

# CDBG-DR Process Standardization: Selected HUD Actions and Legislative Proposals

Updated December 15, 2025

## Introduction

Periodically, Congress has provided supplemental appropriations for [Community Development Block Grants for Disaster Recovery](#) (CDBG-DR), administered by the [Department of Housing and Urban Development](#) (HUD). This funding is intended to support needs unmet by other forms of federal disaster assistance, including [Federal Emergency Management Agency \(FEMA\) grants](#) and [Small Business Administration loans](#). Since 1993, Congress has appropriated more than [\\$109 billion](#) in supplemental CDBG-DR funds. Typically, CDBG-DR funds have been directed to the “[most impacted and distressed areas](#)” with [major disaster declarations](#) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([Stafford Act](#)).

Broadly, CDBG-DR funds are subject to the conventional [Community Development Block Grant Program’s statutory authority](#) and [regulatory requirements](#). In addition, the text of CDBG-DR supplemental appropriations historically has included specific statutory directives and authorized HUD to establish [waivers and alternative requirements](#) as circumstances may require.

The ad hoc nature of this process has allowed Congress and HUD to adapt CDBG-DR requirements to the specific needs of affected communities. Some analysis indicates that it has contributed to recovery coordination and planning challenges. The [Government Accountability Office](#) (GAO) has reported some findings of protracted rulemaking periods, inconsistent administrative time frames, and funding delays. Some grantees have also expressed concern with the administrative burden of simultaneously managing multiple CDBG-DR grants with differing sets of requirements. [GAO](#) and the [HUD Office of Inspector General](#) (HUD-OIG) have recommended permanent authorization and regulatory codification of these (or similar) long-term disaster recovery investments.

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## Related HUD Actions

### Universal Notice

On January 8, 2025, HUD published a “[Universal Notice](#)” in the *Federal Register* to standardize and clarify the CDBG-DR rulemaking process. According to HUD, the Universal Notice is a uniform rulemaking document with waivers and alternative requirements that can be activated to accompany an [Allocation Announcement Notice](#) (AAN) when Congress provides supplemental appropriations and rulemaking authority for CDBG-DR. The first AAN subject to the Universal Notice requirements was [published on January 16](#) and provided allocations for disasters occurring in 2023 and 2024 pursuant to P.L. 118-158.

HUD’s stated intent in establishing a Universal Notice is to “provide grantees and the public with increased transparency, consistency, and more timely access to CDBG-DR funds, helping to minimize program delays and accelerate recovery.” The Universal Notice outlines the baseline waivers and alternative requirements associated with three key phases of the CDBG-DR grants management process:

1. Action Plan development,
2. financial certification and oversight of funds, and
3. implementation of Universal Notice requirements.

The Universal Notice was developed with public input solicited in a December 2022 HUD Request for Information notice in the *Federal Register*, which [elicited 87 responses](#).

In coordination with the Universal Notice publication, [HUD announced a series](#) of related technical assistance webinars. The agency held two introductory webinars on January 14 and January 21, 2025. On January 27, [HUD announced postponement](#) of three remaining webinars regarding specific components of the Universal Notice.

Subsequently, HUD amended the Universal Notice on [March 19](#) and [March 31](#). According to HUD, the amendments were intended to conform with several executive orders and a presidential memorandum issued between January 20 and February 19 on subjects pertaining to the cost of living and diversity, equity, and inclusion practices. HUD also announced a 60-day extension for CDBG-DR grantees that received an allocation for disasters occurring in 2023 or 2024 that were subject to the initial Universal Notice requirements.

Some Members of Congress have [expressed concern and called for scrutiny](#) of the efficacy and potential administrative burdens associated with the Universal Notice amendments. On June 16, in response to a letter from Senators Elizabeth Warren and Patty Murray requesting a review of a range of HUD and CDBG-DR issues (including the changes to CDBG-DR Universal Notice requirements), [HUD-OIG indicated](#) that it is “closely monitoring HUD’s actions on each of these issues through regular coordination with HUD leadership.”

### Previous HUD Actions

Prior to development of the Universal Notice, HUD began to include a [consolidated notice](#) as an appendix in *Federal Register* notices announcing allocations for disasters occurring in [2020](#), [2021](#), and [2022](#), as well as [selected 2023 disasters](#). The consolidated notice—and its [accompanying guidance](#)—outlined uniform CDBG-DR processes and requirements for grantees covered by these allocations and rulemaking.

Additionally, in 2023, HUD’s Disaster Recovery and Special Issues Division became an official HUD Office, under the name [Office of Disaster Recovery](#), with three divisions:

1. policy;
2. operations; and
3. grants management.

## Related Legislative Proposals

### Reforming Disaster Recovery Act

The 119<sup>th</sup> Congress saw the introduction of the Reforming Disaster Recovery Act as Section 501 of the Renewing Opportunity in the American Dream to Housing Act of 2025 (S. 2651; ROAD to Housing Act). The bill would formalize HUD's role in disaster response and recovery. Specifically, the section would authorize CDBG-DR as a standing program, establish a dedicated fund for the program within the Treasury, and establish the Office of Disaster Management and Resiliency within the HUD Office of the Secretary to oversee and coordinate HUD's disaster preparedness and response functions.

In November 2025, S. 2651 was incorporated into Division I of the National Defense Authorization Act for Fiscal Year 2026 (S. 2296, Title V, Section 5501; NDAA) by S.Amdt. 3901 to S.Amdt. 3748, which was agreed to in the Senate on October 9. The ROAD to Housing Act was not included in the House-passed NDAA conference bill of December 10.

Versions of the Reforming Disaster Recovery Act have been introduced [since the 115<sup>th</sup> Congress](#). A version of the bill introduced in the 116<sup>th</sup> Congress, H.R. 3702, passed in the House under suspension of the rules by a vote of 290-118.

### Natural Disaster Recovery Program Act

The Natural Disaster Recovery Program Act of 2025 (H.R. 316) would establish a dedicated fund in the Treasury and authorize FEMA to provide assistance for unmet disaster recovery needs of states and tribal governments. Versions of this bill were introduced in the 118<sup>th</sup> Congress (H.R. 9750) and the 117<sup>th</sup> Congress (H.R. 2809). The bill introduced in the 118<sup>th</sup> Congress was reported out of committee (H.Rept. 118-811).

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