



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

April 20, 2017

**H.R. 1678**

**A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act concerning the statute of limitations for actions to recover disaster or emergency assistance payments, and for other purposes**

*As ordered reported by the House Committee on Transportation and Infrastructure  
on March 29, 2017*

H.R. 1678 would establish a three-year statute of limitations on actions to recover Federal Emergency Management Agency (FEMA) grants provided to state or local governments following a declared disaster. That limitation would not apply in situations where there is evidence of fraud, waste, or abuse. Under current law, FEMA has the authority to recover disaster assistance grants that are unspent at any time after the date of disbursement.

Enacting H.R. 1678 could reduce the amount of unspent disaster assistance recovered by FEMA. The loss of such recoveries, which are treated as reductions in direct spending when they are collected, would increase direct spending of previously appropriated funds; therefore, pay-as-you-go procedures apply. Those recoveries, which CBO estimates would not be significant in any year, are deposited into the Disaster Relief Fund and are available to be spent without further appropriation; therefore, CBO estimates that the net effect on the deficit would be negligible. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 1678 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1678 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Robert Reese. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.