



January 25, 2022

The Honorable Chuck Schumer  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Mitch McConnell  
Minority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20510

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20510

To Majority Leader Schumer, Speaker Pelosi, Minority Leader McConnell, and Minority Leader McCarthy:

We, the undersigned organizations, urge you to quickly enact “[The Reforming Disaster Recovery Act](#)” ([S.2471](#)) introduced by Senators Brian Schatz (D-HI), Susan Collins (R-ME), Todd Young (R-IN), Patrick Leahy (D-VT), Bill Cassidy, M.D. (R-LA), Ron Wyden (D-OR), and Representative Al Green (D-TX). This legislation will make the flow of disaster recovery funds faster, more equitable, and more accountable to taxpayers. The bill was also included in the THUD appropriation bill for FY 2022, [recently released](#) by the Senate Appropriations Committee. We ask that this important, bipartisan legislation be included in any emergency disaster supplemental appropriation bill or other must-pass legislation.

Millions of disaster survivors across the country are facing catastrophic, life-threatening, extreme weather events, including stronger hurricanes, extreme heat, unprecedented drought, and severe wildfires. In 2021, the U.S. recorded at least 20 disasters that cost \$1 billion or more in losses, totaling more than \$145 billion in recovery costs, leaving behind devastated households and communities across the country. This comes after multiple disasters in 2020, including Hurricanes Laura and Delta in Southwestern Louisiana, a deadly derecho in Iowa, major flooding across the Midwest, and earthquakes in Puerto Rico.

If enacted, The “Reforming Disaster Recovery Act” would permanently authorize the U.S. Department of Housing and Urban Development’s (HUD)’s Community Development Block Grant - Disaster Recovery ([CDBG-DR](#)) program, which provides flexible grants to help cities, counties, and states recover from Presidentially declared disasters and rebuild affordable housing and other infrastructure after a disaster, especially in low-income areas.

Insurance and short-term federal assistance are unable to cover the cost of a disaster for many low-income homeowners, renters, and people experiencing homelessness. State and local governments often struggle to repair infrastructure and facilitate economic development in low-income disaster-impacted communities. Many of the lowest-income households – who are disproportionately affected by disasters but receive the least amount of assistance afterward – face homelessness or displacement as shorter-term assistance programs end. As the only source for federal long-term recovery funds, CDBG-DR can fill this gap in assistance and ensure every disaster survivor and their communities are able to fully and equitably recover.

Although other federal agencies have standing resources to quickly serve communities when disasters strike, CDBG-DR funds are only made available through special congressional approval. Due to the program's lack of permanent authorization, HUD must write a new set of regulations to guide state and local grantees each time it appropriates funds. This ad hoc system can [delay](#) funding for over three years after a disaster occurs. As a result, recovery timelines are lengthened, economies stagnate, and homelessness and out-migration from disaster-impacted areas increase. It is [not uncommon](#) for many who will ultimately qualify for help from HUD to max out their credit cards and deplete any savings or college and retirement accounts they may have while they wait.

**The Reforming Disaster Recovery Act will help ensure that long-term disaster recovery funds are made quickly available after disasters and that all disaster survivors and their communities can fully and equitably recover.**

The 2019 version of the bill was [unanimously](#) passed out of the House Financial Services Committee and was approved by the House of Representatives through a bipartisan vote. HUD, its Office of Inspector General, and the Government Accountability Office under the past two administrations have agreed that permanently authorizing the CDBG-DR program would vastly improve how the country's most important long-term disaster recovery program operates and better prevent waste fraud and abuse of these important funds.

In addition to codifying the CDBG-DR program in statute, the bill contains critical reforms to help ensure a more efficient and equitable disaster recovery and mitigate future risks by:

- Requiring that the use of federal recovery funds is balanced between infrastructure and housing;
- Ensuring that housing funds are spent proportionally between homeowners and renters;
- Requiring HUD to release information on disaster recovery to the public – disaggregated by income, race, geography and all protected classes of individuals under federal civil rights and nondiscrimination laws;
- Requiring federal agencies to share all data to improve coordination of the disaster recovery process, as well as increase oversight and data transparency;
- Authorizing the creation of a CDBG-DR Reserve Fund that can quickly disperse initial recovery funding post-disaster without waiting for a new congressional action;
- Developing a formula to allocate assistance to the most impacted areas;
- Maintaining the current requirement that 70 percent of the funds benefit low- and moderate-income people;
- Creating a capacity building and technical assistance set-aside for grantees;
- Ensuring that state action plans receive at least 14 days for public comment and requiring states to engage with stakeholders in the impacted areas;
- Promoting disaster mitigation and resiliency by establishing an Office of Disaster Recovery and Resilient Communities at HUD;
- Creating a significant set-aside for disaster mitigation activities; and
- Creating specific minimum construction standards for areas designated as hazard prone by HUD and FEMA.

Again, we urge you to support this important bipartisan legislation. By passing the “Reforming Disaster Recovery Act,” Congress can provide meaningful relief to the millions of disaster survivors most in need. To cosponsor and for more information about the bill, please contact Trey Reffett in the Office of Senator Brian Schatz ([trey\\_reffett@schatz.senate.gov](mailto:trey_reffett@schatz.senate.gov)).

Sincerely,

Americans for Financial Reform  
Association of Programs for Rural Independent Living (APRIL)  
Catholic Charities USA  
Community and College Partners Program  
Community Solutions  
Consumer Action  
Council of State Community Development Agencies  
Crisis Cleanup  
EAH Housing  
Enterprise Community Partners  
Habitat for Humanity International  
Hispanic Federation  
Housing Advisory Group  
Infinity Project Inc.  
Institute for Diversity and Inclusion in Emergency Management  
International Code Council  
Limitless Vistas, Inc.  
Livelihoods Knowledge Exchange Network  
Local Initiatives Support Corporation (LISC)  
Lowlander Center  
National Alliance to End Homelessness  
National Association for Latino Community Asset Builders  
National Association of Counties  
National Association of Counties (NACo)  
National Council on Independent Living  
National Disability Rights Network (NDRN)  
National Housing Law Project  
National Housing Resource Center  
National League of Cities  
National Low Income Housing Coalition  
National NeighborWorks Association  
Natural Resources Defense Council  
OXFAM America  
Partnership for Inclusive Disaster Strategies  
Rebuilding Together  
Rural Community Assistance Corporation  
SBP  
Technical Assistance Collaborative  
The Arc of the US  
The Pew Charitable Trusts  
The Union of Concerned Scientists  
UnidosUS  
Unitarian Universalist Service Committee  
World Institute on Disability

CC:

Chairman Sherrod Brown, Committee on Banking, Housing, and Urban Affairs, U.S. Senate  
Ranking Member Pat Toomey, Committee on Banking, Housing, and Urban Affairs, U.S. Senate  
Chairman Maxine Waters, Committee on Financial Services, U.S. House of Representatives  
Ranking Member Patrick McHenry, Committee on Financial Services, U.S. House of Representatives