

**At a Glance**

**H.R. 1311, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that unmet needs after a major disaster are met**

As ordered reported by the House Committee on Transportation and Infrastructure on March 27, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	1,731	3,056

Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

**The bill would**

- Authorize the appropriation of funds for the Federal Emergency Management Agency to provide assistance to state and local governments, as well as individuals and households, to cover unmet needs in the aftermath of major disasters

**Estimated budgetary effects would primarily stem from**

- Appropriations provided in future years in response to major disasters declared under the Stafford Act
- Additional appropriations that the President would choose to allocate for unmet needs

**Detailed estimate begins on the next page.**

## Bill Summary

H.R. 1311 would amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize the Federal Emergency Management Agency (FEMA) to provide assistance to state and local governments, as well as individuals and households, to cover unmet needs in the aftermath of major disasters declared under that act. Under the bill, unmet needs would be broadly defined to include:

- Disaster-related home repair and rebuilding assistance to families;
- Disaster-related needs of families who are unable to obtain adequate assistance from other sources;
- Other services that alleviate human suffering and promote the well-being of disaster victims; and
- Economic and business activities, including those related to food and agriculture, economic recovery, infrastructure improvements, business financing, and other activities authorized under a comprehensive economic development strategy.

## Estimated Federal Cost

The estimated budgetary effect of H.R. 1311 is shown in Table 1. The costs of the legislation fall within budget function 450 (community and regional development).

**Table 1.**  
**Estimated Increases in Spending Subject to Appropriation Under H.R. 1311**

	By Fiscal Year, Millions of Dollars						2019-2024
	2019	2020	2021	2022	2023	2024	
<b>Disaster Relief Fund</b>							
Estimated Authorization	0	610	610	610	610	610	3,050
Estimated Outlays	0	3	125	430	564	595	1,717
<b>Administrative Costs</b>							
Estimated Authorization	0	1	2	3	4	4	14
Estimated Outlays	0	1	2	3	4	4	14
<b>Total Changes</b>							
Estimated Authorization	0	611	612	613	614	614	3,064
Estimated Outlays	0	4	127	433	568	599	1,731

## Basis of Estimate

Under H.R. 1311, FEMA would be authorized to spend appropriated funds from the Disaster Relief Fund (DRF) on newly authorized assistance. The broad definition of unmet needs in the bill would allow FEMA to provide assistance for activities not currently authorized under

the Stafford Act, including long-term economic recovery, revitalization, and community development projects that are similar to those funded by the Department of Housing and Urban Development's (HUD's) Community Development Block Grant Disaster Recovery (CDBG-DR) program.

**Disaster Relief Fund.** Appropriations provided to the DRF have varied historically, depending on the number and severity of disasters. Over the 2009 to 2018 period, the Congress provided appropriations to the DRF averaging \$12.2 billion annually. For this estimate, CBO assumes that appropriations of that amount would continue to be provided for each year over the 2020-2024 period. Using information provided by FEMA, CBO estimates that the agency has historically spent about 50 percent of those appropriations (about \$6.1 billion) on certain activities under sections 406 and 408 of the Stafford Act to repair or replace damaged facilities and for assistance to individuals and households for housing and other needs.

The bill would authorize FEMA to allocate additional DRF funds for specified unmet needs after a major disaster is declared under the Stafford Act. The amount of the allocation could equal up to 10 percent of the assistance FEMA estimates it would provide under sections 406 and 408 of the Stafford Act in response to a particular disaster. The bill also would prohibit FEMA from reducing the amount of assistance that it otherwise would provide for the activities currently authorized. Assuming the President allocates the maximum allowed under the bill for unmet needs following all major disasters declared over the 2020-2024 period, CBO estimates that H.R. 1311 would effectively authorize an additional appropriation of \$610 million annually over the 2020-2024 period.

CBO also estimates that the agency would spend those funds at a pace comparable to the pace that HUD currently spends funds appropriated for the CDBG-DR program, because the definition of unmet needs under H.R. 1311 is similar to the types of activities that are currently funded under that program. In total, CBO estimates that assuming appropriation of the necessary amounts, FEMA would spend \$1.7 billion over the 2020-2024 period, and \$1.3 billion in later years to implement the bill. CBO expects that spending would ramp up gradually as FEMA sets up the new program.

**Administrative Costs.** Using information from FEMA and HUD, CBO estimates that FEMA would need to hire an additional 20 employees by 2024 (at an average cost of \$150,000) to perform additional activities authorized in the bill and would gradually add those employees over the next five years. In total CBO estimates the agency would spend \$13 million over the 2020-2024 period for those employees and support costs.

Finally, the bill would require the Government Accountability Office to conduct a review on the fiscal controls implemented by state agencies that receive funds under the program. CBO estimates that producing the report would cost \$1 million.

**Pay-As-You-Go Considerations:** None.

**Increase in Long-Term Deficits:** None.

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