



December 15, 2021

The Honorable Sherrod Brown
Chairman
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Patrick Toomey
Ranking Member
U.S. Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Letter for the Record: Senate Committee on Banking, Housing, and Urban Affairs Hearing, “Disaster Recovery Assistance - Authorization of the Community Development Block Grant – Disaster Recovery Program”

Dear Chairman Brown and Ranking Member Toomey:

HUD’s Community Development Block Grant Disaster Recovery program has awarded nearly \$90 billion in long-term disaster recovery funding since its first use in 1993—and almost \$40 billion in just the past four years. Yet HUD officials, grantees, and other stakeholders have all voiced concerns that these dollars do not flow quickly, equitably, or impactfully enough. Program deficiencies—particularly the lack of a permanent authorization—have stunted disaster recoveries, disrupting the lives of the low-income families and underserved communities that the program was designed to help.

The Bipartisan Policy Center convened our [Disaster Response Reform Task Force](#), a group of emergency management experts with diverse experiences from prior roles across government, in 2020 to identify barriers to providing critical aid to communities in crisis and develop actionable policy recommendations. As an archetype of the challenges inherent in providing federal disaster aid, we applaud the Committee for hosting a hearing on the CDBG-DR, exploring the need for authorization and reform, and providing us the opportunity to share our thoughts.

BPC’s Disaster Response Reform Task Force has extensively explored the need to advance [fundamental reform priorities](#)—for example, to reduce friction between federal and local entities, improve pre-disaster planning and mitigation, and promote more equitable disaster recoveries.

In addition to the work of our Disaster Response Reform Task Force, BPC co-leads a coalition of national organizations representing a broad array of stakeholders—from conservation groups to local governments to utilities to underserved populations and more—who believe that promoting adaptation to flood and community resilience should be a federal priority. This Adaptation Working Group, in a March 2021 [letter to House and Senate leadership](#), similarly shared its support for reform of HUD’s CDBG-DR program, recommending that Congress advance legislation to permanently authorize CDBG-DR and:



- **Set timelines around release of funds.** This is critical to shorten recovery times for communities affected by disasters, to synchronize timelines with other disaster recovery agencies (like FEMA), and to provide a stable source of recovery and resilience funding for low-capacity communities. Clear guidance governing coordination between FEMA and HUD around disaster recovery programs should be provided, particularly relating to the transition from FEMA recovery programs to HUD CDBG-DR.
- **Set aside program funding for mitigation.** After Hurricane Florence, Congress appropriated funding to HUD to administer a Community Development Block Grant Mitigation Program (CDBG-MIT), which is supporting long-term projects that build resilience. This has proven a successful model to improve long-term resilience and reduce the risk of future disasters.
- **Codify HUD practices that encourage resilient rebuilding.** CDBG-DR is an important tool to promote resilient rebuilding, including nature-based solutions, for addressing increasing flood risk. As such, it should require that rebuilding avoids flood-prone areas where feasible or supported projects address future flood risk.
- **Build state and local capacity.** 65% of HUD’s state and local grantees are failing to meet their own goals. Grantees need technical assistance and coaching to build and execute high quality recovery and mitigation programs. HUD should create more funding for grantees to pursue training and technical assistance that specifically meets their needs and builds their internal capacity for future success in CDBG-DR and CDBG-MIT programs. A more permanent program will also encourage and support the development of more professional, built-in capacity over time.
- **Require greater transparency.** This is particularly needed around HUD’s capacity to administer CDBG-DR, namely whether additional staff are necessary and whether a centralized governance body, such as an Office of Resilience within HUD, is needed to ensure efficient program administration.

The bipartisan [Reforming Disaster Recovery Act](#) (H.R. 4707/S. 2471), in particular, merits the Committee’s consideration as it would advance all the fundamental priorities for CDBG-DR’s permanent authorization and reform outlined above.

The Committee’s close examination of the CDBG-DR program in this hearing is especially timely. The Continuing Resolution signed by President Biden on September 30 included the Disaster Relief Supplemental Appropriations Act of 2022, which provided \$5 billion in funding for CDBG-DR. This is the first CDBG-DR appropriation in more than two years; therefore, the funding will be directed toward major declared disasters that occurred in both 2020 and 2021.

Given the lag between previous disasters and this appropriation, Congress also directed HUD to quickly allocate—no later than October 30, 2021—at least \$1.6 billion of that amount to areas where major disasters that occurred last year. HUD subsequently announced the allocation of more than \$2 billion in funds would be made to 10 states covering 15 separate major disasters in 2020.



There are a number of disasters in 2021 that could receive an allocation, exhausting program funding, including communities impacted by yet [another active hurricane season](#) and those just recently impacted by the storms and tornadoes that swept across the Midwest and South, leaving death, damage, and destruction in Kentucky, Arkansas, Illinois, Missouri, and Tennessee. Should another emergency disaster supplemental appropriation to the CDBG-DR program be required, this Committee should strongly advocate for the inclusion of a permanent authorization.

With devastating natural disasters sure to become more destructive, ensuring federal disaster recovery dollars are efficiently and strategically allocated should be a top priority for legislators from both parties. CDBG-DR's deficiencies need to be highlighted by members of Congress as a first step toward meaningful reform.

This Committee hearing, focused solely on the CDBG-DR program and its future, will help grow visibility around critical reform needs and demonstrate how the federal government can better support efficient, effective, and equitable disaster recoveries. Members of both parties in Congress and the Biden administration can find common ground in implementing reforms to enhance the impact of federal disaster response dollars. Thank you for hosting this important conversation and allowing us the opportunity to comment.

Sincerely,

Andy Winkler
Director, Housing and Infrastructure Project
Bipartisan Policy Center

Members of BPC's Disaster Response Reform Task Force

- Haley Barbour – Founding Partner, BGR Group; Former Mississippi Governor
- Thomas P. Bossert – President, Trinity Cyber; Former U.S. Homeland Security Advisor
- Xavier de Souza Briggs – Senior Fellow, Brookings Institution; Former OMB Associate Director and HUD Policy Adviser
- Jeffrey Byard – Vice President of Operations, Team Rubicon; Former FEMA Associate Administrator
- Fernando Gil-Enseñat, Esq. – Principal, FGE LLC; Former Puerto Rico Secretary of Housing
- Stan Gimont – Senior Advisor for Community Recovery, Hagerty Consulting; Former HUD Deputy Assistant Secretary
- Bryan Koon – Vice President of Homeland Security and Emergency Management, IEM; Former Florida Director of Emergency Management
- Marion Mollegen McFadden – Senior Vice President of Public Policy and Senior Advisor, Resilience, Enterprise Community Partners; Former HUD Deputy Assistant Secretary
- Ben Metcalf – Managing Director, Turner Center, University of California-Berkeley; Former Director, California Department of Housing and Community Development
- Pamela Hughes Patenaude – Board Member, BPC; Former HUD Deputy Secretary
- Neal Rackleff – Attorney at Law, Rackleff LLP; Former HUD Assistant Secretary
- James Rubin – Chairman of Advisory Board, Aligned Climate Capital; Former Director, New York Governor's Office of Storm Recovery