

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Community Development Block Grant-Disaster Recovery Authorization

The President's 2023 Budget supports authorizing the Community Development Block Grant-Disaster Recovery (CDBG-DR) program, consistent with the enclosed principles.

For more than twenty years, Congress has appropriated supplemental emergency funding for CDBG-DR on an ad hoc basis in response to major disasters to address the unmet long term disaster recovery needs of States, territories, local governments, and Tribes. Congress has generally directed grantees to use CDBG-DR funds for disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a qualifying major disaster.

The U.S. Government Accountability Office, HUD's Office of the Inspector General, many CDBG-DR grantees, and other organizations that work with communities to help them recover, have all noted the benefits of creating a permanently authorized CDBG-DR program.<sup>1</sup> Permanent authorization of CDBG-DR would improve the transparency and predictability of CDBG-DR funds made available to impacted communities. Permanent authorization would also require HUD to establish consistent regulatory requirements for CDBG-DR across all future disasters, eliminating the current practice of establishing new requirements in response to each supplemental appropriation of CDBG-DR funds.

The following guiding principles should inform the permanent authorization of CDBG-DR:

**Advance Equity.** Federal investments should address the disproportionate health, environmental, and economic impacts on disadvantaged communities from natural disasters that are increasing in frequency and intensity due to climate change. CDBG-DR is uniquely positioned to advance equity and prioritize disadvantaged communities, turning disaster-impacted neighborhoods that have historically faced underinvestment into resilient, healthy, sustainable, thriving communities.

**Prioritize and Integrate Resilience.** People of color and low-income people are more likely to live in areas most vulnerable to flooding and other climate change-related weather events. CDBG-DR's role in long-term housing recovery and related needs should prioritize and integrate resilient investments that mitigate the effects of future natural disasters, which would significantly reduce future fiscal and social costs.

**Efficacy, Efficiency, Transparency.** There must be a coordinated, whole-of-government approach to disaster recovery that effectively and efficiently leverages each Federal agency's core expertise. Given HUD's mission, CDBG-DR would focus on addressing long-term housing recovery and related needs, particularly serving the most vulnerable communities. Codifying the CDBG-DR program would improve transparency and help communities make more informed decisions and plan for and initiate long-term recovery efforts.

**Build Capacity.** Balancing Federal, State, territorial, Tribal, and local disaster responsibilities and resources is key to ensuring a holistic approach to disaster recovery. CDBG-DR should help increase State, territorial, Tribal, and local capacity, especially in disadvantaged communities, to empower local communities around the U.S. to maximize their resilience to natural disasters. HUD would use CDBG-DR funds to facilitate robust and inclusive community recovery planning and engagement.

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<sup>1</sup> U.S. Government Accountability Office, [Disaster Block Grants: Factors to Consider in Authorizing a Permanent Program](#), May 19, 2021 (GAO-21-569-T)