

November 2, 2021

The Honorable Brian Schatz
Chairman
Senate Appropriations Transportation-Housing
and Urban Development Subcommittee
S-146A, The Capitol
Washington, District of Columbia 20510

The Honorable Susan Collins
Ranking Member
Senate Appropriations Transportation-Housing
and Urban Development Subcommittee
186 Dirksen Senate Office Building
Washington, District of Columbia 20510

Dear Chairman Schatz and Ranking Member Collins,

Thank you for your work and dedication to housing programs as a part of the Senate Appropriations Transportation – Housing and Urban Development (THUD) spending bill for fiscal year (FY) 2022¹. The proposed appropriations measure would ensure important investments continue for affordable housing, community facilities, and related infrastructure. Attached to the THUD bill is the *Reforming Disaster Recovery Act* (RDRA) ([S. 2471](#), [H.R. 4707](#)) which was introduced earlier this year. The companion bills would make meaningful changes to the Community Development Block Grant – Disaster Recovery program (CDBG-DR) through codification and related reforms expediting federal aid to impacted people and communities following disaster events. If enacted, the RDRA will greatly improve processes involved in disaster assistance while enhancing capacity and resources to accommodate response. COSCDA is very appreciative for your leadership in co-sponsoring the legislation and prioritizing it in the annual appropriations process.

While the legislation as introduced would be a significant step in the right direction, areas of the bill could be updated to better respond to the challenges of facilitating disaster recovery funding. COSCDA's network includes state administrators of CDBG-DR resources with longstanding experience in directing HUD recovery funds to areas of need. We urge adoption of the following revisions:

- 1) Maintain current eligibility standards for public facilities ensuring funds can be directed to projects with community-wide benefit

CDBG-DR administrators recognize the importance of public infrastructure to rebuilding efforts in the aftermath of disasters. The ability to address community-wide needs is essential for people to return to their homes and schools, reopen businesses, and withstand future weather-related events. **In order to adequately attend to the array of impacted and damaged public facilities, we recommend the higher updated benefit standard for low-to-moderate income persons (LMI) only apply to housing and economic recovery activities in CDBG-DR.** The DR reform legislation would increase the LMI benefit percentage to 70% across all eligible categories including public facilities. States welcome the updated threshold for individual benefit activities (housing and economic development) and believe this

¹ <https://www.congress.gov/117/bills/s3045/BILLS-117s3045is.pdf>.

is a reasonable and important change to ensure resources target vulnerable populations. However, an extension of this standard to also include public facilities restricts states and localities from directing funds to projects of area-wide impact and priority.

2) Broaden adoption of other agency environmental reviews to include additional areas of compliance

The adoption of other agency environmental reviews improves administration and timelines in recovery activities. However, other facets of federal compliance remains disconnected across separate agencies. The situation poses challenges for administrators and related stakeholders who must navigate multiple processes distinct to each agency. Individual reviews significantly increase administrative costs and delay projects from moving forward; this comes at a time when assistance is desperately needed in devastated communities. Instead, **COSCD A proposes allowing adoption of not only environmental reviews, but also other key federal compliance areas: labor standards, relocation, and procurement.**

3) Streamline certification processes for prior and existing grantees

The reform legislation has multiple directives assigning HUD the responsibility to review the ability of grant recipients to properly administer disaster aid. A certification process is sound to maintain accountability of federal resources and ensure funds can be sufficiently managed for disaster response. However, as experienced by grantees past and present, certifications are another source of considerable delay to grant activity and implementation. To improve this process, COSCD A recommends the following revisions:

- **Grantees with existing CDBG-DR grants and no major audit findings with HUD can carry over their certifications from their current disaster.**
- **Certifications for grantees under a certain dollar threshold where grantees are low-risk in terms of audit findings can operate under abbreviated certification criteria.**
- **For new grantees, the certification process can be completed in conjunction with HUD technical assistance.**

Overall, the certification process should occur concurrently with the grantee planning process. This ensures that reviews can be completed earlier so that assistance can reach communities sooner.

Further details on our request can be found [here](#) which includes proposed legislative text to address each outlined recommendation.

COSCD A again expresses our gratitude for your support of CDBG-DR codification. We are tremendously appreciative for your efforts to promote meaningful reforms to the program. If you have questions regarding our request or further engagement is needed, please reach out to Josh Shumaker COSCD A's Director of Advocacy and Federal Programs (jshumaker@coscda.org).

Sincerely,



Dianne E. Taylor
Executive Director

CC:

The Honorable Patrick Leahy, Chairman, Senate Appropriations Committee

The Honorable Richard Shelby, Ranking Member, Senate Appropriations Committee

The Honorable Todd Young

The Honorable Bill Cassidy

The Honorable Ron Wyden

The Honorable Chris Van Hollen

The Honorable Jon Tester

The Honorable Al Green