

117TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
 2d Session } 117-274

SMALL PROJECT EFFICIENT AND EFFECTIVE DISASTER RECOVERY ACT

MARCH 24, 2022.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DEFAZIO, from the Committee on Transportation and Infrastructure, submitted the following

REPORT

[To accompany H.R. 5641]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 5641) to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to increase the threshold for eligibility for assistance under sections 403, 406, 407, and 502 of such Act, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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PURPOSE OF LEGISLATION

The purpose of H.R. 5641 is to amend the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* to increase the threshold for eligibility for assistance under sections 403, 406, 407, and 502.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 5641 updates the threshold for what qualifies as a “small project” under the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (*Stafford Act*, P.L. 93–288, as amended). Small projects are eligible for an “simplified procedure” under authority provided to the Federal Emergency Management Agency (FEMA) in *Stafford* Sec. 422, enacted in 1988 as part of P.L. 100–707. In 1988, the statutorily-established threshold to qualify for the simplified procedure was \$35,000, capturing roughly 95 percent of the project worksheets (PWs) that state, territorial, and local governments submitted to FEMA for reimbursement of eligible response and recovery activities and representing 32 percent of overall disaster funding.¹

For fiscal year (FY) 2022, the small project threshold, updated to account for the Consumer Price Index (CPI), is \$139,800 dollars.² This threshold now only captures 75 percent of PWs, burdening communities with additional paperwork and delays in getting reimbursed.³ Compounding challenges to these disaster-impacted communities is a record backlog of more than 30,000 PWs in FEMA’s Public Assistance queue due to the surge of COVID–19-related PWs.⁴ Adjusting the threshold to \$1,000,000 will return the threshold amount to 95 percent of PWs being eligible for simplified procedures, while still only representing only 10 percent of overall disaster funding.⁵

HEARINGS

For the purposes of rule XIII, clause 3(c)(6)(A) of the 117th Congress, the following hearing was used to develop or consider H.R. 5641:

On June 23, 2021, the Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing titled “FEMA’s Priorities for FY22 and Beyond: Coordinating Mission, Vision, and Budget.” The Subcommittee received testimony from the Hon. Deanne Criswell, Administrator, FEMA. This hearing provided Members an opportunity to examine the President’s FY 2022 budget requests for programs within FEMA.

LEGISLATIVE HISTORY AND CONSIDERATION

H.R. 5641 was introduced in the House on October 20, 2021, by Mr. Graves of Missouri, Mr. DeFazio of Oregon, Mr. Webster of Florida, and Ms. Titus of Nevada and referred to the Committee on Transportation and Infrastructure. Within the Committee, H.R.

¹ *Simplified Procedures (Section 422): 2020 Review of the Large Project Threshold for Simplified Procedures*, Federal Emergency Management Agency (FEMA), Congressional Staff Briefing, May 2021.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

5641 was referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management.

The Subcommittee on Economic Development, Public Buildings, and Emergency Management was discharged from further consideration of H.R. 5641 on October 27, 2021.

The Committee considered H.R. 5641 on October 27, 2021, and ordered the measure to be reported to the House with a favorable recommendation, without amendment, by voice vote.

The following amendment was offered:

An amendment offered by Mr. Perry (#1); was NOT AGREED TO by voice vote.

Page 2, line 7, strike “and”.

Page 2, line 18, strike the period and insert “; and”.

Page 2, after line 18, add the following: (3) by adding at the end the following: “(c) APPLICATION OF LAW.—Sections 3141—3144, 3146, and 3147 of title 40, United States Code, (commonly known as the Davis-Bacon Act) shall not apply to any activities covered by the procedures under this section.”.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

No record votes were requested during consideration of H.R. 5641.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. The Chairman of the Committee shall cause such estimate and statement to be printed in the *Congressional Record* upon its receipt by the Committee.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, a cost estimate provided by the Congressional Budget Office pursuant to section 402 of the

Congressional Budget Act of 1974 was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to expedite the approval process for FEMA's small projects within the Public Assistance program.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 5641 establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the rule XXI.

FEDERAL MANDATES STATEMENT

An estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that H.R. 5641 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section provides that this measure may be cited as the “Small Project Efficient and Effective Disaster Recovery Act” or the “SPEED Recovery Act”.

Sec. 2. Simplified procedure

This section updates the threshold to qualify as a “small project” under the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act, P.L. 93–288, as amended) to \$1,000,000.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

ROBERT T. STAFFORD DISASTER RELIEF AND EMERGENCY ASSISTANCE ACT

* * * * *

TITLE IV—MAJOR DISASTER ASSISTANCE PROGRAMS

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SEC. 422. SIMPLIFIED PROCEDURE.

(a) **IN GENERAL.**—If the Federal estimate of the cost of—

- (1) repairing, restoring, reconstructing, or replacing under section 406 any damaged or destroyed public facility or private nonprofit facility,
- (2) emergency assistance under section 403 or 502, or
- (3) debris removed under section 407,

is less than **[\$35,000]** \$1,000,000 (or, if the Administrator has established a threshold under subsection (b), the amount established under subsection (b)), the President (on application of the State or local government or the owner or operator of the private nonprofit facility) may make the contribution to such State or local government or owner or operator under section 403, 406, 407, or 502, as the case may be, on the basis of such Federal estimate. Such **[\$35,000]** \$1,000,000 amount or, if applicable, the amount established under subsection (b), shall be adjusted annually to reflect

changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

(b) THRESHOLD.—

(1) REPORT.—Not later than 1 year after the date of enactment of this subsection, the President, acting through the Administrator of the Federal Emergency Management Agency (in this section referred to as the “Administrator”), shall—

(A) complete an analysis to determine whether an increase in the threshold for eligibility under subsection (a) is appropriate, which shall include consideration of cost-effectiveness, speed of recovery, capacity of grantees, past performance, and accountability measures; and

(B) submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report regarding the analysis conducted under subparagraph (A).

(2) AMOUNT.—After the Administrator submits the report required under paragraph (1), the President shall direct the Administrator to—

(A) immediately establish a threshold for eligibility under this section in an appropriate amount, without regard to chapter 5 of title 5, United States Code; and

(B) adjust the threshold annually to reflect changes in the Consumer Price Index for all Urban Consumers published by the Department of Labor.

(3) REVIEW AND REPORT.—Not later than 3 years after the date on which the Administrator establishes a threshold under paragraph (2), and every 3 years thereafter, the President, acting through the Administrator, shall review the threshold for eligibility under this section and submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report regarding such review, including any recommendations developed pursuant to such review.

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