

ative evidence that the State or local government did not maintain documentation described in that paragraph.

**(3) Inability to produce documentation**

The inability of the Federal, State, or local government to produce source documentation supporting expenditure reports later than 3 years after the date of transmission of the final expenditure report for project completion as certified by the grantee shall not constitute evidence to rebut the presumption described in paragraph (1).

**(4) Right of access**

The period during which the Federal, State, or local government has the right to access source documentation shall not be limited to the required 3-year retention period referred to in paragraph (3), but shall last as long as the records are maintained.

**(c) Binding nature of grant requirements**

A State or local government shall not be liable for reimbursement or any other penalty for any payment made under this chapter if—

- (1) the payment was authorized by an approved agreement specifying the costs;
- (2) the costs were reasonable; and
- (3) the purpose of the grant was accomplished.

**(d) Facilitating closeout**

**(1) Incentives**

The Administrator of the Federal Emergency Management Agency may develop incentives and penalties that encourage State, local, or Indian tribal governments to close out expenditures and activities on a timely basis related to disaster or emergency assistance.

**(2) Agency requirements**

The Federal Emergency Management Agency shall, consistent with applicable regulations and required procedures, meet its responsibilities to improve closeout practices and reduce the time to close disaster program awards.

(Pub. L. 93-288, title VII, §705, as added Pub. L. 106-390, title III, §304, Oct. 30, 2000, 114 Stat. 1573; amended Pub. L. 115-254, div. D, §§1216(c)(1), 1221(a), Oct. 5, 2018, 132 Stat. 3451, 3453.)

REFERENCES IN TEXT

This chapter, referred to in subssecs. (a)(1) and (c), was in the original “this Act”, meaning Pub. L. 93-288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

AMENDMENTS

2018—Subsec. (a)(1). Pub. L. 115-254, §1216(c)(1)(A), substituted “Notwithstanding section 3716(e) of title 31 and except” for “Except” and “report for project completion as certified by the grantee” for “report for the disaster or emergency”.

Subsec. (b)(1). Pub. L. 115-254, §1216(c)(1)(B)(i), substituted “report for project completion as certified by the grantee” for “report for the disaster or emergency”.

Subsec. (b)(3). Pub. L. 115-254, §1216(c)(1)(B)(ii), inserted “for project completion as certified by the grantee” after “final expenditure report”.

Subsec. (d). Pub. L. 115-254, §1221(a), added subsec. (d).

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115-254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115-254, set out as a note under section 5121 of this title.

REGULATIONS

Pub. L. 115-254, div. D, §1221(b), Oct. 5, 2018, 132 Stat. 3454, provided that: “The Administrator [of the Federal Emergency Management Agency] shall issue regulations to implement the amendment made by this section [amending this section].”

**§ 5205a. Certain recoupment prohibited**

**(a) In general**

Notwithstanding any other provision of law, the Agency shall deem any covered disaster assistance to have been properly procured, provided, and utilized, and shall restore any funding of covered disaster assistance previously provided but subsequently withdrawn or deobligated.

**(b) Covered disaster assistance defined**

In this section, the term “covered disaster assistance” means assistance—

- (1) provided to a local government pursuant to section 5170b, 5172, or 5173 of this title; and
- (2) with respect to which the inspector general of the Department of Homeland Security has determined, after an audit, that—

- (A) the Agency deployed to the local government a Technical Assistance Contractor to review field operations, provide eligibility advice, and assist with day-to-day decisions;
- (B) the Technical Assistance Contractor provided inaccurate information to the local government; and
- (C) the local government relied on the inaccurate information to determine that relevant contracts were eligible, reasonable, and reimbursable.

**(c) Effective date**

This section shall be effective on October 5, 2018.

(Pub. L. 115-254, div. D, §1237, Oct. 5, 2018, 132 Stat. 3464.)

CODIFICATION

Section was enacted as part of the Disaster Recovery Reform Act of 2018 and as part of the FAA Reauthorization Act of 2018, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

DEFINITIONS

For definition of “Agency” as used in this section, see section 1203 of Pub. L. 115-254, set out as a note under section 5122 of this title.

**§ 5206. Buy American**

**(a) Compliance with chapter 83 of title 41**

No funds authorized to be appropriated under this Act or any amendment made by this Act may be expended by an entity unless the entity,