

106TH CONGRESS
1ST SESSION

H. R. 1711

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 HOUSE OF REPRESENTATIVES

MAY 5, 1999

Mr. SHUSTER (for himself, Mr. OBERSTAR, Mrs. FOWLER, and Mr. TRAFICANT) (all by request) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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 HAZARDS 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.

1 **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** 12 **HAZARDS MITIGATION**

13 **SEC. 101. FINDINGS AND PURPOSE.**

14 (a) FINDINGS.—The Congress finds that—

15 (1) natural disasters, including earthquakes,
 16 tsunamis, tornadoes, hurricanes, and flooding, cause

1 great danger to human life and to property through-
2 out the United States;

3 (2) greater emphasis needs to be placed on
4 identifying and assessing the risks to State and local
5 communities and on implementing adequate meas-
6 ures to reduce losses from such disasters, and to en-
7 sure that communities' critical public infrastructure
8 and facilities will continue to function after a dis-
9 aster;

10 (3) expenditures for post-disaster assistance are
11 increasing without commensurate reductions in the
12 likelihood of future losses from such natural disas-
13 ters;

14 (4) high priority in the expenditure of Federal
15 funds under this Act should be given to mitigate
16 hazards for existing and new construction at the
17 local level; and

18 (5) with a unified effort of economic incentives,
19 awareness, and education, technical assistance, and
20 demonstrated Federal support, States and local com-
21 munities can form effective community-based part-
22 nerships for hazard mitigation purposes, implement
23 effective hazards mitigation measures that reduce
24 the existing disaster potential, ensure continued
25 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
 11 funding that will assist States and local governments
 12 in implementing effective mitigation measures that
 13 are designed to ensure the continued functionality of
 14 their critical facilities and public infrastructure after
 15 a natural disaster.

16 **SEC. 102. PREDISASTER HAZARD MITIGATION.**

17 (a) IN GENERAL.—Title II (42 U.S.C. 5131 et seq.)
 18 is amended by adding new section 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 disasters.

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—

13 “(1) funds appropriated by the Congress for the
14 purposes of this section, which funds shall be avail-
15 able until expended; and

16 “(2) sums available from bequests, gifts, or do-
17 nations of service, money, or property, real, per-
18 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) (42 U.S.C.
10 5170c(a)) is amended in the last sentence by striking “15
11 percent” and inserting “20 percent”.

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

17 **SEC. 104. CONFORMING AMENDMENT.**

18 Title II (42 U.S.C. 5131 et seq.) is amended by strik-
19 ing the title heading and inserting the 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) (42 U.S.C. 5154(a)(2)) is
 9 amended—

10 (1) by inserting “(A)” before the sentence; and

11 (2) by adding subparagraph (B) to the sub-
 12 section as follows:

13 “(B) The President shall publish rules to
 14 require States, communities, or other applicants
 15 to protect property through self-insurance or
 16 adequate mitigation measures if the appropriate
 17 State insurance commissioner makes the certifi-
 18 cation provided in subparagraph (A) and the
 19 President determines that the property is not
 20 adequately protected against natural or other
 21 disasters.”.

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

23 (a) IN GENERAL.—Title III (42 U.S.C. 5141 et seq.)
 24 is amended by adding a new section 322 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)
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
2 the President establishes the management cost rates
3 under that subsection, section 406(f) of that Act (42
4 U.S.C. 5172(f)) shall be used for establishing the
5 rates.

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

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

13 (a) MINIMUM FEDERAL SHARE.—Section 406(b) (42
14 U.S.C. 5172(b)) is amended to read as follows:

15 “(b)(1) Except as provided in paragraph (2) of this
16 subsection, the Federal share of assistance under this sec-
17 tion shall be not less than 75 percent of the eligible cost
18 of repair, restoration, reconstruction, or replacement car-
19 ried out under this section.

20 “(2) The President shall publish rules to reduce the
21 Federal share of assistance under this section for the re-
22 pair, restoration, reconstruction, or replacement of any eli-
23 gible public or private nonprofit facility that has previously
24 received significant disaster assistance under this Act on
25 multiple occasions.”.

1 (b) CONTRIBUTIONS AND FEDERAL SHARE.—

2 (1) IN GENERAL.—Section 406 (42 U.S.C.
3 5172) is amended by striking subsection (e) and in-
4 serting new subsection (e) to read as follows:

5 “(e) ELIGIBLE COST.—

6 “(1) DETERMINATION.—

7 “(A) IN GENERAL.—For the purposes of
8 this section, the President shall estimate the eli-
9 gible cost of repairing, restoring, recon-
10 structing, or replacing a public facility or pri-
11 vate nonprofit facility—

12 “(i) on the basis of the design of the
13 facility as the facility existed immediately
14 before the major disaster; and

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

21 “(B) COST ESTIMATION PROCEDURES.—

22 Subject to paragraph (2), the President shall
23 use the cost estimation procedures developed
24 under paragraph (3) to make the estimate
25 under subparagraph (A).

1 “(2) MODIFICATION OF ELIGIBLE COST.—If the
2 actual cost of repairing, restoring, reconstructing, or
3 replacing a facility under this section is more than
4 120 percent or less than 80 percent of the cost esti-
5 mated under paragraph (1), the President may de-
6 termine that the eligible cost shall be the actual cost
7 of the repair, restoration, reconstruction, or replace-
8 ment.

9 “(3) EXPERT PANEL.—Not later than 18
10 months after the date of enactment of this para-
11 graph, the President, acting through the Director of
12 the Federal Emergency Management Agency, shall
13 establish an expert panel, which shall include rep-
14 resentatives from the construction industry, to de-
15 velop procedures for estimating the cost of repairing,
16 restoring, reconstructing, or replacing a facility con-
17 sistent with industry practices.

18 “(4) SPECIAL RULE.—In any case in which the
19 facility being repaired, restored, reconstructed, or re-
20 placed under this section was under construction on
21 the date of the major disaster, the cost of repairing,
22 restoring, reconstructing, or replacing the facility
23 shall include, for the purposes of this section, only
24 those costs that, under the contract for the construc-

1 tion, are the owner’s responsibility and not the con-
 2 tractor’s responsibility.”.

3 (2) EFFECTIVE DATE.—The amendment made
 4 by paragraph (1) shall take effect on the date of en-
 5 actment of this Act, except that paragraph (1) of
 6 section 406(e) of the Robert T. Stafford Disaster
 7 Relief and Emergency Assistance Act (as amended
 8 by paragraph (1)) shall take effect on the date on
 9 which the procedures developed under paragraph (3)
 10 of that section take effect.

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

12 (a) IN GENERAL.—Section 408 (42 U.S.C. 5174) is
 13 amended to read as follows:

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

15 “(a) GENERAL AUTHORITY.—In accordance with this
 16 section, the President, in consultation and coordination
 17 with the Governor of an affected State, may provide finan-
 18 cial assistance, and, if necessary, direct services, to dis-
 19 aster victims who—

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

22 “(2) are unable to meet the necessary expenses
 23 and serious needs through other means, including
 24 insurance proceeds or loan or other financial assist-
 25 ance from the Small Business Administration or an-

1 other Federal agency. Inability to meet necessary ex-
2 penses and serious needs through loan or other fi-
3 nancial assistance from the Small Business Adminis-
4 tration or another Federal agency shall not apply to
5 temporary housing or rental assistance under sub-
6 section (c)(2) or to permanent housing construction
7 under subsection (c)(4) of this section.

8 “(b) HOUSING ASSISTANCE.—

9 “(1) ELIGIBILITY.—The President may provide
10 financial or other assistance under this section to
11 households to respond to the disaster-related hous-
12 ing needs of households that are displaced from their
13 predisaster primary residences or whose predisaster
14 primary residences are rendered uninhabitable as a
15 result of damage caused by a major disaster.

16 “(2) DETERMINATION OF APPROPRIATE TYPES
17 OF ASSISTANCE.—The President shall determine ap-
18 propriate types of housing assistance to be provided
19 to disaster victims under this section based on con-
20 siderations of cost-effectiveness, convenience to dis-
21 aster victims, and such other factors as the Presi-
22 dent considers to be appropriate. One or more types
23 of housing assistance may be made available, based
24 on the suitability and availability of the types of as-

1 sistance, to meet the needs of disaster victims in a
2 particular disaster situation.

3 “(c) TYPES OF HOUSING ASSISTANCE.—

4 “(1) PERIOD OF ASSISTANCE.—Federal assist-
5 ance under this subsection shall continue no longer
6 than 18 months after the date of the major disaster
7 declaration by the President, unless the President
8 determines that it is in the public interest to extend
9 such 18-month period.

10 “(2) TEMPORARY HOUSING.—

11 “(A) FINANCIAL ASSISTANCE.—

12 “(i) IN GENERAL.—The President
13 may provide financial assistance under this
14 section to households to rent alternative
15 housing accommodations, existing rental
16 units, manufactured housing, recreational
17 vehicles, or other readily fabricated dwell-
18 ings.

19 “(ii) AMOUNT.—The amount of as-
20 sistance under clause (i) shall be based on
21 the sum of—

22 “(I) the fair market rent for the
23 accommodation being provided; and

24 “(II) the cost of any transpor-
25 tation, utility hookups, or unit instal-

1 lation not being directly provided by
2 the President.

3 “(B) DIRECT ASSISTANCE.—

4 “(i) IN GENERAL.—The President
5 may directly provide under this section
6 housing units, acquired by purchase or
7 lease, to households who, because of a lack
8 of available housing resources, would be
9 unable to make use of the assistance pro-
10 vided under subparagraph (A).

11 “(ii) COLLECTION OF RENTAL
12 CHARGES.—After the expiration of the 18-
13 month period referred to in subsection
14 (c)(1), the President may charge fair mar-
15 ket rent for the accommodation being fur-
16 nished.

17 “(3) REPAIRS.—

18 “(A) IN GENERAL.—The President may
19 provide financial assistance for the repair of
20 owner-occupied primary residences, utilities,
21 and residential infrastructure (such as private
22 access routes) damaged by a major disaster to
23 a habitable or functioning condition.

24 “(B) EMERGENCY REPAIRS.—To be eligi-
25 ble to receive assistance under subparagraph

(A), a recipient shall not be required to demonstrate that the recipient is unable to meet the need for the assistance through other means, except insurance proceeds, if the assistance—

“(i) is used for emergency repairs to make a private primary residence habitable; and

“(ii) does not exceed \$5,000, as adjusted annually to reflect changes in the Consumer Price Index for Urban Consumers as reported by the Bureau of Labor Statistics of the Department of Labor.

“(4) PERMANENT HOUSING CONSTRUCTION.—

The President may provide financial assistance or direct assistance under this section to households to construct permanent housing in insular areas outside the continental United States and in other remote locations in cases in which—

“(A) no alternative housing resources are available; and

“(B) the types of temporary housing assistance described in subsection (c)(1) are unavailable, infeasible, or not cost-effective.

1 “(d) TERMS AND CONDITIONS RELATING TO HOUS-
2 ING ASSISTANCE.—

3 “(1) SITES.—

4 “(A) IN GENERAL.—Any readily fabricated
5 dwelling provided under this section shall,
6 whenever practicable, be located on a site
7 that—

8 “(i) is provided by the State or local
9 government; and

10 “(ii) is complete with utilities provided
11 by the State or local government, by the
12 owner of the site, or by the occupant who
13 was displaced by the major disaster.

14 “(B) SITES PROVIDED BY THE PRESI-
15 DENT.—Readily fabricated dwellings may be lo-
16 cated on sites provided by the President if the
17 President determines that the sites would be
18 more economical or accessible.

19 “(2) DISPOSAL OF UNITS.—

20 “(A) SALE TO OCCUPANTS.—

21 “(i) IN GENERAL.—Notwithstanding
22 any other provision of law, a temporary
23 housing unit purchased under this section
24 by the President for the purpose of hous-
25 ing disaster victims may be sold directly to

1 the household who is occupying the unit if
2 the household needs permanent housing.

3 “(ii) SALES PRICE.—Sales of tem-
4 porary housing units under this clause
5 shall be accomplished at prices that are
6 fair and equitable.

7 “(iii) DEPOSIT OF PROCEEDS.—Not-
8 withstanding any other provision of law,
9 the proceeds of a sale under clause (i) shall
10 be deposited into the appropriate Disaster
11 Relief Fund account.

12 “(iv) USE OF GSA SERVICES.—The
13 President may use the services of the Gen-
14 eral Services Administration to accomplish
15 a sale under clause (i).

16 “(B) OTHER METHODS OF DISPOSAL.—

17 “(i) SALE.—If not disposed of under
18 subparagraph (A), a temporary housing
19 unit purchased by the President for the
20 purpose of housing disaster victims may be
21 resold.

22 “(ii) DISPOSAL TO GOVERNMENTS
23 AND VOLUNTARY ORGANIZATIONS.—A tem-
24 porary housing unit described in clause (i)
25 may be sold, transferred, donated, or oth-

erwise made available directly to a State or other governmental entity or to a voluntary organization for the sole purpose of providing temporary housing to disaster victims in major disasters and emergencies if, as a condition of the sale, transfer, donation, or other making available, the State, other governmental agency, or voluntary organization agrees—

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

“(II) to obtain and maintain hazard and flood insurance on the housing unit.

“(e) FINANCIAL ASSISTANCE TO ADDRESS OTHER NEEDS.—

“(1) MEDICAL, DENTAL, AND FUNERAL EXPENSES.—The President, in consultation and coordination with the Governor of the affected State, may provide financial assistance under this section to a household adversely affected by a major disaster to meet disaster-related medical, dental, and funeral expenses.

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

9 “(f) STATE ROLE.—The President shall provide for
10 the substantial and ongoing involvement of the affected
11 State in administering assistance under this section.

12 “(g) MAXIMUM AMOUNT OF ASSISTANCE.—The max-
13 imum amount of financial assistance that a household may
14 receive under this section with respect to a single major
15 disaster shall be \$25,000, as adjusted annually to reflect
16 changes in the Consumer Price Index for all Urban Con-
17 sumers published by the Department of Labor.

18 “(h) ISSUANCE OF REGULATIONS.—The President
19 shall issue rules and regulations to carry out the program
20 established by this section, including criteria, standards,
21 and procedures for determining eligibility for assistance.”.

22 (b) CONFORMING AMENDMENT.—Section 502(a)(6)
23 (42 U.S.C. 5192(a)(6)) is amended by striking “tem-
24 porary housing”.

1 (c) REPEAL OF INDIVIDUAL AND FAMILY GRANT
2 PROGRAMS.—Section 411 (42 U.S.C. 5178) is repealed.

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

6 **SEC. 205. REPEALS.**

7 (a) ASSOCIATED EXPENSES.—Subject to the provi-
8 sions of section 202(b)(2) of this Act, section 406(f) (42
9 U.S.C. 5172(f)) is repealed.

10 (b) COMMUNITY DISASTER LOANS.—Section 417 (42
11 U.S.C. 5184) is repealed.

12 (c) SIMPLIFIED PROCEDURE.—Section 422 (42
13 U.S.C. 5189) is repealed.

○