

H.R. 5641, SPEED Recovery Act

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on August 3, 2022

By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	1	not estimated
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 2033?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 5641 would codify a final rule issued by the Federal Emergency Management Agency (FEMA) in August 2022 that allows more disaster relief projects to qualify as small projects and thus be approved for federal assistance under a simplified review process. That rule increased the upper monetary threshold for small projects from \$139,800 to \$1 million.¹ Projects under the threshold are approved for assistance based on estimated costs rather than on the actual costs of projects and are typically approved for assistance more quickly.

Because H.R. 5641 would codify an existing regulation, CBO estimates that enacting the provision related to a higher threshold for small projects would not affect the budget, relative to current law.

In addition, within three years of enactment, H.R. 5641 would require the inspector general of the Department of Homeland Security to audit projects that have received assistance under the higher threshold for the simplified review process to determine whether there has been waste or abuse. Using information from FEMA and the Government Accountability Office about the cost of similar audits, CBO estimates that implementing that requirement would

1. Federal Emergency Management Agency, Public Assistance Program's Simplified Procedures Large Project Threshold, 44 C.F.R. §206.203 (2022).



cost about \$1 million over the 2022-2027 period. Any spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Jon Sperl. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.