provi-
- 7 sion of law, the reference shall be considered to be made
- 8 to a section or other provision of the Robert T. Stafford
- 9 Disaster Relief and Emergency Assistance Act (42 U.S.C.
- 10 5121 et seq.).

### 11 TITLE I—PREDISASTER HAZARDS

- 12 **MITIGATION**
- 13 SEC. 101. FINDINGS AND PURPOSE.
- 14 (a) FINDINGS.—The Congress finds that—
- 15 (1) natural disasters, including earthquakes,
- tsunamis, tornadoes, hurricanes, and flooding, cause

- 1 great danger to human life and to property through-2 out the United States;
  - (2) greater emphasis needs to be placed on identifying and assessing the risks to State and local communities and on implementing adequate measures to reduce losses from such disasters, and to ensure that communities' critical public infrastructure and facilities will continue to function after a disaster;
    - (3) expenditures for postdisaster assistance are increasing without commensurate reductions in the likelihood of future losses from such natural disasters;
    - (4) high priority in the expenditure of Federal funds under this Act should be given to mitigate hazards for existing and new construction at the local level;
    - (5) with a unified effort of economic incentives, awareness and education, technical assistance, and demonstrated Federal support, States and local communities can form effective community-based partnerships for hazard mitigation purposes, implement effective hazards mitigation measures that reduce the existing disaster potential, ensure continued functionality of communities' critical public infra-

- 1 structure, leverage additional non-Federal resources
- 2 into their disaster resistance goals, and make com-
- 3 mitments to long-term mitigation efforts in new and
- 4 existing construction.
- 5 (b) Purpose.—It is the purpose of this Act to estab-
- 6 lish a national disaster mitigation program that—
- 7 (1) reduces the loss of life and property, human
- 8 suffering, economic disruption, and disaster assist-
- 9 ance costs resulting from natural hazards, and
- 10 (2) provides a source of predisaster mitigation
- funding that will assist States and local governments
- in implementing effective mitigation measures that
- are designed to ensure the continued functionality of
- their critical facilities and public infrastructure after
- 15 a natural disaster.
- 16 SEC. 102. PREDISASTER HAZARD MITIGATION.
- 17 (a) Title II of the Act is amended by adding new sec-
- 18 tion 203 as follows:
- 19 "SEC. 203. PREDISASTER HAZARD MITIGATION.
- 20 "(a) General Authority.—The Director may es-
- 21 tablish a program of technical and financial assistance to
- 22 States and local governments that implement predisaster
- 23 mitigation measures in order to reduce injuries and loss
- 24 of life and damage and destruction of property, including
- 25 damage to their critical public infrastructure and facilities.

- 1 "(b) APPROVAL BY DIRECTOR.—If the Director finds
- 2 that a State or local government has identified all natural
- 3 disaster hazards in its jurisdiction and has demonstrated
- 4 its ability to form effective public/private disaster mitiga-
- 5 tion partnerships, he may provide financial assistance to
- 6 the State or local government for such purposes from the
- 7 fund established under subsection (d) of this section.
- 8 "(c) Purpose of Grants.—(1) The financial assist-
- 9 ance shall be used principally by States and local govern-
- 10 ments to implement the predisaster hazard mitigation
- 11 measures contained in proposals approved by the Director.
- 12 Funding may also be used to support effective public/pri-
- 13 vate partnerships, to ensure that new community growth
- 14 and construction is disaster resistant, and to improve the
- 15 assessment of a community's natural hazards
- 16 vulnerabilities or to set a community's mitigation prior-
- 17 ities.
- 18 "(2) The Director shall take into account the fol-
- 19 lowing when establishing priorities for predisaster mitiga-
- 20 tion grants:
- 21 "(A) The level and nature of the risks to be
- 22 mitigated.
- 23 "(B) Grantee commitment to reduce damages
- 24 from future disaster.

- 1 "(C) Commitment by the State or local govern-
- 2 ment to support ongoing non-Federal support for
- 3 the mitigation measures to be undertaken.
- 4 "(d) National Predisaster Mitigation Fund.—
- 5 To carry out the predisaster mitigation program author-
- 6 ized in subsection (a), the Director may establish in the
- 7 United States Treasury a National Predisaster Mitigation
- 8 Fund ("Fund"), which shall be available without fiscal
- 9 year limitation for grants to States and local governments
- 10 under subsection (b) of this section.
- 11 "(e) Funds for the Account.—The Fund shall be
- 12 credited with:
- "(1) funds appropriated by the Congress for the
- purposes of this section, which funds shall be avail-
- able until expended; and
- 16 "(2) sums available from bequests, gifts, or do-
- 17 nations of service, money, or property, real, per-
- sonal, or mixed, tangible, or intangible, given for
- 19 purposes of predisaster mitigation.
- 20 "(f) Federal Share.—Subject to the provisions of
- 21 subsections (g) and (h) of this section, grants from the
- 22 Fund shall be not more than 75 percent of the total costs
- 23 of the mitigation proposal(s) approved by the Director.
- 24 "(g) Limit on Grants.—No grants shall be made
- 25 in excess of the money available in the Fund.

- 1 "(h) Rules Governing the Account.—The Direc-
- 2 tor shall publish rules to carry out the provisions of this
- 3 section.".
- 4 (b) Effective Date.—Subsection (a) of this section
- 5 shall take effect on the date of enactment of the Disaster
- 6 Mitigation Act of 1999.
- 7 SEC. 103. MAXIMUM CONTRIBUTION FOR MITIGATION
- 8 costs.
- 9 (a) In General.—Section 404(a) of the Robert T.
- 10 Stafford Disaster Relief and Emergency Assistance Act
- 11 (42 U.S.C. 5170c(a)) is amended in the last sentence by
- 12 striking "15 percent" and inserting "20 percent".
- 13 (b) APPLICABILITY.—The amendment made by sub-
- 14 section (a) shall apply to each major disaster declared
- 15 under the Robert T. Stafford Disaster Relief and Emer-
- 16 gency Assistance Act (42 U.S.C. 5121 et seq.) after the
- 17 date of enactment of this Act.
- 18 SEC. 104. CONFORMING AMENDMENT.
- 19 Title II of the Robert T. Stafford Disaster Relief and
- 20 Emergency Assistance Act (42 U.S.C. 5131 et seq.) is
- 21 amended by striking the title heading and inserting the
- 22 following:

1	"TITLE II—DISASTER PREPAREDNESS AND
2	MITIGATION ASSISTANCE".
3	TITLE II—DISASTER PREPAREDNESS AND
4	MITIGATION ASSISTANCE
5	SEC. 201. INSURANCE.
6	Section 311(a)(2) of the Robert T. Stafford Disaster
7	Relief and Emergency Assistance Act (42 U.S.C.
8	5154(a)(2)) is amended—
9	(a) by inserting "(A)" before the sentence; and
10	(b) by adding paragraph (B) to the subsection
11	as follows:
12	"(B) The President shall publish rules to
13	require States, communities or other applicants
14	to protect property through self-insurance or
15	adequate mitigation measures if the appropriate
16	State insurance commissioner makes the certifi-
17	cation provided in paragraph (A) and the Presi-
18	dent determines that the property is not ade-
19	quately protected against natural or other dis-
20	asters."
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 a new Section 322
25	as follows:

### 1 "SEC. 322. MANAGEMENT COSTS.

- 2 "(a) Definition of Management Cost.—The
- 3 term 'management cost', as used in this section, includes
- 4 any indirect cost, administrative expense, and any other
- 5 expense not directly chargeable to a specific project under
- 6 a major disaster, emergency, or emergency preparedness
- 7 activity 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 manage-
- 11 ment cost rates for grantees and subgrantees that shall
- 12 be used to determine contributions under this Act for
- 13 management costs.
- 14 "(c) Review.—The President shall review the man-
- 15 agement cost rates established under subsection (b) not
- 16 later than 3 years after the date of establishment of the
- 17 rates and periodically thereafter.
- 18 "(d) Regulations.—The President shall promul-
- 19 gate regulations to define appropriate costs to be included
- 20 in management costs under this section.".
- 21 (b) Applicability.—Section 322 of the Robert T.
- 22 Stafford Disaster Relief and Emergency Assistance Act
- 23 (as added by subsection (a)) shall apply as follows:
- 24 (1) In general.—Subsections (a), (b), and (d)
- of section 322 of that Act shall apply to each major
- disaster declared under that Act on or after the date

- of enactment of this Act. Until the date on which
- 2 the President establishes the management cost rates
- 3 under that subsection, section 406(f) of the Robert
- 4 T. Stafford Disaster Relief and Emergency Assist-
- 5 ance Act (42 U.S.C. 5172(f)) shall be used for es-
- 6 tablishing the rates.
- 7 (2) Review; Other Expenses.—Section
- 8 322(c) of that Act shall apply to each major disaster
- 9 declared under that Act on or after the date on
- which the President establishes the management
- 11 cost rates under that section.
- 12 SEC. 203. ASSISTANCE TO REPAIR, RESTORE, RECON-
- 13 STRUCT, OR REPLACE DAMAGED FACILITIES.
- 14 (a) MINIMUM FEDERAL SHARE.—Section 406(b) of
- 15 the Robert T. Stafford Disaster Relief and Emergency As-
- 16 sistance Act (42 U.S.C. 5172(b)) is amended to read as
- 17 follows:
- 18 "(b)(1) Except as provided in paragraph (2) of this
- 19 subsection, the Federal share of assistance under this sec-
- 20 tion shall be not less than 75 percent of the eligible cost
- 21 of repair, restoration, reconstruction, or replacement car-
- 22 ried out under this section.
- 23 "(2) The President shall publish rules to reduce the
- 24 Federal share of assistance under this section for the re-
- 25 pair, restoration, reconstruction, or replacement of any eli-

1	gible public or private nonprofit facility that has previously
2	received significant disaster assistance under this Act on
3	multiple occasions.".
4	(b) Contributions and Federal Share.—Section
5	406 of the Robert T. Stafford Disaster Relief and Emer-
6	gency Assistance Act (42 U.S.C. 5172) is amended by
7	striking subsection (e) and inserting new subsection (e)
8	to read as follows:
9	"(e) Eligible Cost.—
10	"(1) Determination.—
11	"(A) In general.—For the purposes of
12	this section, the President shall estimate the eli-
13	gible cost of repairing, restoring, recon-
14	structing, or replacing a public facility or pri-
15	vate nonprofit facility—
16	"(i) on the basis of the design of the
17	facility as the facility existed immediately
18	before the major disaster; and
19	"(ii) in conformity with current appli-
20	cable codes, specifications, and standards
21	(including floodplain management and haz-
22	ard mitigation criteria required by the
23	President or under the Coastal Barrier Re-
24	sources Act (16 U.S.C. 3501 et seq.)).

- 1 "(B) Cost estimation procedures.—
  2 Subject to paragraph (2), the President shall
  3 use the cost estimation procedures developed
  4 under paragraph (3) to make the estimate
  5 under subparagraph (A).
  - "(2) Modification of Eligible Cost.—If the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is more than 120 percent or less than 80 percent of the cost estimated under paragraph (1), the President may determine that the eligible cost shall be the actual cost of the repair, restoration, reconstruction, or replacement.
  - "(3) Expert panel.—Not later than 18 months after the date of enactment of this paragraph, the President, acting through the Director of the Federal Emergency Management Agency, shall establish an expert panel, which shall include representatives from the construction industry, to develop procedures for estimating the cost of repairing, restoring, reconstructing, or replacing a facility consistent with industry practices.
  - "(4) Special rule.—In any case in which the facility being repaired, restored, reconstructed, or replaced under this section was under construction on

- 1 the date of the major disaster, the cost of repairing,
- 2 restoring, reconstructing, or replacing the facility
- 3 shall include, for the purposes of this section, only
- 4 those costs that, under the contract for the construc-
- 5 tion, are the owner's responsibility and not the con-
- 6 tractor's responsibility.".
- 7 (c) Effective Date.—The amendment made by
- 8 paragraph (1) shall take effect on the date of enactment
- 9 of this Act, except that paragraph (1) of section 406(e)
- 10 of the Robert T. Stafford Disaster Relief and Emergency
- 11 Assistance Act (as amended by paragraph (1)) shall take
- 12 effect on the date on which the procedures developed
- 13 under paragraph (3) of that section take effect.
- 14 SEC. 204. FEDERAL ASSISTANCE TO HOUSEHOLDS.
- 15 (a) In General.—Section 408 of the Robert T.
- 16 Stafford Disaster Relief and Emergency Assistance Act
- 17 (42 U.S.C. 5174) is amended to read as follows:
- 18 "SEC. 408. FEDERAL ASSISTANCE TO HOUSEHOLDS.
- 19 "(a) GENERAL AUTHORITY.—In accordance with this
- 20 section, the President, in consultation and coordination
- 21 with the Governor of an affected State, may provide finan-
- 22 cial assistance, and, if necessary, direct services, to dis-
- 23 aster victims who—
- 24 "(1) as a direct result of a major disaster have
- 25 necessary expenses and serious needs; and

"(2) are unable to meet the necessary expenses and serious needs through other means, including insurance proceeds or loan or other financial assistance from the Small Business Administration or another Federal agency. Inability to meet necessary expenses and serious needs through loan or other financial assistance from the Small Business Administration or another Federal agency shall not apply to temporary housing or rental assistance under subsection (c)(2) or to permanent housing construction under subsection (c)(4) of this section.

### "(b) Housing Assistance.—

- "(1) ELIGIBILITY.—The President may provide financial or other assistance under this section to households to respond to the disaster-related housing needs of households that are displaced from their predisaster primary residences or whose predisaster primary residences are rendered uninhabitable as a result of damage caused by a major disaster.
- "(2) Determination of appropriate types of Assistance.—The President shall determine appropriate types of housing assistance to be provided to disaster victims under this section based on considerations of cost effectiveness, convenience to disaster victims, and such other factors as the Presi-

1	dent considers to be appropriate. One or more types
2	of housing assistance may be made available, based
3	on the suitability and availability of the types of as-
4	sistance, to meet the needs of disaster victims in a
5	particular disaster situation.
6	"(c) Types of Housing Assistance.—
7	"(1) Federal assistance under this subsection
8	shall continue no longer than 18 months after the
9	date of the major disaster declaration by the Presi-
10	dent, unless the President determines that it is in
11	the public interest to extend such 18-month period.
12	"(2) Temporary housing.—
13	"(A) FINANCIAL ASSISTANCE.—
14	"(i) In General.—The President
15	may provide financial assistance under this
16	section to households to rent alternate
17	housing accommodations, existing rental
18	units, manufactured housing, recreational
19	vehicles, or other readily fabricated dwell-
20	ings.
21	"(ii) Amount.—The amount of as-
22	sistance under clause (i) shall be based on
23	the sum of—
24	"(I) the fair market rent for the
25	accommodation being provided; and

1	"(II) the cost of any transpor-
2	tation, utility hookups, or unit instal-
3	lation not being directly provided by
4	the President.
5	"(B) DIRECT ASSISTANCE.—
6	"(i) In general.—The President
7	may directly provide under this section
8	housing units, acquired by purchase or
9	lease, to households who, because of a lack
10	of available housing resources, would be
11	unable to make use of the assistance pro-
12	vided under subparagraph (A).
13	"(ii) Collection of Rental
14	CHARGES.—After the expiration of the 18-
15	month period referred to in paragraph
16	(c)(1), the President may charge fair mar-
17	ket rent for the accommodation being fur-
18	nished.
19	"(3) Repairs.—
20	"(A) IN GENERAL.—The President may
21	provide financial assistance for the repair of
22	owner-occupied primary residences, utilities,
23	and residential infrastructure (such as private
24	access routes) damaged by a major disaster to
25	a habitable or functioning condition.

1	"(B) Emergency repairs.—To be eligi-
2	ble to receive assistance under subparagraph
3	(A), a recipient shall not be required to dem-
4	onstrate that the recipient is unable to meet the
5	need for the assistance through other means,
6	except insurance proceeds, if the assistance—
7	"(i) is used for emergency repairs to
8	make a private primary residence habit-
9	able; and
10	"(ii) does not exceed \$5,000, as ad-
11	justed annually to reflect changes in the
12	Consumer Price Index for Urban Con-
13	sumers as reported by the Bureau of
14	Labor Statistics of the Department of
15	Labor.
16	"(4) Permanent Housing Construction.—
17	The President may provide financial assistance or
18	direct assistance under this section to households to
19	construct permanent housing in insular areas out-
20	side the continental United States and in other re-
21	mote locations in cases in which—
22	"(A) no alternative housing resources are
23	available; and

1	"(B) the types of temporary housing as-
2	sistance described in paragraph $(e)(1)$ are un-
3	available, infeasible, or not cost effective.
4	"(d) Terms and Conditions Relating to Hous-
5	ING ASSISTANCE.—
6	"(1) Sites.—
7	"(A) IN GENERAL.—Any readily fabricated
8	dwelling provided under this section shall,
9	whenever practicable, be located on a site
10	that—
11	"(i) is provided by the State or local
12	government; and
13	"(ii) is complete with utilities provided
14	by the State or local government, by the
15	owner of the site, or by the occupant who
16	was displaced by the major disaster.
17	"(B) Sites provided by the presi-
18	DENT.—Readily fabricated dwellings may be lo-
19	cated on sites provided by the President if the
20	President determines that the sites would be
21	more economical or accessible.
22	"(2) DISPOSAL OF UNITS.—
23	"(A) SALE TO OCCUPANTS.—
24	"(i) In General.—Notwithstanding
25	any other provision of law, a temporary

1	housing unit purchased under this section
2	by the President for the purpose of hous-
3	ing disaster victims may be sold directly to
4	the household who is occupying the unit if
5	the household needs permanent housing.
6	"(ii) Sales price.—Sales of tem-
7	porary housing units under this clause
8	shall be accomplished at prices that are
9	fair and equitable.
10	"(iii) Deposit of Proceeds.—Not-
11	withstanding any other provision of law,
12	the proceeds of a sale under clause (i) shall
13	be deposited into the appropriate Disaster
14	Relief Fund account.
15	"(iv) Use of general services ad-
16	MINISTRATION SERVICES.—The President
17	may use the services of the General Serv-
18	ices Administration to accomplish a sale
19	under clause (i).
20	"(B) Other methods of disposal.—
21	"(i) Sale.—If not disposed of under
22	subparagraph (A), a temporary housing
23	unit purchased by the President for the
24	purpose of housing disaster victims may be
25	resold.

1	"(ii) Disposal to Governments
2	AND VOLUNTARY ORGANIZATIONS.—A tem-
3	porary housing unit described in clause (i)
4	may be sold, transferred, donated, or other
5	erwise made available directly to a State or
6	other government entity or to a voluntary
7	organization for the sole purpose of pro-
8	viding temporary housing to disaster vic-
9	tims in major disasters and emergencies if
10	as a condition of the sale, transfer, dona-
11	tion, or other making available, the State
12	other governmental agency, or voluntary
13	organization agrees—
14	"(I) to comply with the non-
15	discrimination provisions of section
16	308; and
17	"(II) to obtain and maintain haz-
18	ard and flood insurance on the hous-
19	ing unit.
20	"(e) Financial Assistance To Address Other
21	NEEDS.—
22	"(1) Medical, dental, and funeral ex-
23	PENSES.—The President, in consultation and coordi-
24	nation with the Governor of the affected State, may
25	provide financial assistance under this section to a

- 1 household adversely affected by a major disaster to
- 2 meet disaster-related medical, dental, and funeral
- 3 expenses.
- 4 "(2) Personal Property, Transportation,
- 5 AND OTHER EXPENSES.—The President, in con-
- 6 sultation and coordination with the Governor of the
- 7 affected State, may provide financial assistance
- 8 under this section to a household described in para-
- 9 graph (1) to address personal property, transpor-
- tation, and other necessary expenses or serious
- 11 needs resulting from the major disaster.
- 12 "(f) State Role.—The President shall provide for
- 13 the substantial and ongoing involvement of the affected
- 14 State in administering assistance under this section.
- 15 "(g) Maximum Amount of Assistance.—The max-
- 16 imum amount of financial assistance that a household may
- 17 receive under this section with respect to a single major
- 18 disaster shall be \$25,000, as adjusted annually to reflect
- 19 changes in the Consumer Price Index for all Urban Con-
- 20 sumers published by the Department of Labor.
- 21 "(h) Issuance of Regulations.—The President
- 22 shall issue rules and regulations to carry out the program
- 23 established by this section, including criteria, standards,
- 24 and procedures for determining eligibility for assistance.".

- 1 (b) Conforming Amendment.—Section 502(a)(6)
- 2 of the Robert T. Stafford Disaster Relief and Emergency
- 3 Assistance Act (42 U.S.C. 5192(a)(6)) is amended by
- 4 striking "temporary housing".
- 5 (c) Repeal of Individual and Family Grant
- 6 Programs.—Section 411 of the Robert T. Stafford Dis-
- 7 aster Relief and Emergency Assistance Act (42 U.S.C.
- 8 5178) is repealed.
- 9 (d) Effective Date.—The amendments made by
- 10 this section take effect 18 months after the date of enact-
- 11 ment of this Act.
- 12 **SEC. 205. REPEALS.**
- 13 (a) Associated Expenses.—Subject to the provi-
- 14 sions of section 202(b)(2) of this Act, section 406(f) of
- 15 the Robert T. Stafford Disaster Relief and Emergency As-
- 16 sistance Act (42 U.S.C. 5172(f)) is repealed.
- 17 (b) Community Disaster Loans.—Section 417 of
- 18 the Robert T. Stafford Disaster Relief and Emergency As-
- 19 sistance Act (42 U.S.C. 5184) is repealed.
- 20 (c) SIMPLIFIED PROCEDURE.—Section 422 of the
- 21 Robert T. Stafford Disaster Relief and Emergency Assist-
- 22 ance Act (42 U.S.C. 5189) is repealed.

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