

119TH CONGRESS  
1ST SESSION

# S. 773

To amend section 324 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to incentivize States, Indian Tribes, and Territories to close disaster recovery projects by authorizing the use of excess funds for management costs for other disaster recovery projects.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2025

Ms. HASSAN (for herself and Mr. LANKFORD) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To amend section 324 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to incentivize States, Indian Tribes, and Territories to close disaster recovery projects by authorizing the use of excess funds for management costs for other disaster recovery projects.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Disaster Management  
5       Costs Modernization Act”.

1 **SEC. 2. USE OF EXCESS FUNDS FOR MANAGEMENT COSTS.**

2 (a) IN GENERAL.—Section 324 of the Robert T.  
3 Stafford Disaster Relief and Emergency Assistance Act  
4 (42 U.S.C. 5165b) is amended—

5 (1) in subsection (b)(2)—

6 (A) by redesignating subparagraphs (A)  
7 and (B) as clauses (i) and (ii), respectively, and  
8 adjusting the margins accordingly; and

9 (B) in the matter preceding clause (i), as  
10 so redesignated, by striking “provide the fol-  
11 lowing percentage rates” and inserting “pro-  
12 vide—

13 “(A) excess funds for management costs as  
14 described in subsection (c); and

15 “(B) the following percentage rates”;

16 (2) by redesignating subsection (c) as sub-  
17 section (d); and

18 (3) by inserting after subsection (b) the fol-  
19 lowing:

20 “(c) USE OF EXCESS FUNDS FOR MANAGEMENT  
21 COSTS.—

22 “(1) DEFINITION.—In this subsection, the term  
23 ‘excess funds for management costs’ means the dif-  
24 ference between—

1 “(A) the amount of the applicable specific  
 2 management costs authorized under subsection  
 3 (b)(1) and subsection (b)(2)(B); and

4 “(B) as of the date on which the grant  
 5 award is closed, the amount of funding for  
 6 management costs activities expended by the  
 7 grantee or subgrantee receiving the financial as-  
 8 sistance for costs described in subparagraph  
 9 (A).

10 “(2) AVAILABILITY OF EXCESS FUNDS FOR  
 11 MANAGEMENT COSTS.—The President may make  
 12 available to a grantee or subgrantee receiving finan-  
 13 cial assistance under section 403, 404, 406, 407, or  
 14 502 any excess funds for management costs.

15 “(3) USE OF FUNDS.—Excess funds for man-  
 16 agement costs made available to a grantee or sub-  
 17 grantee under paragraph (2) may be used for—

18 “(A) activities associated with building ca-  
 19 pacity to prepare for, recover from, or mitigate  
 20 the impacts of a major disaster or emergency  
 21 declared under section 401 or 501, respectively;  
 22 and

23 “(B) management costs associated with  
 24 any—

25 “(i) major disaster;

1 “(ii) emergency;

2 “(iii) disaster preparedness measure;

3 or

4 “(iv) mitigation activity or measure  
5 authorized under section 203, 204, 205, or  
6 404.

7 “(4) AVAILABILITY.—Excess funds for manage-  
8 ment costs made available to a grantee or sub-  
9 grantee under paragraph (2) shall remain available  
10 to the grantee or subgrantee until the date that is  
11 5 years after the date on which the excess funds for  
12 management costs are made available under para-  
13 graph (2).”.

14 (b) APPLICABILITY.—The amendments made by sub-  
15 section (a) shall apply with respect to any grant award  
16 in relation to a major disaster or emergency declared  
17 under section 401 or 501, respectively, of the Robert T.  
18 Stafford Disaster Relief and Emergency Assistance Act  
19 (42 U.S.C. 5170, 5191)—

20 (1) the declaration of which is made on or after  
21 the date of enactment of this Act; and

22 (2) that is funded with amounts appropriated  
23 on or after the date of enactment of this Act.

24 (c) GAO STUDY.—Not later than 180 days after the  
25 date of enactment of this Act, the Comptroller General

1 of the United States shall submit to the Committee on  
2 Homeland Security and Governmental Affairs of the Sen-  
3 ate and the Committee on Transportation and Infrastruc-  
4 ture of the House of Representatives a report—

5           (1) on the actual management costs described  
6       in section 324 of the Robert T. Stafford Disaster  
7       Relief and Emergency Assistance Act (42 U.S.C.  
8       5165b) during the period of a major disaster dec-  
9       laration under section 401 of such Act (42 U.S.C.  
10      5170) to determine whether the amount set aside for  
11      those management costs after the date of enactment  
12      of this Act is appropriate; and

13           (2) that includes—

14                (A) the management costs described in sec-  
15               tion 324 of the Robert T. Stafford Disaster Re-  
16               lief and Emergency Assistance Act (42 U.S.C.  
17               5165b) for each major disaster declared under  
18               section 401 of such Act (42 U.S.C. 5170) dur-  
19               ing the 5-year period preceding the date of the  
20               report;

21                (B) the amount set aside for those man-  
22               agement costs;

23                (C) the use of those management costs;

24                (D) the length of each such major disaster;

25               and

1                   (E) the reason for the length of each such  
2                   major disaster.

3           (d) NO ADDITIONAL FUNDS.—No additional funds  
4 are authorized to be appropriated to carry out the amend-  
5 ments made by subsection (a).

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