H.R. 7070, Wildfire Response Improvement Act As ordered reported by the House Committee on Transportation and Infrastructure on January 31, 2024			
By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	*	*	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	*	*	0
Spending Subject to Appropriation (Outlays)	*	3	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Statutory pay-as-you-go proce	edures apply? Yes
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Contains intergovernmental m	nandate? No
		Contains private-sector manda	ate? No
* = between -\$500,000 and \$500,000.			

H.R. 7070 would require the Federal Emergency Management Agency (FEMA) to update administrative policies for grants and technical assistance that it provides to state, local, and tribal governments to control and mitigate the effects of wildfires. Specifically, within one year of enactment, H.R. 7070 would require FEMA to update:

- Regulations and guidance for making assessments of eligibility under the Fire Management Assistance Grant Program;
- Policy guidance under the Public Assistance Program to include wildfire-specific information about debris removal, emergency protective measures, and the toxic effects on drinking water resources; and
- The criteria used to evaluate the cost-effectiveness of federally funded projects that mitigate the effects of wildfires.

In addition, H.R. 7070 would extend through October 5, 2028, the authority of local governments that administer federal funds under the Community Development Block Grant Disaster Recovery (CDBG-DR) program to provide cash assistance to households to repay disaster loans provided by the Small Business Administration. That authority expired in October 2023.

Using information from FEMA about the cost of similar activities, CBO expects that the agency would require additional staff to conduct outreach, gather and analyze data, and update guidance. In total, CBO estimates that implementing the bill would cost \$3 million over the 2024-2029 period. Any spending would be subject to the availability of appropriated funds.

In addition, CBO estimates that extending the authority of local governments to use existing CDBG-DR funds to provide cash assistance for repayment of disaster loans would increase direct spending in the short term and reduce it in later years. In the absence of that extension, those funds likely would be spent on other forms of assistance, such as housing or infrastructure construction, that CBO expects would take longer to spend than providing cash assistance. CBO estimates that enacting the provision would have no effect on net direct spending over the 2024-2034 period.

The CBO staff contact for this estimate is Jon Sperl. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Phillip L. Swagel

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Director, Congressional Budget Office