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AN ASSESSMENT OF FEDERAL RECOVERY EFFORTS FROM RECENT DISASTERS

(116–38)

HEARING

BEFORE THE

SUBCOMMITTEE ON
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND
EMERGENCY MANAGEMENT

OF THE

COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES

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OCTOBER 18, 2019

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Economic Development, Public Buildings, and Emergency Management
FROM: Staff, Subcommittee on Economic Development, Public Buildings, and Emergency Management
RE: Subcommittee Hearing on "An Assessment of Federal Recovery Efforts from Recent Disasters"

PURPOSE

The Subcommittee on Economic Development, Public Buildings, and Emergency Management will meet on Tuesday, October 22, 2019, at 10:00 a.m. in 2167 Rayburn House Office Building, to receive testimony on "An Assessment of Federal Recovery Efforts from Recent Disasters."

The Federal government's disaster recovery programs and personnel are being stressed and tested like never before, as they simultaneously work to help communities recover from several of the costliest natural disasters in the Nation's history.

Members will receive testimony from senior officials at the Federal Emergency Management Agency (FEMA) and the Economic Development Administration (EDA). Additionally, the Government Accountability Office (GAO) will testify regarding its findings in a comprehensive series of statutorily-mandated examinations of recovery efforts required by recent disaster supplemental appropriations packages.

The Subcommittee will also receive testimony from state- and local-level emergency managers and officials—from Missouri, North Carolina, and Puerto Rico—tasked with near- and long-term recovery—regarding their experiences in navigating the myriad Federal recovery programs. Finally, a representative from a nonprofit focused on community-based disaster recovery will discuss challenges it and similar organizations face in contributing to long-term recovery from recent presidentially-declared disasters.

Additional written testimony has been submitted by the Department of Housing and Urban Development (HUD)—another Federal entity responsible for significant appropriations tied to disaster recovery programs.

BACKGROUND

DISASTER LOSSES AND FEDERAL DISASTER SPENDING CONTINUE UPWARD TRAJECTORY

The National Centers for Environmental Information (NCEI) at the Department of Commerce's National Oceanic and Atmospheric Administration (NOAA) is tasked with monitoring and assessing the environmental and economic impact of natural disasters. NCEI data indicates that this is the fifth consecutive year (2015–2019) during which the United States has been impacted by ten or more $1 billion-dollar

natural disaster events. Since 1980—the first full year following the establishment of FEMA—the U.S. has experienced nine years with ten or more unique billion-dollar natural disaster events: 1998, 2008, 2011, 2012, 2015, 2016, 2017, 2018, and 2019.[1]

According to numerous studies, disaster losses and Federal disaster spending have increased significantly over the last five decades. Munich Re, the world's largest reinsurance company, reported in 2012 that between 1980 and 2011, North America suffered $1.06 trillion in total losses, including $510 billion in insured losses, and an increase in weather-related events five-fold over the previous three decades.[2]

More recently, the Congressional Budget Office (CBO) reported that for most types of losses to the U.S. economy resulting from hurricane winds and storm-related flooding, expected annual costs will total roughly $54 billion per year, equivalent to 0.3 percent of the Nation's current gross domestic product (GDP). Of that $54 billion, $34 billion in expected annual economic losses would be borne by the residential sector, $9 billion by commercial businesses, and $12 billion by the public sector. CBO estimates that a combination of private insurance coverage for wind damage, Federal flood insurance, and Federal disaster assistance programs would cover roughly 50 percent of losses to the residential sector and 40 percent of losses to the commercial sector.[3]

In 2017, FEMA acknowledged the increase in the number of extreme disaster events and increased vulnerabilities throughout the United States due to shifting demographics, aging infrastructure, land use, and construction practices.[4]

DISASTER COSTS BORNE BY THE FEDERAL GOVERNMENT ON THE RISE AND EXACERBATED BY GROWTH IN FEDERAL RECOVERY PROGRAMS

When state and local resources are overwhelmed and the "disaster is of such severity and magnitude that effective response is beyond the capabilities of the state and the affected local governments," the Governor of the affected state may request that the President declare a major disaster.[5]

FEMA was established in April 1979 after the Three Mile Island nuclear disaster to centralize and better coordinate the Federal government's disaster activities, which had been scattered across the government and poorly coordinated in response to several disasters. Since 1979, numerous other agencies have received authorities and appropriations for additional Federal activities and programs focused on disaster recovery. These programs have differing legal authorities, eligibility requirements, and objectives.

Most recently, the following programs have been significantly involved in disaster recovery beyond FEMA's Public Assistance (PA) and Individuals and Households (IA) programs authorized in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 100–107) and, as such, received supplemental appropriations:

- *U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Disaster Recovery Funds (CDBG–DR)*—Congress can—and has—provided funding for disaster recovery through HUD's CDBG Program. Most recently, funds were made available to provide non-competitive, non-recurring assistance targeted at low-income areas impacted by disasters in Fiscal Years (FY) 2010, 2011, 2012, 2013, 2015, 2016, 2017, 2018, and 2019. Congress has appropriated CDBG–DR funding in 19 of the last 27 fiscal years (FYs). Currently, the CDBG–DR grant portfolio has 137 active grants with a total of $89.7 billion in appropriated funding.[6]
- *U.S. Department of Commerce, Economic Development Administration (EDA)*—Congress appropriated $1.2 billion in additional Economic Adjustment Assistance (EAA) for certain Stafford Act events occurring in 2017, 2018, and 2019.

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[1] National Oceanic and Atmospheric Administration, National Centers for Environmental Information, "Billion-Dollar Weather and Climate Disasters: Overview". Available at https://www.ncdc.noaa.gov/billions/.

[2] Munich Re (2012). *Severe weather in North America—Perils Risk Insurance*. Munich, Germany: Muchener Ruckversicherungs-Gesellschaft.

[3] Congressional Budget Office, *Expected Costs of Damage From Hurricane Winds and Storm-Related Flooding*. Available at https://www.cbo.gov/system/files/2019-04/55019-ExpectedCostsFromWindStorm.pdf.

[4] Federal Emergency Management Agency, *National Strategy Recommendations: Future Disaster Preparedness*. September 6, 2013. Available at http://www.fema.gov/media-library-data/bd125e67fb2bd37f8d609cbd71b835ae/FEMA+National+Strategy+Recommendations+(V4).pdf.

[5] 42 U.S.C. § 5170.

[6] U.S. Department of Housing and Urban Development, "CDBG–DR Overview", August 27, 2019. Available at https://files.hudexchange.info/resources/documents/CDBG-Disaster-Recovery-Overview.pdf.

Under the Bipartisan Budget Act of 2018 (P.L. 115–123), Congress appropriated $600 million to EDA for EAA targeted at disaster relief and recovery as a result of Hurricanes Harvey, Irma, and Maria, wildfires, and other calendar year 2017 natural disasters under the Stafford Act. The Additional Supplemental Appropriations for Disaster Relief Act, 2019 (P.L. 116–20) provided EDA with $600 million in additional EAA funding for necessary expenses related to flood mitigation, disaster relief, long-term recovery, and restoration of infrastructure in areas impacted by Hurricanes Florence, Michael, Lane, Typhoons Yutu and Mangkhut, wildfires and other calendar year 2019 disasters under the Stafford Act, and tornadoes and floods in calendar year 2019.[7]

- *U.S. Department of Transportation (DOT) Federal Transit Administration Emergency Relief Program (ERP)*—The ERP's purpose is to help states and public transportation systems pay for protecting, repairing, or replacing equipment and facilities that may suffer or have suffered serious damage because of an emergency, including natural disasters. The ERP is also intended to improve coordination between DOT and the U.S. Department of Homeland Security (DHS) to expedite assistance to public transit providers in times of disasters and emergencies. The Additional Supplemental Appropriations for Disaster Relief Act, 2019 (P.L. 116–20) appropriated $10.542 million for the FTA ERP, for transit systems affected by major declared disasters occurring in calendar year 2018. FTA has yet to develop program guidance for this most recent tranche of disaster recovery funding.
- *U.S. Army Corps of Engineers (Corps)*—The Corps receives money for the rehabilitation, repair, and construction of projects. These funds are available to projects provided they reduce future flood risk and support long-term sustainability.

READINESS CHALLENGES OF FEMA'S INCIDENT WORKFORCE

Following the active pace of Federal disaster declarations in 2017, FEMA updated its Strategic Plan for 2018–2022, to emphasize more focus on Presidentially-declared disasters being "Federally Supported, State Managed, and Locally Executed."

While there has been a focus following the attacks of September 11, 2001, to provide training for state, local, tribal, and territorial emergency managers to enhance their abilities to manage crises, there continues to be an upward trend in the number of Presidentially-declared events under the Stafford Act. That said, in 2018, a total of 23,331 events were managed by local, tribal, and state governments absent any Federal assistance.

Specific to FEMA's incident management workforce, there continue to be multiple limiting factors to full readiness:

- Both long-standing and recently-announced vacancies in key senior leadership roles across FEMA and the Department of Homeland Security;
- Quantity of qualified Federal Coordinating Officers and Federal Disaster Recovery Coordinators currently available for deployment;
- Sustained deployments for significant portions of qualified personnel in key recovery-focused cadres;
- Sustained and increasing high volume of open and active disasters and Joint Field Offices across the United States and its territories;
- Challenges for existing workforce meeting the requirements required by the FEMA Qualification System and associated Position Task Books;
- Fatigue across workforce as a result of volume and intensity of disaster deployments during last several years, resulting in retention and recruitment challenges.

Two years after the 2017 hurricane and wildfire seasons, which strained FEMA's workforce more so than other recent years, FEMA has taken steps to address several of the challenges noted above yet it remains under-resourced to respond to multiple simultaneous responses to catastrophic disasters while also doing the work necessary to meaningfully impact the volume of ongoing recoveries across the Nation.

Since the start of 2019, FEMA has consistently reported significant readiness shortfalls for Federal Coordinating Officers (FCOs), as well as deficiencies in capacity for multiple response and recovery cadres in its daily operations briefings.

Workforce improvements have been made since the height of the 2017 disaster season—including the expansion of the Surge Capacity Force to include other Fed-

[7] U.S. Economic Development Administration, "Disaster Supplemental Funding". Available at https://www.eda.gov/disaster-recovery/supplemental/.

eral agency employees in addition to DHS employees—but the Agency still lacks adequate personnel to best serve the states it is assisting with recoveries.

QUANTIFYING ONGOING FEDERAL RECOVERY EFFORTS

FEMA works hand in hand with state, local, tribal, and territorial partners to provide assistance on a reimbursable basis for qualified disaster recovery projects. It is able to do this through a combination of permanent, full-time employees as well as a significant Incident Management (IM) workforce of full-time temporary staff (COREs and Reservists). Based on a 2019 Incident Management Workforce Review (IMWR), FEMA currently projects a need for 17,670 IM personnel, an 8% increase in need compared to the 2015 findings of a less data-driven assessment. Current IM staffing falls short of the need and is adversely impacting ongoing recoveries across the Nation.

In 2019, FEMA is administering assistance for 60% more open disasters than at the same point in 2018, and doing so in 50% more Joint Field Offices, requiring a significant IM workforce—including 10 of the costliest disasters on record.[8] As of this week, the Public Assistance cadre of FEMA's incident workforce has 11% availability for not-yet-deployed/assigned staff. Historically, staffing in this cadre has been far from full capacity and is a contributing factor in processing disaster assistance.

FEMA funds disaster recovery efforts out of the Disaster Relief Fund (DRF), an appropriated account that is funded via a calculation that was codified by the Budget Control Act of 2011 (P.L. 112–25). As of September 30, 2019, the DRF is carrying a balance of $28.2 billion in not-yet-obligated dollars for disaster response and recovery.[9]

HUD's CDBG–DR program has been activated by congressional appropriations with increasing frequency to address long-term disaster recovery in communities particularly hard hit by disaster. In spite of supplemental appropriations for CDBG–DR during 19 of the last 27 years, HUD must develop individual program guidance for CDBG–DR for each state for which Congress designates appropriations. HUD's Office of Community Planning and Development is responsible for administering the CDBG–DR program. Due to the non-authorized existence of the program, the GAO reported earlier this year about 2017 Stafford Act events qualifying for CDBG–DR that: "HUD did not yet have the staff in place to effectively oversee CDBG–DR funds. Without strategic workforce planning that determines if the number of staff the agency will be able to hire is sufficient to oversee the growing number of CDBG–DR grants, identifies the critical skills and competencies needed, and includes strategies to address any gaps, HUD will not be able to identify the staffing resources necessary to oversee CDBG–DR grants."[10] Following the 2017 disasters, HUD was authorized via appropriations to hire additional staff to administer CDBG–DR; it is still in the process of growing from a team of 20 pre-2017-hurricane-season to 50.

Congress appropriated a total of $1.2 billion for EDA's Disaster Recovery program in FY18 and FY19. This funding is administered out of the Economic Adjustment Assistance Program and by a team of temporary field staff. The team that EDA has established to administer these supplemental appropriations and assist potential applicants and eventual grantees is currently staffed at 50% and there is an ongoing recruitment to fill the remaining positions.

WITNESS LIST

PANEL I

- Mr. Jeffrey Byard, Associate Administrator for Response and Recovery, Federal Emergency Management Agency (FEMA), U.S. Department of Homeland Security
- Mr. Dennis Alvord, Deputy Assistant Secretary for Economic Development & Chief Operating Officer, Economic Development Administration, U.S. Department of Commerce
- Mr. Chris P. Currie, Director, Homeland Security and Justice, U.S. Government Accountability Office

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[8] National Centers for Environmental Information, "Billion-Dollar Weather and Climate Disasters: Table of Events". Available at https://www.ncdc.noaa.gov/billions/events.

[9] Federal Emergency Management Agency, "Disaster Relief Fund: Monthly Report as of September 30, 2019". Available at https://www.fema.gov/media-library-data/1570634436664-80c80c86a5708ede9a78cac86dc18be1/Oct2019DisasterReliefFundReport.pdf.

[10] U.S. Government Accountability Office, "GAO–19–232: Disaster Recovery: Better Monitoring of Block Grant Funds Is Needed". Available at https://www.gao.gov/assets/700/697827.pdf.

PANEL II

- Mr. Michael Sprayberry, Director, North Carolina Emergency Management & North Carolina Office of Recovery and Resiliency, *on behalf of the National Emergency Management Association*
- The Honorable Fernando Gil-Enseñat, Secretary, Departamento de la Vivienda (Department of Housing), Commonwealth of Puerto Rico
- Ms. Rhonda Wiley, Emergency Management/911 Director and Floodplain Manager, Atchison County, Missouri
- Mr. Reese C. May, Chief Strategy and Innovation Officer, SBP

ADDITIONAL WRITTEN TESTIMONY

- Office of Community Planning and Development, U.S. Department of Housing and Urban Development

SUPPLEMENTARY INFORMATION

FEMA RESPONSE AND RECOVERY AUTHORITIES

FEMA is the Federal government's lead agency in preparing for, mitigating against, responding to, and recovering from disasters and emergencies related to all hazards—whether natural or man-made. FEMA's primary authority in carrying out these functions stems from the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act, P.L. 100–707).

When state and local resources are overwhelmed, the Governor of the affected state may request that the President issue a declaration. The Stafford Act authorizes three types of declarations: (1) major disaster declarations; (2) emergency declarations; and (3) fire management grant (FMAG) declarations.

If the President issues a declaration, Federal resources are deployed in support of state and local response efforts. By law, the President—acting through FEMA—appoints a Federal Coordinating Officer (FCO) to lead the Federal response to major disasters and emergencies. FEMA is responsible for coordinating Federal agency response and ensuring the necessary Federal capabilities are deployed at the appropriate place and time. In addition, FEMA provides direct support and financial assistance to states, tribes, and local governments and individuals as authorized under the Stafford Act. This includes, directing any Federal agency, with or without reimbursement, to assist state, tribal, and local governments and protect life and property.

FEMA DISASTER ASSISTANCE PROGRAMS

A. Presidentially Declared Major Disaster

When state and local resources are overwhelmed and the "disaster is of such severity and magnitude that effective response is beyond the capabilities of the state and the affected local governments,"[11] the Governor of the affected state may request the President to declare a major disaster. FEMA's primary Stafford Act programs for disaster response and recovery in the aftermath of a major disaster are the Public Assistance Program and the Individual Assistance Program. As part of each major disaster, FEMA also provides Hazard Mitigation Grant Program (HMGP) funds.

The Public Assistance Program, authorized primarily by Sections 403, 406, and 407 of the Stafford Act, reimburses state, tribal, and local emergency response costs and provides grants to state and local governments, as well as certain private nonprofits to rebuild facilities. The Public Assistance Program generally does not typically provide direct services to survivors.

The Individual Assistance Program, authorized primarily by Section 408 of the Stafford Act and also known as the Individuals and Households Program, provides assistance to families and individuals impacted by disasters, including housing assistance. Housing assistance includes money for repair, rental assistance, or "direct assistance," such as the provision of temporary housing.

Section 404 of the Stafford Act authorizes the HMGP, which provides grants to state and local governments to rebuild after a disaster in ways that: (1) are cost effective; and (2) reduce the risk of future damage, hardship, and loss from natural hazards. HMGP grants are calculated based on a percentage of funds spent on Public and Individual Assistance for each Presidentially-declared disaster.

The central purpose of HMGP is to enact practical mitigation measures that effectively reduce the risk of loss of life and property from future disasters. FEMA pro-

[11] *Quoting (in part)* 42 U.S.C. §5170(a).

vides grants to states under HMGP so that they may also assist families in reducing the risk to their homes from natural disasters.

In the case of wildfires, mitigation measures covered by HMGP include, but are not limited to: establishing defensible space measures around buildings; using fire-resistant building materials; and regularly clearing combustibles that could serve as fuel for a wildfire. FEMA provides up to 75% of the funds for mitigation projects under HMGP and the remaining 25% can come from a variety of sources (i.e., a cash payment from the state or local government).[12]

B. Fire Management Assistance Grant

Section 420 of the Stafford Act authorizes FEMA to provide fire management assistance to state, local, and tribal governments for the mitigation, management, and control of any fires burning on publicly or privately-owned forests or grasslands that threatens such destruction as would constitute a major disaster. FMAG funding may be used for equipment and supplies, labor costs, emergency work, pre-positioning of resources, and temporary repair of damage caused by work directly related to firefighting activities associated with the declared fire.[13]

T&I Committee's Leadership on Disaster Policy Reform

In the 114th and 115th Congress, the Committee led the policy discussion on how to lower the devastating losses from disasters in terms of lives, property, and costs, how to increase disaster resilience, and how to withstand the next disaster and recover more quickly from disaster impacts, which ultimately resulted in the Disaster Recovery Reform Act of 2018 (DRRA, Division D of P.L. 115–254). As noted above, Congress has passed significant packages of disaster-related policy reforms during the previous two decades, with the Transportation and Infrastructure Committee playing a vital role:

- The Disaster Mitigation and Cost Reduction Act of 2000 (DMA2K, P.L. 106–390) is perhaps the first major update to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988. Congress recognized the benefits of pre-disaster mitigation and made reforms and enhancements to Stafford and FEMA's response, recovery, and mitigation programs to lessen future exposure to risk of the Federal government. DMA2K also led to the development of hazard mitigation plans in communities across the country.
- The Post-Katrina Emergency Management Reform Act (PKEMRA, P.L. 109–295) followed in the wake of the 2005 hurricanes Katrina, Rita, and Wilma. It was also informed by the 2004 hurricane season, during which Hurricanes Charley, Frances, Ivan, and Jeanne criss-crossed Florida in less than two months. PKEMRA addressed some of the potential gaps related to catastrophic disasters and most of the provisions are related to planning and response. PKEMRA provided for additional authority for response activities including: "accelerated Federal assistance" which can be provided in the absence of a state request in certain situations during the response to a major disaster or an emergency; expedited payments for debris removal; use of local contractors for Federal disaster response contracts; and the rescue, care, and shelter for pets and individuals and households with pets.
- The Sandy Recovery Improvement Act (SRIA, P.L. 113–2) was enacted to speed up and streamline Hurricane Sandy recovery efforts; reduce costs; and improve the effectiveness of several disaster assistance programs authorized by the Stafford Act, namely the Public Assistance Program, the Individual Assistance Program, and the HMGP.
- The Disaster Recovery Reform Act (DRRA, Division D of P.L. 115–254) is the most recent update to the Stafford Act and focuses on improving predisaster planning and mitigation, response, and recovery, and increasing FEMA accountability. While DRRA had been drafted and deliberated ahead of the 2017 hurricanes and wildfires, its amendments to the Stafford Act are retroactive to major disasters and emergencies declared on or after August 1, 2017 to capture the response to and recovery from Harvey, Irma, Maria, and the devastating western wildfires. Some other new authorities apply to major disasters and emergencies declared on or after January 1, 2016.[14]

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[12] "Hazard Mitigation Grant Program," Federal Emergency Management Agency, *Fema.gov*. (Accessed March 14, 2018).

[13] "Fire Management Assistance Grant Program," Federal Emergency Management Agency, *Fema.gov*. (Accessed March 14, 2018).

[14] Congressional Research Service "The Disaster Recovery Reform Act: Homeland Security Issues in the 116th Congress" (IN11055). Available at https://www.crs.gov/reports/IN11055.

A Few Disasters Account for Most Costs

The Congressional Research Service (CRS) analyzed data from over 1,300 major disasters since 1989, and adjusting for inflation, found that FEMA obligated more than $178 billion for these disasters.[15] However, CRS also found that 25% of all disasters account for over 92 percent of disaster costs.[16] Therefore, the remaining 75% of smaller disasters constitute less than eight percent of FEMA disaster spending.

Key Provisions in DRRA

DRRA includes more than 50 provisions requiring FEMA to make policy or regulatory changes. Some of the more significant sections are highlighted below.

Mitigation:

Sec. 1204—Wildfire Prevention—States granted Fire Management Assistance Grants will now be able to receive Hazard Mitigation Grant Program (HMGP) grants. Prior to DRRA, HMGP grants were only available for states, tribes, and territories that received Major Disaster declarations.

Sec. 1205—Additional Activities—Expands the allowable uses of all FEMA Hazard Mitigation Assistance programs to fund a comprehensive set of additional activities to mitigate future risk in any area affected by wildfire or windstorm.

Sec. 1206—Eligibility for Code Implementation and Enforcement—Efforts of state and local governments to enforce consensus-based building code and floodplain management ordinances are now eligible for Hazard Mitigation Assistance. Additionally, building code implementation and adopted code enforcement activities for the first 180 days following a Presidentially-declared major disaster are eligible for reimbursement under the Public Assistance Program.

Sec. 1233—Additional Hazard Mitigation Activities—Authorizes FEMA to provide assistance for activities to mitigate damage in earthquake-prone areas, including for earthquake early warning systems. Eligible assistance will be coordinated with the U.S. Geological Service.

Sec. 1234—National Public Infrastructure Predisaster Hazard Mitigation—Creates a permanent pre-disaster mitigation program. Rather than relying on annual appropriations, the new program is funded as a 6% calculation of response and recovery efforts under Individual and Public Assistance Programs tied to major disaster declarations. Also authorizes redistribution of unobligated amounts that remain unobligated seven years post-disaster declaration.

Sec. 1235—Additional Mitigation Activities—Authorizes FEMA to provide Public Assistance funds to replace and restore disaster-damaged infrastructure and facilities to the latest published editions of relevant, consensus-based codes and standards. Such repair and reconstruction will ensure enhanced resilience in communities recovering from disaster.

Infrastructure and Public Assistance:

Sec. 1207—Program Improvements—Modifications to Stafford Act sections 406 and 428 to enhance recoveries from major disaster declarations.

Sec. 1209—Guidance on Evacuation Routes—FEMA and the Federal Highway Administration shall identify and better coordinate on identification of evacuation routes, in the interest of eventually issuing guidance to state, local, tribal, and territorial governments on design, construction, maintenance, and repair of such vital routes.

Sec. 1210—Duplication of Benefits—Grants Governors the ability to request a waiver from the President on prohibitions in the Stafford Act regarding duplication of Federal benefits if in the public interest and will not result in waste, fraud, and abuse; and clarifies that a loan cannot be determined to be a duplication of benefits. This section applies to declarations between 2016 and 2021, with the U.S. Dept. of Housing and Urban Development (HUD)—not FEMA—as the primary executive branch entity responsible for implementation. Additionally, states may receive HMGP grants from FEMA for water resource development projects also under the authority of the U.S. Army Corps of Engineers if such projects meet the requirements of FEMA's HMGP grants.

[15] CRS Memo *Data Analysis for House Transportation and Infrastructure Committee*, January 14, 2015.
[16] Id.

Sec. 1215—Management Costs—Provides additional assistance to state and local governments working through recovery by expanding the definition of management costs and mandating reimbursement of actual costs for up to 12% for Public Assistance (7% for recipient and 5% for subrecipient) and 15% for HMGP (10% for recipient and 5% for subrecipient).

Sec. 1220—Unified Federal Environmental and Historic Preservation Review—Mandates that the FEMA Administrator assess the current state of the Unified Federal Review under Stafford Act section 429 and within two years work to issue regulations to further streamline the review process, taking into consideration categorical exclusions utilized by other Federal entities.

Housing and Individual Assistance:

Sec. 1211—State Administration of Assistance for Direct Temporary Housing and Permanent Housing Construction—Grants states and Federally-recognized Indian tribes additional authorities and flexibilities in addressing housing needs for survivors of disasters and provides for reimbursement if housing solutions will result in at least a 50% cost savings over comparable FEMA-administered options.

Sec. 1212—Assistance to Individuals and Households—Increases authorized amounts of financial assistance for disaster survivors for rental and other needs assistance to address accessibility-related repairs for individuals with disabilities.

Sec. 1213—Multifamily Lease and Repair Assistance—Provides additional authorities to FEMA to allow repairs to eligible properties above the value of lease agreements and expands eligibility to areas impacted by a disaster to maximize cost effective housing solutions.

Sec. 1223—Study to Streamline and Consolidate Information Collection—Mandates a FEMA-led study and subsequent interagency plan—to include the Small Business Administration and HUD—to enhance and improve data collection from disaster survivors.

Other Key Provisions:

Sec. 1222—Performance of Services—Authorizes the FEMA Administrator to appoint temporary personnel—after serving for three continuous years—to positions in the Agency in the same manner as competitive service employees. This is a significant enhancement that will help the Agency retain skilled incident workforce employees who are often recruited away from the Agency after it spends a significant amount on training, education, and benefits.

Secs. 1224–1226—Mandate enhancements to public and regular Agency reporting to Congress; prohibits contracting with entities that do not allow for full Agency, Comptroller General, or Inspector General auditing or reviewing of contract; and mandates IG audit of FEMA contracts for tarps and plastic sheeting.

Also included in the original version of DRRA—but enacted in the Bipartisan Budget Act of 2018 (P.L. 115–123)—was a provision specifically crafted to incentivize state, local, tribal, and territorial governments to undertake resilience-building efforts to unlock increased Federal cost-share for future response and recovery efforts.

AN ASSESSMENT OF FEDERAL RECOVERY EFFORTS FROM RECENT DISASTERS

TUESDAY, OCTOBER 22, 2019

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:01 a.m., in room 2167, Rayburn House Office Building, Hon. Dina Titus (Chairwoman of the subcommittee) presiding.

Ms. TITUS. If any of you are in the wrong room, you know that. Today our hearing is an assessment of Federal recovery efforts from recent disasters. We thank all of you for being here. I'm going to ask unanimous consent that the Chair be authorized to declare recesses during today's hearing. Without objection, so ordered.

I also ask unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today's hearings and ask questions. Without objection, so ordered.

We will now proceed with opening statements. I'll go first, and Mrs. Miller, you're going to for Mr. Meadows, I understand.

Well, let me say thank you to our witnesses first for joining us today as we look at these Federal disaster recovery efforts and the status of them today and some of the problems that may have affected them and the challenges that they face.

I don't have to tell you all that never before has the Federal Government had to respond to so many costly disasters all at the same time. We've had Hurricanes Irma, Harvey, Maria, Michael, and Dorian causing catastrophic damage in the States and in the Territories. And then just over this past weekend, the Dallas suburbs suffered widespread damage from a major tornado and thousands across the South are cleaning up from that damage and debris left in the wake of Tropical Storm Nestor.

We're here today because we're very interested in finding solutions to hasten and improve disaster recovery. The reality is that the Federal Government's resources are being stretched thin, some would say even exhausted, during a time when the rising cost of disasters shows no sign of abating.

FEMA continues to experience staffing challenges with most of its incident management workforce already deployed across the country. The agency, as I understand it, is several thousand workers short of its own estimated needs for current and future recovery efforts.

During this time of recovery, focus needs to be on the communities struggling to rebuild in the wake of these disasters and preparing for what may come in the future. They need our help now more than ever. That's why we're here. A particular concern are the Territories which have been battered by a series of disasters in recent years.

The GAO published a study in July detailing the challenges of implementing the new Public Assistance national delivery model in Puerto Rico. So I look forward to hearing from Mr. Currie from GAO and from the Secretary of the Department of Housing of the Commonwealth of Puerto Rico as to how we can address those and other challenges.

Although additional resources are necessary—we realize that—in order to adequately respond to mounting disasters, consideration also needs to be given to the responsibilities of all levels of Government, Federal, State and local stakeholders. With so many levels of Government participating in disaster recovery, coordination needs to be streamlined to ensure that survivors and communities get the assistance they need as quickly and efficiently as possible.

Fortunately, we have several witnesses here with us today who can speak about their experiences with disaster recovery at the State and local levels.

Finally, of particular interest to me, are our most vulnerable populations, specifically how our preparation for response to, recovery from, and mitigation of disasters can be more inclusive of seniors and persons with disabilities. I also care about efforts to rescue and provide for animals in disasters. If these topics aren't covered by some of your testimony, I'll be submitting questions to that effect for the record.

[Ms. Titus' prepared statement follows:]

Prepared Statement of Hon. Dina Titus, a Representative in Congress from the State of Nevada, and Chairwoman, Subcommittee on Economic Development, Public Buildings, and Emergency Management

I want to thank our witnesses for joining us today as we take a look at the status of Federal disaster recovery efforts.

Never before has the Federal government had to respond to so many costly disasters at the same time. Hurricanes Irma, Harvey, Maria, Michael, and Dorian have caused catastrophic damage in the States and the territories.

And just over this past weekend, the Dallas suburbs suffered widespread damage from a major tornado, and thousands across the South are cleaning up from damage and debris left in the wake of Tropical Storm Nestor.

We are here because we are interested in finding solutions to hasten and improve disaster recovery.

The reality is that the Federal government's resources are being exhausted during a time when the rising costs of disasters show no signs of slowing.

FEMA continues to experience staffing challenges, with most of its incident management workforce already deployed around the country. The agency is several thousand workers short of its own estimated needs for current and future recovery efforts.

During this time of recovery, focus needs to be on the communities struggling to rebuild in the wake of these disasters and preparing for what may come in the future. They need our help now more than ever.

Of particular concern are the territories, which have been battered by a series of disasters in recent years.

The Government Accountability Office (GAO) published a study in July detailing the challenges of implementing the new Public Assistance National Delivery Model

in Puerto Rico. I look forward to hearing from Mr. Currie from GAO as to how we can address those and other challenges.

We'll also hear testimony from the Housing Secretary from the Commonwealth of Puerto Rico which remains extremely vulnerable two years after the devastation of hurricanes Irma and Maria.

Although additional resources are necessary to adequately respond to mounting disasters, consideration also needs to be given to the responsibilities of Federal, State, and local stakeholders. With so many levels of government participating in disaster recovery, coordination needs to be streamlined to ensure that survivors get the assistance they need as quickly and efficiently as possible.

Fortunately, we have several witnesses here with us today who can speak on their experience with disaster recovery coordination at state and local levels.

With that said, I look forward to hearing testimony from our witnesses so we can get started on solutions to address the challenges we face going forward.

Ms. TITUS. I now call on the ranking member, Mrs. Miller, to give an opening statement.

Mrs. MILLER. Thank you, Chairwoman Titus. Our subcommittee's jurisdiction is expansive, covering all areas of emergency management. I want to thank the chairwoman today for this hearing, because so many communities across this Nation are directly impacted by disasters and are recovering from or are still dealing with wildfires, flooding, tornadoes and hurricanes.

We have an unprecedented number of open disasters with FEMA responding to 60 percent more active disasters than just a year ago. We need to continue to ensure our oversight is consistent and strong, and where there needs to be reforms, we must be willing to quickly act.

Already this Congress, our committee has acted in bipartisan fashion to pass several pieces of important disaster reform legislation. I hope that they will be enacted by the end of this year. It is critical we ensure our Federal emergency management capabilities are as effective and efficient as possible.

A key piece of this is recovery. The longer it takes for communities to recover, the longer it impacts people's lives, the higher the cost to the taxpayer, and the longer FEMA and other Federal partners' resources are spread thin. Our goal should be to respond and get disaster assistance out the door quickly and support States and local communities in building back faster and better in order to mitigate against the next disaster.

As we see more disasters, speed, efficiency and mitigation become even more critical. We cannot afford to do this the old way, spending years or even decades to recover. We have given FEMA the tools to do that through the reforms that we passed after Sandy and, more recently, in the Disaster Recovery Reform Act. We should be seeing recovery move faster.

However, at times it seems that the redtape we take out somehow gets put back in. We have a duty to ensure disaster funding is used and spent appropriately. We also know that going back to the old way of doing things, arguing about every doorknob, how much it will cost the taxpayer, it will even be more money than simply by providing the States and the communities more flexibility.

Let me be clear. I have a lot of respect for the men and women of FEMA. They are Americans who put their own lives on hold to be spent helping communities respond and recover from disasters.

The reforms we enacted should help them to do their job faster and easier.

However, despite the improvements needed in FEMA's process, an even slower and more bureaucratic program is not represented here today. We invited HUD given that it has received more than $37 billion since 2017 for its disaster recovery program.

While I appreciate their written testimony and the briefing they provided us, our constituents need to hear publicly from them and what steps they are taking to improve their process. How do we, as the committee that oversees Federal emergency management programs, do our job if one of the largest disaster programs is not represented here?

I appreciate the witnesses that are here with us today, and I look forward to hearing from them on where we are in our recovery efforts and whether more reforms are needed to ensure that we are recovering faster and smarter.

I yield back my time.

[Mrs. Miller's prepared statement follows:]

Prepared Statement of Hon. Carol D. Miller, a Representative in Congress from the State of West Virginia

Our Subcommittee's jurisdiction is expansive, covering all areas of emergency management. I want to thank the chairwoman for this hearing today because so many communities across this Nation are directly impacted by disasters and are recovering from, or are still dealing with wildfires, flooding, tornadoes and hurricanes. We have an unprecedented number of open disasters, with FEMA responding to 60% more active disasters than just a year ago.

We need to continue to ensure our oversight is consistent and strong, and where there needs to be reforms, we must be willing to quickly act. Already this Congress this Committee has acted in bipartisan fashion to pass several pieces of important disaster reform legislation I hope will be enacted by the end of the year.

It is critical we ensure our federal emergency management capabilities are as effective and efficient as possible. A key piece of this is recovery. The longer it takes for communities to recover, the longer the impact on people's lives, the higher the costs to the taxpayer and the longer FEMA and other federal partner resources are spread thin.

Our goal should be to respond and get disaster assistance out the door quickly and support states and local communities in building back faster and better—to mitigate against the next disaster. As we see more disasters, speed, efficiency and mitigation become even more critical. We cannot afford to do this the old way, spending years or even decades to recover. We have given FEMA the tools to do that through reforms we passed after Sandy and more recently in the Disaster Recovery Reform Act.

We should be seeing recovery move faster. However, at times, it seems the red tape we take out somehow gets put back in.

We have a duty to ensure disaster funding is used and spent appropriately. Yet, we also know that going back to the old way of doing things—arguing over every door knob—will cost the taxpayer more money than simply providing states and communities more flexibility.

Let me be clear—I have a lot of respect for the men and women of FEMA. They are Americans who put their own lives on hold to be sent to help communities respond to and recover from disasters. The reforms we enacted should help them do their job faster and easier.

However, despite the improvements needed in FEMA's process, an even slower and more bureaucratic program is not represented here today.

We invited HUD, given that it has received more than $37 billion since 2017 for its disaster recovery program. While I appreciate their written testimony and the briefing they provided us, our constituents need to hear publicly from them and what steps they are taking to improve their process. How do we, as the Committee that oversees federal emergency management programs, do our job if one of the largest disaster programs is not represented here?

I appreciate the witnesses who are here with us today. I look forward to hearing from them on where we are in our recovery efforts and whether more reforms are needed to ensure we are recovering faster and smarter.

Ms. TITUS. Thank you. I would just point out that HUD did sit down with a briefing with all of us—I don't think you were there—just in the recent days to go over some of these questions that you mentioned. So we are hearing from them, and we appreciate your pointing that out.

I now recognize Mr. DeFazio, the chairman of the Committee on Transportation and Infrastructure.

Mr. DEFAZIO. Thanks, Madam Chair. You know, here we are 2 years after Harvey, Irma, Maria, and that obviously was followed by severe wildfires in the West and these things continue ongoing.

I think 80 percent of the members of this committee probably wouldn't be unrepresentative of Members of Congress as a whole, perhaps slightly lower, represent districts with active FEMA recovery efforts underway, including a number of counties in my State because of a very extreme and unusual winter weather event last year. I can't recall the last time that FEMA was working on so many costly recoveries simultaneously. Perhaps the Associate Administrator can contradict that and say this is normal, but I'm afraid it's the new normal and not the way things have been historically.

The Budget Control Act of 2011 made appropriations for the FEMA Disaster Relief Fund more predictable, and we have put up a large amount of supplemental resources on top of that. We've worked across the aisle. Disasters are not partisan in nature, and we have worked on both sides of the aisle to reform Stafford, cut redtape, the Post-Katrina Emergency Management Reform Act, Sandy Recovery Improvement Act, Disaster Recovery Reform Act being the recent bipartisan efforts.

But there's more that needs to be done, and that's why we're here today, to figure out how can we better administer these programs for recovery, but also what more can we do for resilience, essentially prevention, preventing loss of life, preventing loss of infrastructure, saving—so we don't further bankrupt the Federal Flood Insurance Fund.

And then was mentioned earlier, HUD is now one of the largest providers of post-disaster recovery with the CDBG–DR—Community Development Block Grant-Disaster Recovery Program. We put tens of billions of dollars in there. It's preferred because it's seen as something that can move the money more quickly, but it hasn't quite worked out that way.

And just last week, HUD officials told our colleagues on the Appropriations Committee that they had no legitimate reason for withholding funds for Puerto Rico, which should have started flowing months ago, but perhaps that echoes foreign aid to the Ukraine. I'm not sure.

While I'm glad we have testimony for the record from HUD, and they briefed our Members, I hope in the future they'll sit at the table alongside their Federal partners and share with us future concerns about challenges and hopefully be able to report more successes. Glad the EDA is here. They can provide insight into administering the first tranche of supplemental disaster lending provided

in the 2018 Bipartisan Budget Act, as well as any steps they're taking differently to approach the second tranche of funds.

And as I've noted, FEMA is stretched thin. I fear it's delayed some of these larger recoveries beyond the delays being experienced as a slow CDBG–DR process. These disaster-impacted communities in Oregon and elsewhere want nothing more than to recover, recover quickly. The same goes for disaster survivors.

And then, of course, the GAO can attest that delays in disaster recovery can be devastating for the economic well-being of communities. Survivors can't work because they're tangled in redtape of recovery programs, and they risk losing their jobs, not being able to provide for their families. If businesses can't open because of workforce challenges or depleted customer bases, they close. We just—the Coast Guard just awarded hundreds of millions of dollars to a firm constructing one of their new ships because of those factors.

Delays with recovery can spiral out of control, and are yet another catastrophe for these communities. So it's vital that each of the departments and agencies tasked with recovery have the resources and expertise to fulfill missions and for State and local governments to have the capacity and wherewithal to navigate these recovery programs as well.

I look forward to hearing today what we can do to further decrease existing redtape, see where improvements can be made, ensure that we're leveraging the interests of all parties, we're being more proactive in terms of resilience and getting ahead of these issues, and working between the Government nonprofit and private sector to get our disaster-impacted communities on a quicker path to recovery.

With that, Madam Chair, thanks for holding this important hearing.

[Mr. DeFazio's prepared statement follows:]

Prepared Statement of Hon. Peter A. DeFazio, a Representative in Congress from the State of Oregon, and Chair, Committee on Transportation and Infrastructure

Thank you, Chairwoman Titus.

It's hard to believe that we're already at the two-year anniversary of the devastating series of 2017 Hurricanes—Harvey, Irma, and Maria—that devastated Florida, Louisiana, Puerto Rico, Texas, and the U.S. Virgin Islands. Those incredibly powerful storms were followed very quickly by a series of massive wildfires in the West.

2018 was another year of strong storms, stretching thin an already strained disaster workforce. Hurricane Michael leveled areas of the Florida panhandle and wildfires continued to lash California communities.

And this year, our nation continues to be battered with storms, floods, and earthquakes.

Right now, just under 80% of the members of the Transportation and Infrastructure Committee represent districts with active FEMA recovery efforts underway. I'm included in that group, with several counties in southwest Oregon being declared earlier this year as a result of severe winter storms.

I'll defer to Associate Administrator Byard to confirm this, but I can't recall the last time FEMA was working on so many costly recoveries simultaneously.

While the Budget Control Act in 2011 made appropriations for FEMA's Disaster Relief Fund more predictable, Congress has been forced to provide significant supplemental resources to fund these recoveries.

And we've also worked across the aisle several times in the wake of disaster to reform the Stafford Act and to cut red tape—the Post-Katrina Emergency Management Reform Act, the Sandy Recovery Improvement Act, and the Disaster Recovery Reform Act being the most recent three bipartisan efforts.

But, given reports from across the country, there's more we can do to continue to improve not only how FEMA administers its assistance programs, but also how other Federal disaster recovery programs function.

The Department of Housing and Urban Development is responsible for administering the Community Development Block Grant-Disaster Recovery program, or CDBG–DR.

Congress has poured tens of billions of dollars into CDBG–DR over the last decade alone, intended for long-term recovery efforts.

However, this money is incredibly slow getting out the door. Just last Thursday, HUD officials told our colleagues on the appropriations committee that they had no legitimate reason for withholding funds for Puerto Rico that should have started flowing months ago.

While I'm glad we have testimony for the record from HUD and they briefed our members on Friday, I hope that in the future they will sit at the table alongside their Federal partners and share with us the successes and challenges the Department has experienced administering CDBG–DR.

I'm glad the Economic Development Administration is here to provide their insight into administering the first tranche of supplemental disaster funding provided in the 2018 Bipartisan Budget Act, as well as any steps it is taking differently as it approaches the second tranche of funds.

As I noted, FEMA is stretched thin. And I fear it's delayed some of these larger recoveries, beyond the delays being experienced as a result of a slow CDBG–DR process.

These disaster-impacted communities—in Oregon and elsewhere—want nothing more than to recover, and to recover quickly. The same goes for disaster survivors.

As I'm sure our Government Accountability Office witness can attest to, delays in disaster recovery can be devastating for the economic well-being of these communities. If survivors can't work because they are tangled in the red tape of recovery programs, then they risk losing their jobs and not being able to provide for their families. If businesses can't open because of workforce challenges or depleted customer bases, they close. Delays with recovery can spiral out of control and be yet another catastrophe for these communities.

So, it's vital that each of the departments and agencies tasked with recovery have the resources and expertise to fulfill their missions. And for state and local governments to have the capacity and wherewithal to navigate these recovery programs, as well.

I am looking forward to today's hearing to see what steps we might take next to further detangle existing red tape in the recovery process and see where improvements can be made to ensure that we're leveraging the interest of all parties—government, non-profit, and private sector—to get our disaster-impacted communities on a faster path to recovery.

Ms. TITUS. Thank you. I now recognize Mr. Graves, who is the ranking member of T&I.

Mr. GRAVES OF MISSOURI. Thank you, Madam Chair.

First I want to thank Rhonda Wiley, who is going to be on our second panel here, for being here. She's from my district. She's the emergency manager, the 911 director, the flood plain manager for Atchison County, Missouri, which is my home county.

Flooding in my district is making it very difficult for us to move to full recovery mode. My district includes all of northwest Missouri. It actually runs all the way across to the Mississippi River and includes the Mississippi River, too. So I've got the Missouri River on the west side and the Mississippi River on the east side. What's further complicating the efforts, our recovery efforts in northwest Missouri in particular, is we have a split declaration for Individual Assistance. So if you had flooding in your home in a certain period of time, it's covered and there's a 2-week gap in there. And then if you had flooding in the second period of time, you're

covered. And it's completely bizarre. You know, if you qualify and if your home was flooded during the selected dates, then you're all right. But if you're in the 2-week period, then you're in trouble and it's a real problem, and it makes absolutely no sense whatsoever given the reforms that we passed in the Disaster Recovery Reform Act that directed FEMA to give more consideration for localized impact in multiple recent disasters. But, despite this, I have to say my constituents are very resourceful and very resilient. They've come together to pool resources, and they're helping each other. And as Ms. Wiley points out in her written testimony, we may have smaller populations in the rural areas like we have in my district, but our communities are critical to the Nation's food supply and other resources. And when even a few people are displaced, it does cause significant impact to the local economy. And even where the homes and farms of families were not flooded, the roads and bridges to access those areas and those homes and communities are still under water and even as of today. It's hard to comprehend unless you're on the ground in there to actually see the extent of the flooding that's taking place.

I'm pleased that along with FEMA that we have EDA here today so we can talk about rebuilding in a way that's also going to help with our local economic recovery. Last month, EDA announced $2.1 million in grants to communities in Missouri that have been hit by the disaster, including Clarksville, which is in my district and also Mississippi County, which is in the southeast part of the State.

In Clarksville they're going to be using the money to design a movable flood wall that can protect the town from future flooding along the Mississippi River. And I hope today that we can hear how FEMA and EDA are working together to quickly help out communities that are hit by the disaster, how we can ensure that rural and farming communities can recover faster and better.

And with that, Madam Chair, I look forward to the testimony and I would yield back the balance of my time.

[Mr. Graves of Missouri's prepared statement follows:]

Prepared Statement of Hon. Sam Graves, a Representative in Congress from the State of Missouri, and Ranking Member, Committee on Transportation and Infrastructure

First, I want to thank Rhonda Wiley on our second panel for being here today. She is the Emergency Manager, 911 Director, and Floodplain Manager from Atchison County, Missouri—my home county.

The flooding in my district is ongoing, making it difficult for us to move to full recovery mode. Further complicating our recovery efforts is the split declaration for individual assistance. If your home was flooded on certain dates, you qualify, and if your home was flooded on other dates, you do not. This makes no sense, given reforms we passed in the Disaster Recovery Reform Act that directed FEMA to give more consideration for localized impact and multiple recent disasters. Despite this, my constituents are resourceful and resilient. They have come together to pull resources and help each other.

As Ms. Wiley points out in her written testimony, we may have smaller populations in rural areas like my district, but our communities are critical to the Nation's supplies of food and other resources. When even a few people are displaced, that causes a significant impact on the local economy. Even where the homes and farms of families were not flooded, roads and bridges to access them washed out or are still under water. It is hard to comprehend, unless you are on the ground to actually see the extent of the flooding.

I am pleased that, along with FEMA, we have EDA here today so we can talk about rebuilding in a way that will also help with our economic recovery. Last month, EDA announced $2.1 million in grants to communities in Missouri hit by disaster, including Clarksville in my district, and Mississippi County. In Clarksville, they will be using this money to design a movable flood wall that could protect the town from future flooding along the Mississippi River.

I hope today we can hear how FEMA and EDA are working to get help out quickly to communities hit by disaster and how we can ensure rural and farming communities can recover faster and better.

Ms. TITUS. Thank you, Mr. Graves.

I would now like to welcome our witnesses for the first panel. We have Mr. Jeffrey Byard who is the Associate Administrator of the Office of Response and Recovery at FEMA; Mr. Dennis Alvord, who is the Deputy Assistant Secretary of the Economic Development Administration at the U.S. Department of Commerce; and Mr. Chris Currie, Director of Homeland Security and Justice at the GAO. I want to thank you all for being with us today, and we look forward to your testimony.

Since your testimony has been made a part of the record, I'd like to request that you limit your oral testimony to 5 minutes. And now, without objection, I would ask that their full statements be included in the record. Without objection, so we'll go ahead and start.

Thank you very much, Mr. Byard.

TESTIMONY OF JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY; DENNIS ALVORD, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, ECONOMIC DEVELOPMENT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE; AND CHRIS P. CURRIE, DIRECTOR, HOMELAND SECURITY AND JUSTICE, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. BYARD. Chairwoman Titus, Ranking Member Meadows, Chairman DeFazio, Ranking Member Graves, and members of the committee, good morning.

As the Associate Administrator of FEMA's Office of Response and Recovery, I want to thank you for the opportunity to discuss our ongoing recovery efforts and how FEMA is preparing for future disasters.

Over the past 2 years, FEMA has supported disaster operations in 47 States and all 6 Territories, to include response and ongoing recovery efforts from historic hurricanes, floods, and wildfires. In 2019 alone, the President has already declared 56 major disasters and 13 emergency declarations. As noted, this is an unprecedented level of disaster activity and has been costly both in terms of life and property. So, Chairwoman, it is not normal, what we've seen in the past 2 years.

During this time, FEMA has provided over $9 billion of financial assistance to disaster survivors. We have an estimated damage to infrastructure for the same time period currently at $80 billion. However, FEMA cannot be the only solution. Our assistance is not designed to make individuals in communities whole after a dis-

aster. Instead, our programs are designed to help recovery progress forward and catalyze investments and engagement from the whole community.

Therefore, in the wake of the historic 2017 disasters, FEMA developed its strategic plan describing the optimal disaster response and recovery as this: State-managed, locally executed, and federally supported. In order to effectively carry out our mission, implement our strategic plan and to address the range of challenges before us, the agency continues to find ways to improve and innovate.

When disasters overwhelm State, local, Tribal, and Territorial partners, it is critical that FEMA has the right staff to support a timely response. Since 2017, FEMA has made significant changes to make sure the appropriate personnel are available to support the Federal Government's response and recovery, and to provide positive results and outcomes to our disaster survivors. Today I want to highlight two of those significant changes to FEMA's staffing model.

First, the 2018 Incident Management Workforce Review works to permit FEMA to deploy the right people with the right skills to the right place at the right time to help our citizens. FEMA is realigning staff and consolidating duties where appropriate. We are currently working towards the implementation and the findings and look forward to the positive impact this will have on how we utilize our current disaster workforce.

In addition, I also want to thank Congress for the passing of the Disaster Recovery Reform Act last year, which amended the Stafford Act to authorize FEMA to retain valuable knowledge, skills, and experience of our cadre of on-call response employees, our disaster workforce.

In the spirit of innovation, FEMA has implemented the Public Assistance Delivery Model nationwide. This simplifies the Public Assistance grant application process for our State, local, Tribal, and Territorial partners. And section 428 gives us the authority provided by Congress in the Sandy Recovery Improvement Act, which gives flexibility to applicants and expedites the overall project process.

In addition, Congress has authorized a new pre-disaster mitigation program called BRIC, with the goal of investing in proactive and research-supported community resilience rather than relying on reactive disaster spending which will allow FEMA to effectively support our partners to recover from disasters. These authorities and initiatives are helping us deliver recovery assistance to your communities faster and more effectively than we have in the past.

In the past few years, the disasters were historic and the lessons learned continue to shape FEMA and the emergency management discipline as a whole. FEMA continues to work alongside our partners to provide key resources to the public during times of need. We recently released our 2019 Community Lifelines Implementation Toolkit for our community partners. This kit helps communities focus on the restoration of indispensable services, enabling continuous operation of critical business and Government functions such as health, safety, and a better economic security and economic recovery.

We will continue to work with our partners to collaborate and enhance our overall approach to stabilization of lifelines. A unifying effort in the emergency management community will be the rapid stabilization of community lifelines. This effort is reflected in a recent update of our national response framework.

This update also includes the establishment of Emergency Support Function 14, which enforces the importance of the private sector and how critical that section is to our economic recovery after disasters.

I am pleased to be here today to represent the dedicated men and women of FEMA, in my opinion, the best in the Federal Government, and for the opportunity to discuss this important mission. I look forward to any questions and all questions you may have.

Thank you, ma'am.

[Mr. Byard's prepared statement follows:]

Prepared Statement of Jeffrey Byard, Associate Administrator, Office of Response and Recovery, Federal Emergency Management Agency, U.S. Department of Homeland Security

INTRODUCTION

Good afternoon, Chairwoman Titus, Ranking Member Meadows, and Members of the Committee. My name is Jeffrey Byard and I am the Associate Administrator for the Office of Response and Recovery at the Federal Emergency Management Agency (FEMA). On behalf of Acting Administrator, Pete Gaynor, I'd like to thank you for the opportunity to discuss recovery efforts from recent disasters, in addition to how we are preparing to respond to and recover from future disasters.

RECENT DISASTER YEARS

As you are aware, the last few years of disasters have been historic, challenging, and transformative. In late August of 2017, Hurricane Harvey struck Texas. Then Hurricane Irma swept through the Caribbean, striking the U.S. Virgin Islands, Puerto Rico, and the entire State of Florida. Following this, Hurricane Maria struck a devastating blow to the U.S. Virgin Islands and Puerto Rico. These disasters—each historic in their own right—put this Agency to the test. Meanwhile, devastating wildfires swept through the western United States, further stretching the finite resources of FEMA personnel and capabilities.

In 2018, Hurricanes Florence and Michael, as well as Super Typhoon Yutu struck and caused significant damage, destruction, and ongoing challenges for North Carolina, Florida, and the Northern Mariana Islands, respectively. Again, in addition to these devastating hurricanes, FEMA also responded to and supported recovery from historic wildfires in the western United States.

In 2019, so far this year, the President has declared over 50 major disasters and 14 emergency declarations across 40 states, tribes, and territories of our nation, involving flooding, hurricanes, tornados, fires, and earthquakes. These numbers do not account for the 13 Fire Management Assistance Grant awards that have been made to states who have fought or are fighting significant wildfires that threaten such destruction as would constitute a major disaster.

The road to recovery from disasters—large and small—continues long after the impacting event. FEMA works with states, tribes, and territories to establish joint field offices (JFOs) so that all entities working toward recovery are co-located to assist impacted disaster survivors, as well as to assist community governments as they plan and undertake the work of rebuilding damaged infrastructure. In many cases, community recovery from a disaster can take years.

The 2017 hurricane season put into sharp relief the difficulties in sustaining the current model for disaster response and recovery in the United States. A series of factors, such as an aging population, increasing urbanization, population shifts toward coastal areas, increased development in the fire-prone wildland urban interface create more vulnerability for the nation. This evolution has led to continuously increasing disaster costs as billion-dollar disasters are on the rise and has resulted in a system with considerable amounts of unmanaged risk.

FEMA assistance can be seen as a no-limit, no-premium insurance policy for infrastructure and property. This injects disincentives against self-protection measures that might otherwise be undertaken by state, local, tribal, and territorial governments (SLTTs) through means such as insurance or mitigation. It also burdens Federal taxpayers writ-large with the risk management choices of state and local governments over which those taxpayers have little or no influence, such as land-use and code and standard decisions are by and large non-Federal.

The 2018–2022 FEMA Strategic Plan acknowledges that FEMA is not, and cannot be, the Nation's sole or primary emergency management entity, and it therefore defines emergency management as a shared responsibility in which disaster operations are ideally *Federally supported, state managed, and locally executed*. This is the framework of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), which defines the Federal role in emergency management as *supplementing* local efforts to provide disaster assistance.

THE IMPORTANCE OF INNOVATION

Recognizing the challenges that lay before us, FEMA, in coordination with state, local, tribal and territorial (SLTT) governments, emergency managers, and partners from across the country, formulated the Strategic Plan with three strategic goals: 1) Build a Culture of Preparedness; 2) Ready the Nation for Catastrophic Disasters; and 3) Reduce the Complexity of FEMA. At the heart of the Plan is the concept that the optimal response and recovery to disasters is state managed, locally executed, and federally supported. In our support role at the federal level, for us to be able to keep pace and effectively help people before, during, and after disasters, FEMA must always find ways to continuously improve. We must innovate.

Disaster Staffing

With disaster recovery taking place in JFOs across the country, we need to make sure that we are managing our workforce in a way to ensure we have the right people, in the right places, at the right times. At FEMA, we have a variety of employee types to accomplish our unique mission, which requires diverse skillsets and expertise. When the capacity of Agency personnel is stretched thin and personnel resources need augmentation, we call upon employees from the Department of Homeland Security and across the federal government who have the skills we need in our disaster operations through our Surge Capacity Force authority. The Surge Capacity Force has been invaluable to FEMA as it provides critically needed personnel augmentation, skill sets, and support from across the federal government when they are needed most.

An additional practice at FEMA is the "local hires" effort that employs residents, who are often themselves disaster survivors, to help their fellow citizens in the recovery process as a supplement for disaster operational staffing. This practice of employing disaster survivors and others impacted locally adds to the long-term recovery of the local community by bringing a special understanding of the problems faced by their fellow disaster survivors.

In addition to taking full advantage of these tools, FEMA needs to ensure that we are using our existing workforce effectively and strategically. After the 2017 hurricane season, the Agency began the 2018 Incident Management Workforce Review (IMWR). The goal of the review was to ensure FEMA has the ability to deploy the right people with the right skills to the right place and at the right time to help survivors after a disaster. FEMA is realigning staff and consolidating duties where appropriate. We are currently working toward the implementation of our findings and look forward to the positive impact this will have on how we utilize our workforce.

As we find ways to innovate, one critical tool that Congress has given FEMA is the Disaster Recovery Reform Act (DRRA) of 2018. Specifically, Section 1222 amended the Stafford Act to authorize FEMA's Cadre of Response and Recovery Employees (CORE), under certain conditions, to apply for open positions at the Agency in the same manner as competitive service employees. This important authority has allowed FEMA to retain the valuable knowledge, skills, and experience that this type of employee develops over years of supporting disaster work. I want to thank Congress for passing this Act and report to the Committee that this section is fully implemented. CORE employees are presently applying for new opportunities, and several have already been hired as permanent, full-time employees under this authority.

Delivering FEMA Assistance

We also need to be innovative in how we deliver our programs to those we serve. As previously stated, one of FEMA's strategic goals is to reduce the complexity of

the Agency. As such, significant focus has been placed on improving the Agency's largest grant program, Public Assistance (PA), to make it more accessible, accurate, efficient, and timely for applicants. This has been done through the creation and implementation of the National Public Assistance Delivery Model. The development of this new program started long before I arrived at the Agency; however, the impact of its development and implementation is significant for FEMA, our partners, and survivors in disaster-impacted communities.

Beginning in 2014, FEMA conducted an in-depth internal review and analysis effort, accompanied by external outreach, that demonstrated the need for significant changes in the way PA is implemented. As a result, FEMA developed a new business model for PA Program delivery and those changes are ongoing. The delivery model has three basic elements, which support a simplified and streamlined grant application process: 1) Simplified roles and responsibilities, and re-trained Federal staff; 2) Cloud-based customer relationship and program management software known as the PA Grants Manager and Grants Portal; and 3) Pooled resources in certain locations, known as Consolidated Resource Centers (CRCs), so multiple disaster operations can tap into trained experts when developing PA projects.

Over the past several years, we have received positive feedback from our SLTT partners on this innovation, to include improved transparency and better use of technology. The success of the delivery model depends on the strength of internal and external partnerships. A key aspect of the model is continuous improvement—monitoring progress, receiving feedback, and making on-going adjustments and improvements to processes and tools.

Another innovation that is taking root across disaster recoveries and making a significant impact is the Public Assistance Alternative Procedures, often referred to as Section 428 authority. This authority, provided by the Sandy Recovery Improvement Act of 2013, helps reduce federal disaster costs, increases flexibility in the administration of disaster assistance, expedites the provision of assistance, and provides financial incentives for timely and cost-effective completion of projects.

Additionally, through the DRRA, Congress authorized the creation of a new pre-disaster mitigation program funded by a 6 percent set-aside from federal post-disaster grant funding. This new grant program, Building Resilient Infrastructure and Communities (BRIC), will be transformational. It will allow FEMA to support states and communities as they undertake new and innovative infrastructure projects that reduce the risks they face from disasters. The BRIC program aims to categorically shift the federal focus away from reactive disaster spending and toward research-supported, proactive investment in community resilience. In order to inform the creation of this important program, FEMA conducted one of the largest stakeholder engagement efforts in the Agency's history. The public will have another opportunity to provide input on the BRIC program when the program policy is published for comment.

In the meantime, FEMA is already using the funding set aside for BRIC to advance the objective of reducing disaster risk. This September, the Agency made $250 million available for pre-disaster mitigation under our existing grant program—including $125 million specifically for infrastructure projects. This funding included up to $12.5 million to help states, localities, territories, and tribes develop future mitigation projects. The application period for this year's pre-disaster mitigation grant program is currently open for all states, tribes, and territories that have FEMA-approved hazard mitigation plans. Like the National Public Assistance Delivery Model and the Section 428 authorities, we want to get this right because we believe this will have a significant impact on our ability to effectively support our SLTTs recover from disasters.

Preparing for the Next Disaster & Conclusion

In emergency management, we are always mindful that "every day is earthquake season," and "it only takes one hurricane." The next disaster will not wait for us to rest and recover from the previous one. Therefore, FEMA and our partners across the country must ensure we are ready for the next disaster—large or small.

In partnership with Congress, FEMA has developed new ways of doing business that are having significantly positive effects on our ability to support communities as they work to recover from disasters. While I have only highlighted some of these key innovation initiatives today, there are many other critical efforts underway by the Agency to help us meet the goals identified in our Strategic Plan, as well as our ever-important mission: helping *people* before, during, and after disasters.

I thank the Members of this Subcommittee for your partnership, the important role you have as representatives of your constituents, and your continued support.

Thank you for the opportunity to testify, and I look forward to any questions you may have.

Ms. TITUS. Thank you.

Mr. Alvord, I think you need to——

Mr. ALVORD. Thank you. Chairman DeFazio, Ranking Member Graves, Chairwoman Titus, Congresswoman Miller on behalf of Ranking Member Meadows, and members of the subcommittee, it's a pleasure and a privilege to appear to before you today to testify on behalf of the Department of Commerce's Economic Development Administration.

I bring greetings on behalf of Assistant Secretary Fleming who sends his regards.

EDA welcomes this hearing as an opportunity to discuss our role in post-disaster, long-term recovery efforts in communities hard-hit by disasters. Restoring economic prosperity to all parts of this great Nation is an important priority of the Administration. A strong economy is critical to helping communities hit by natural disasters to get back on their feet. EDA is presently operating under the Continuing Appropriations Act of 2020 while concurrently implementing $1.2 billion in disaster supplemental funding provided by the Bipartisan Budget Act of 2018 and the Disaster Relief Act of 2019. Shortly after Congress appropriated the first $600 million in supplemental funds to EDA for disasters occurring in calendar year 2017, EDA took a number of proactive steps to effectively manage its significant increase in funding. One important step was the establishment of four disaster supplemental implementation teams to maintain focused, well-coordinated oversight and administration of the supplemental funding. The teams include communications, data and tools, coordination and operations, and hiring and training. These teams have played a critical role in enabling the agency to manage the substantial increase in workload while mitigating agency risk. We are currently updating this model with lessons learned over the last year and a half making us even more effective with the new disaster supplemental Congress provided in June of 2019 for calendar year 2018 disasters and 2019 floods and tornadoes. EDA's role in disaster recovery is to facilitate the timely and effective delivery of Federal economic development assistance to support long-term community economic recovery through planning and project implementation, redevelopment and resiliency. EDA coordinates regional disaster recovery efforts in partnership with an extensive network of 392 economic development districts, 52 Tribal partnership planning organizations, 64 university centers, and other partners in impacted areas.

In FY 2018, EDA made $587 million available to eligible grantees in communities where the President declared a major disaster under the Stafford Act as a result of Hurricanes Harvey, Irma, Maria, wildfires and other natural disasters in 2017. Under a notice of funding opportunity published in April of 2018, EDA awarded disaster grants through the agency's Economic Adjustment Assistance Program. This program is the EDA's most flexible tool and allows the agency to make awards that support a wide range of construction and nonconstruction activities in areas that experience sudden and severe economic dislocation as happens with a major disaster. As of September 30, 2019, EDA has obligated $463 million

or 79 percent of its $587 million in programmatic FY 2018 disaster supplemental funding in 174 awards to communities across the country. EDA is also actively evaluating an additional 38 proposals and applications, which, if funded, would account for 100 percent of EDA's FY 2018 disaster supplemental appropriation.

EDA, on behalf of the Department of Commerce, also plays a critical role as the designated coordinating agency of the economic recovery support function under the Federal Government's National Disaster Recovery Framework. In this capacity, EDA provides leadership and coordination for primary and support agencies, which share a role in the provision of grants, loans, training and other forms of assistance to support economic recovery efforts in disaster-impacted communities and regions.

An important new tool in EDA's disaster recovery toolbox is Opportunity Zones. As you know, Opportunity Zones were created under the 2017 Tax Cuts and Jobs Act to stimulate economic development and job creation by incentivizing long-term investments in disadvantaged areas across the country. As the agency whose principal role is to make investments in economically distressed communities, to create jobs, foster resiliency, and accelerate long-term growth, the Opportunity Zone initiative fits hand-in-glove with EDA's mission.

As such, EDA has been working to promote Opportunity Zone investments across the country and is making grants in Opportunity Zones in communities impacted by natural disasters. In furtherance of this new tool, EDA has made public works and economic adjustment projects in Opportunity Zones eligible for EDA assistance as a special need criteria under its regular programs and added Opportunity Zones as one of our five investment priorities.

Members of the subcommittee, thank you for the opportunity to address EDA's efforts to enhance global competitiveness of America's regions. I'm proud of the agency's long history and its critical role in supporting communities needing to make long-term investments following natural disasters. I look forward to hearing any questions that you may have.

[Mr. Alvord's prepared statement follows:]

Prepared Statement of Dennis Alvord, Deputy Assistant Secretary of Commerce for Economic Development and Chief Operating Officer, Economic Development Administration, U.S. Department of Commerce

Chairwoman Titus, Ranking Member Meadows, and members of the Subcommittee, it is a pleasure and a privilege to appear before you today to testify on behalf of the Department of Commerce's Economic Development Administration (EDA). EDA welcomes this hearing as an opportunity to discuss our role in post-disaster, long-term recovery efforts in communities hard hit by natural disasters.

Restoring economic prosperity to all parts of this great nation is an important priority to this Administration. A strong economy is critical to helping communities hit by natural disasters get back on their feet, and the Administration's successes in cutting taxes, reducing regulatory burdens, and negotiating free and fair trade agreements are helping to ensure that the economic outlook continues to improve. EDA is presently operating under the Continuing Appropriations Act, 2020, and Health Extenders Act of 2019 (Pub. L. 116–59) for the current fiscal year (FY) as well as balances remaining from $1.2 billion in disaster supplemental funding provided by the Bipartisan Budget Act of 2018 (Pub. L. 115–123) and the Additional Supplemental Appropriations for Disaster Relief Act of 2019 (Pub. L. 116–20) for disaster relief and recovery under the Stafford Act.

Shortly after Congress appropriated the first $600 million in supplemental disaster funds to EDA for disasters occurring in calendar year 2017, EDA took a number of proactive steps to effectively manage the significant increase in grant-making activity required by this infusion of disaster relief funds. One important step was the establishment of four Disaster Supplemental Implementation (DSI) Working Groups to maintain focused, well-coordinated oversight and administration of EDA's disaster supplemental funding. The four DSI teams include: (1) Communications; (2) Data and Tools; (3) Coordination and Operations; and (4) Hiring and Training. For most of the past year, the DSI Working Groups met weekly and reported to EDA leadership on a bi-weekly basis.

These teams have played a critical role in enabling the agency to manage the significant increase in funding while mitigating agency risk. For example, Hiring and Training devised an internal strategic workforce policy and procedure document to efficiently enlist and on-board temporary disaster mission focused employees. Coordination and Operations drafted and promulgated guidance clarifying the requirements for documenting metrics and impacts related to disaster supplemental projects and promulgated EDA's plan for accountability and internal controls for the disaster supplemental funds, as required by law and the Office of Management and Budget. Data and Tools implemented a new mechanism for tracking and reporting projects funded under the disaster supplemental and published a new public-facing dataset of all grants made under the disaster supplemental, thereby increasing transparency into EDA's disaster funding. Communications has worked to inform the public on where EDA's disaster recovery efforts are happening on the ground in real time through the use of EDA digital media, monthly newsletters, success stories, and senior leader speaking events to show the American public and prospective grantees what EDA's role is with regard to economic recovery in designated disaster areas.

EDA is currently updating the DSI model with lessons learned over the last year and half, making us even more effective under the new disaster supplemental Congress provided in June of 2019 for calendar year 2018 disasters as well as floods and tornadoes occurring in calendar year 2019.

EDA'S ROLE IN DISASTER RECOVERY

Grants to communities recovering from natural disasters

EDA's role in disaster recovery is to facilitate the timely and effective delivery of federal economic development assistance to support long-term community economic recovery through planning and project implementation, redevelopment, and resiliency. EDA coordinates regional disaster recovery efforts in partnership with an extensive network of 392 Economic Development Districts (EDDs), 52 Tribal Partnership Planning organizations, 64 University Centers, institutions of higher education, and other partners in impacted areas. In FY 2018, under the Bipartisan Budget Act of 2018, EDA made $587 million available to eligible grantees in communities where the President declared a major disaster under the Stafford Act as a result of Hurricanes Harvey, Irma, and Maria, wildfires, and other natural disasters in 2017. EDA's Disaster Supplemental Notice of Funding Opportunity (NOFO) was published on April 10, 2018. Under this NOFO, EDA awarded disaster grants through the agency's Economic Adjustment Assistance (EAA) Program. The EAA program is EDA's most flexible tool and it allows the agency to make awards that support a wide range of construction and non-construction activities in areas that experience sudden and prolonged severe economic dislocation, as happens with a major natural disaster. It is essential that applications are linked to long-term, regionally-oriented, and collaborative economic development strategies that foster economic growth and resilience. There are no application deadlines and the agency will continue to accept proposals on a rolling basis until all funds are obligated.

As of September 30, 2019, EDA has obligated $463 million or 79 percent of its $587 million in programmatic FY 2018 disaster supplemental funding in 174 awards to communities across the country. EDA is also actively evaluating an additional 38 proposals and applications, which, if funded, would account for 100 percent of EDA's FY 2018 disaster supplemental appropriation.

Below are representative examples of EDA's concerted effort in support of economic recovery from the 2017 disasters under the FY 2018 Disaster Supplemental:

- *Marina Improvements and Marine Sciences Center Facility in Port Aransas, TX*
  1. *Port Aransas Marina, $5 million*. When Hurricane Harvey made landfall on August 25, 2017, the eye of the storm passed 10 miles north of the City of Port Aransas, inundating the town with storm surge and winds exceeding 140 mph. As the town was evacuated, the storm disrupted businesses and destroyed essential infrastructure, including the Port Aransas Municipal Ma-

rina. In the wake of this destruction, City residents had to look outside of Port Aransas for work and the revenue from the City's marina, usually over $600,000 per year, decreased by 43 percent. As part of City's overall recovery and resiliency plan, the City planned to rebuild and improve the marina, ensuring that it was built back stronger and more resilient. *EDA provided the City a $5 million grant in October 2018*, to purchase property needed to house essential infrastructure and make much needed enhancements to protect against future storms, including improvements to floating and fixed docks as well as a pavilion and Harbor Master Office. This investment will help to restore the local economy quickly in the wake of the storm, bringing jobs and revenue that allowed the community to focus on other urgent long-term recovery needs.

2. *Marine Sciences Center, $5 million*. The Center for Coastal Ocean Science (CCOS) comprises two waterfront buildings on the University of Texas Marine Science Institute Port Street campus in Port Aransas, that were already in a state of significant disrepair and were further damaged by Hurricane Harvey in 2017. On August 1, 2019, EDA awarded a $5 million grant to University of Texas to renovate the Marine Science Institute Campus to help establish the CCOS. This investment focused on diversifying and strengthening the regional economy to support the region's recovery and long-term economic growth.

- *City of West Orange, TX, Wastewater Treatment Plant (Opportunity Zone), $5 Million*

  In September 2019, EDA awarded the City of West Orange, TX, $5 million to support the design and construction of a new wastewater treatment plant located in an area impacted by Hurricane Harvey in 2017. The facility will support new and existing industrial customers in the area, as well as improve long-term economic resiliency, particularly during disasters.

  EDA's Economic Development Integration efforts factored into the development of this project as the Field Coordinators assigned to lead the Federal Emergency Management Agency's (FEMA) Economic Recovery Support Function (ERSF) for Harvey-impacted communities collaborated with other federal, state, and local representatives to discuss projects with unmet funding needs. This collaboration led to the identification of the wastewater treatment plant project that will add capacity to existing infrastructure and support retention of the area's existing industry while at the same time allowing for future growth.

- *Puerto Rico (Opportunity Zone)*

1. *$33 million for economic resiliency and business growth projects*. In September 2019, EDA announced nearly $33 million in grant investments to assist Puerto Rico with advancing economic resiliency and business growth efforts in the wake of the devastating 2017 hurricane season. The grants will be matched with $4.3 million in local funds and are expected to help create or retain 7,635 jobs and generate $188 million in private investment. All projects are in Opportunity Zones, which I will discuss shortly.
2. *Capacity Building for Economic Growth and Resilience, University Memorandum of Understanding (MOU)*. On August 8, 2019, the University of Puerto Rico (UPR) and the University of the Virgin Islands (UVI) signed a historic MOU to strengthen recovery initiatives in the Caribbean Region after the devastating impacts of hurricanes Irma and Maria in 2017. The MOU was the direct result of the commitment EDA has to recovery efforts in Puerto Rico and U.S. Virgin Islands (USVI), and our on the ground assistance as coordinator of the ERSF. The MOU will enable collaboration between the two institutions on research related to economic growth, development, resiliency, and sustainability.

- *Biomass Bulk Storage Facility, Panama City, FL, $10 million*. In July 2019, EDA awarded a $10 million grant to the Panama City Port Authority of Panama City, Florida, to help build a new biomass bulk storage facility at the Port. The project, to be matched with $3.2 million in state investment, is expected to generate $70 million in private investment. The facility will be built to withstand hurricane force winds and will provide additional storage capacity reducing product damage resulting from natural disasters. The project will allow for increased flow of biomass exports and prevent job loss in an area of Florida affected by Hurricane Irma as well as Michael.

- *Recapitalized Revolving Loan Fund, Superior California Economic Development District, $880K*. In May 2019, EDA awarded $880,000 to Superior California

Economic Development District of Redding, CA to recapitalize a Revolving Loan Fund and provide technical assistance to potential borrowers in disaster-impacted counties of Modoc, Shasta, Siskiyou, and Trinity. This Revolving Loan Fund will provide affordable loans to businesses that might not qualify for conventional financing to support their recovery and expansion plans. This project capitalizes a revolving loan fund in Redding, California to help businesses in the impacted counties become more resilient to natural disasters such as winter storms, flooding, mudslides, and wildfires that affected the area in 2017 and the Carr Fire in 2018.

EDA's Coordination Role

EDA, on behalf of the Department of Commerce, also plays a crucial role as the designated Coordinating Agency of the ERSF under the federal government's National Disaster Recovery Framework (NDRF). In this capacity, EDA provides leadership and coordination for primary and support agencies, which share a role in the provision of grants, loans, training, and other forms of assistance to support economic recovery efforts in disaster-impacted communities and regions.

In the disaster recovery framework, EDA coordinates with other federal agencies in two areas that vary depending on whether EDA is working in the context of the NDRF or under the auspices of a supplemental disaster appropriation. First, EDA manages the interagency Economic Recovery Support Function (ERSF), which includes the Small Business Administration, U.S. Department of Agriculture, FEMA, Department of Housing and Urban Development, Environmental Protection Agency, Department of Labor, Internal Revenue Service, Department of the Treasury, and other Department of Commerce bureaus, to share information and to facilitate interagency coordination. Later, in disaster locations, whether under the NRSF or acting pursuant to a supplemental disaster appropriation, EDA coordinates with other agencies at the Joint Field Office (JFO), including inviting federal agencies to participate in EDA organized economic recovery workshops and assisting communities to navigate multiple federal resources at once. EDA initiates individual conversations with federal agencies about specific issues of overlapping interest, including complementary funding streams and specific projects of mutual interest. EDA also plays an active role supporting other NDRF Recovery Support Functions that complement and align with the ERSF, including Community Planning and Capacity Building, Health and Social Services, Housing, Infrastructure Systems, and Natural and Cultural Resources.

EDA meets regularly with these other federal agencies to ensure a coordinated recovery effort. With EDA's support and in the interest of transparency, the Recovery Support Function Leadership Group has also set up a public-facing website (https://recovery.fema.gov/) to display disaster supplemental funding and to highlight our continuing work in the field.

Opportunity Zones

An important new tool in EDA's disaster recovery tool box is Opportunity Zones. As you know, Opportunity Zones were created under the 2017 Tax Cuts and Jobs Act to stimulate economic development and job creation by incentivizing long-term investments in disadvantaged areas across the country.

As the agency whose principal role is to make investments in economically distressed communities to generate jobs, foster resiliency, and accelerate long-term growth, the Opportunity Zones initiative fits hand in glove with EDA's mission.

As such, EDA has been working to promote Opportunity Zone investments across the country, both within the government and in the private sector, and is making grants in Opportunity Zones in communities impacted by natural disasters.

As part of the White House Opportunity and Revitalization Council (WHORC), EDA's Assistant Secretary John Fleming has provided overviews of EDA's role in the initiative at roundtables, conferences, and other events that are bringing together local elected officials, business leaders, and community groups across the country.

On the policy front, in FY 2018, EDA issued a NOFO, making public works and economic adjustment projects in Opportunity Zones eligible for EDA assistance as a special need criteria.

In June 2019, EDA added Opportunity Zones as one of our five Investment Priorities to help significantly increase the number of catalytic Opportunity Zone-related projects that communities submit to EDA and that EDA subsequently funds.

Since FY 2018, EDA has invested more than $304 million in 214 projects in or nearby Opportunity Zones and in Opportunity Zone-related projects. This includes over $159.7 million in 42 projects that were eligible for and funded via the FY 2018 Disaster Supplemental appropriation.

Our work has not stopped there.

There are also several tasks EDA is working on as a member of the WHORC Policy Coordination Committee, including designating an Economic Development Integration point of contact in each of EDA's six regions—and one at Headquarters—to be a resource on Opportunity Zones.

EDA is working with our partners to develop a new section in EDA's Comprehensive Economic Development Strategy, or CEDS, Content Guidelines. As some of you know, CEDS is a strategy-driven plan for regional economic development and a cornerstone of EDA programs. It's an ideal vehicle that we are enhancing to encourage our Economic Development Districts, or EDDs, and our other partners to help better integrate Opportunity Zones within their service areas. In a disaster recovery context, this addition is anticipated to complement the CEDS Content Guidelines existing on-going focus on resiliency.

We're also working to expand our partnerships with external entities to provide them with information on Opportunity Zones, outline EDA resources available to them, identify training opportunities, and more.

In addition, we are ramping up an outreach effort to Governors, particularly in states impacted by natural disasters, to learn how states are supporting Opportunity Zones, where best practices reside, what challenges exist, and to further explain EDA's role and how we can complement state and local Opportunity Zone initiatives.

CONCLUSION

Members of the Subcommittee, thank you for the opportunity to address EDA's efforts to enhance the global competitiveness of America's regions. I am proud of the agency's long history and its critical role in supporting communities needing to make long-term investments following natural disasters. I look forward to answering any questions you may have.

Ms. TITUS. Thank you very much.

Mr. Currie.

Mr. CURRIE. Thank you, Chairmen Titus, DeFazio, Ranking Members Miller and Graves. It's an honor to be here today to talk about GAO's work on disaster recovery. Over the years at GAO, we've looked at almost every aspect of disaster recovery across the Government, and what we've seen in the recent years is only an increasing amount of support being provided to State and local governments and the expectation for disaster assistance from the feds increasing.

Since 2005, the Federal Government has provided almost half a trillion dollars in disaster assistance, and a lot of that funding goes towards long-term recovery, particularly public infrastructure projects at the State and local level. To be clear, recovery would not be possible without these Federal resources. And in our work across the country, we see the dedicated people at FEMA and other Federal agencies trying to help State and local communities recover.

However, as many of the members on the committee know, what we also hear is that recovery can often be the slow disaster that happens after the disaster. If you've had a Federal disaster in your jurisdiction, which I think most everybody here has, you know that these programs can be slow, complicated, and, frankly, very frustrating to deal with.

I'd like to talk today just about some of our recent work and some of the examples and hopefully some of the solutions that we see moving forward.

In Puerto Rico, specifically, I think this has been a case study in some of the complexity and challenges in recovery. So far, FEMA told us just last week there are 14 approved large public infrastruc-

ture projects in Puerto Rico 2 years after Maria. The problem with that is there are 9,000 island-wide. And so it's not going to get any easier over the next few months to a year to try to pin down cost estimates and get these projects rolling.

What we've seen in some of these places is the rollout of new programs that have lacked policies and procedures and created some confusion on both sides. To be fair, though, it's not easy to just instantly after a disaster manage, you know, $20 to $30 billion in recovery grants. Puerto Rico and the Virgin Islands and places like that have had to build the capacity to manage these types of funds since their disasters, and that's also led to some of the delays that we have seen.

HUD's Community Development Block Grant program has also been mentioned. There's also been incredible frustration at the State/local level with the speed of that program. We found just this year it took almost a year or more just to get to a place of having a grant agreement between HUD and the State or the Territory. And this is just an agreement about how the program is going to work. This isn't even about obligating funding or spending money.

Of the almost $40 billion that was mentioned since 2017 that HUD has received from Congress, about $7 billion has been obligated and $112 million out of $40 billion has been actually spent on projects. So I think this is not a pace that anybody at the Federal level or the State/local level would think is ideal.

Another thing I want to point out that we hear consistently at the State and local level is how challenging it is to coordinate and synchronize all of these Federal programs. I want to make it clear that these Federal programs were never designed for recovery to all work together at the same time. You have HUD, DOT, FEMA, EDA, all sorts of different Federal agencies. All these programs have different rules, they have different timeframes, and they have different paperwork requirements. So if you're a State and local emergency manager, trying to coordinate all of these things at the same time for one recovery plan is extremely challenging.

I'd like to end by also talking about the importance of resilience. This is something that's been mentioned here at the hearing. I think that the committee and Congress and FEMA and other agencies have really moved the ball forward in terms of providing the additional funding and the flexibilities that we need to allow these programs to get creative and rebuild in a resilient way.

One caution that I would have that we're seeing in our work is that it's great that the legislation is there, but these things have to sync into the actual programs and have to be executed the way you want them to be executed. And what we've seen so far is some confusion so far about how these flexibilities are going to be able to change existing programs that have frankly been run the same way for many, many years. And so it's going to require changed management efforts at the agencies. It's going to require new training for employees and overcoming some challenges to make sure they're doing what you want them to do.

This completes my prepared remarks. I look forward to your questions.

[Mr. Currie's prepared statement follows:]

Prepared Statement of Chris P. Currie, Director, Homeland Security and Justice, U.S. Government Accountability Office

Chairwoman Titus, Ranking Member Meadows, and Members of the Subcommittee:

Thank you for the opportunity to discuss our work on the Federal Emergency Management Agency's (FEMA) and other federal agencies' efforts related to disaster recovery.

Recent hurricanes, wildfires, and other events have highlighted the challenges the federal government faces in responding effectively to natural disasters—both in terms of immediate response and long-term recovery efforts. According to FEMA's 2017 after action report, the 2017 hurricanes and wildfires collectively affected 47 million people, and hurricanes Harvey, Irma, and Maria all rank among the top five costliest hurricanes on record.[1] The 2018 hurricane season followed with hurricanes Florence and Michael, causing nearly $50 billion of damage, according to the National Oceanic and Atmospheric Administration. Furthermore, the deadly and destructive wildfires continued into 2018, including the Camp Fire in northern California, which destroyed more than 18,500 buildings and was the costliest and deadliest wildfire in the state's history.[2] In March 2019, the Midwest experienced historic flooding that affected millions of acres of agriculture, numerous cities and towns, and caused widespread damage to public infrastructure. Collectively, these extreme weather events have stretched and strained federal response and recovery efforts and staff.

The rising number of natural disasters and increasing state, local, and tribal reliance on federal disaster assistance is a key source of federal fiscal exposure—which can come from federal responsibilities, programs, and activities, such as national flood insurance, that may legally commit or create the expectation for future spending.[3] Since 2005, federal funding for disaster assistance is at least $450 billion,[4] most recently for catastrophic hurricanes, flooding, wildfires, and other losses in 2017 and 2018.[5] Disaster costs are projected to increase as extreme weather events become more frequent and intense due to climate change—as observed and projected by the U.S. Global Change Research Program and the National Academies of Sciences, Engineering, and Medicine.[6]

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[1] According to the *2017 Hurricane Season FEMA After-Action Report*, the National Oceanic and Atmospheric Administration identified the five costliest hurricanes on record being Hurricane Katrina at $161 billion, Hurricane Harvey at $125 billion, Hurricane Maria at $90 billion, Hurricane Sandy at $71 billion, and Hurricane Irma at $50 billion.

[2] National Oceanic and Atmospheric Administration, *National Centers for Environmental Information U.S. Billion-Dollar Weather and Climate Disasters* (2019). https://www.ncdc.noaa.gov/billions/.

[3] GAO, *Fiscal Exposures: Improving Cost Recognition in the Federal Budget*, GAO–14–28 (Washington, D.C.: Oct. 29, 2013).

[4] This total includes, for fiscal years 2005 through 2014, $278 billion that GAO found that the federal government had obligated for disaster assistance. See GAO, *Federal Disaster Assistance: Federal Departments and Agencies Obligated at Least $277.6 Billion during Fiscal Years 2005 through 2014*, GAO–16–797 (Washington, D.C.: Sept. 22, 2016). It also includes, for fiscal years 2015 through 2018, $124 billion in select supplemental appropriations to federal agencies for disaster assistance, approximately $7 billion in annual appropriations to the Disaster Relief Fund (a total of $28 billion for the 4-year period). For fiscal years 2015 through 2018, it does not include other annual appropriations to federal agencies for disaster assistance. Lastly, on June 6, 2019, the Additional Supplemental Appropriations for Disaster Relief Act of 2019 was signed into law, which provides approximately $19.1 billion for disaster assistance. See Pub. L. No. 116–20, 133 Stat. 871 (2019).

[5] GAO, *High-Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, GAO–19–157SP (Washington, D.C.: Mar. 6, 2019).

[6] GAO, *Climate Change: Information on Potential Economic Effects Could Help Guide Federal Efforts to Reduce Fiscal Exposure*, GAO–17–720 (Washington, D.C.: Sept. 28, 2017). Managing fiscal exposure due to climate change has been on our high risk list since 2013, in part, because of concerns about the increasing costs of disaster response and recovery efforts. See GAO–19–157SP; also http://www.gao.gov/highrisk/limiting__federal__government__fiscal__exposure/why__did__study.

Some examples of hazard mitigation measures are house elevation, metal roofs, and storm shutters. Source: GAO; photos taken by GAO while on site in Florida. GAO–20–183TT

One way to save lives, reduce future risk to people and property, and minimize federal fiscal exposure from natural disasters is to enhance resilience. For example, in September 2018, we reported that elevated homes and strengthened building codes in Texas and Florida prevented greater damages during the 2017 hurricane season.[7] Further, in October 2018, the Disaster Recovery Reform Act of 2018 (DRRA) was enacted, which focuses on improving preparedness, mitigation, response and recovery.[8] Specifically, the DRRA contains provisions that address many areas of emergency management, including wildfire mitigation, public assistance,

[7] GAO, *2017 Hurricanes and Wildfires: Initial Observations on the Federal Response and Key Recovery Challenges*, GAO–18–472 (Washington, D.C.: Sept. 4, 2018).
[8] Pub. L. No. 115–254, div. D, 132 Stat. 3186, 3438–70 (2018).

and individual assistance, among others. Given the importance of planning for the risks and costs of future disasters, GAO is developing a disaster resilience framework to support analysis of federal opportunities to facilitate and promote resilience to natural disasters, and will publish this framework by the end of the year.

My statement today discusses our prior and ongoing work on federal recovery efforts and continued challenges across three key areas: (1) disaster resilience and mitigation, (2) managing complex, long-term recovery assistance programs, and (3) FEMA workforce management challenges. My statement today is based on products we issued from September 2012 through October 2019, along with preliminary observations from our ongoing reviews on federal recovery related issues for a number of congressional committees and subcommittees.

To perform our prior work, we reviewed federal laws related to emergency management, analyzed documentation from FEMA and the Department of Housing and Urban Development (HUD), and interviewed relevant agency officials. More detailed information on the scope and methodology for our prior work can be found in each of the issued reports listed in appendix I. For our ongoing work, we reviewed federal laws such as the DRRA, and analyzed FEMA documents, including policies, procedures, and guidance specific to emergency management. See the list of our ongoing reviews in appendix II. We have conducted site visits to areas throughout the nation that were affected by disasters in 2017, 2018, and 2019, including California, Florida, North Carolina, South Carolina, Puerto Rico, Texas, and the U.S. Virgin Islands (USVI). During these visits, we met with federal, state, territorial, and local government and emergency management officials to discuss disaster response and recovery efforts for hurricanes Harvey, Irma, and Maria in 2017, and the California wildfires and hurricanes Florence and Michael in 2018. In addition, we regularly followed up with relevant officials to solicit updated information on agency actions taken in response to our recommendations.

We conducted the work on which this statement is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

FEMA Has Taken Steps to Strengthen Disaster Resilience, but Additional Actions are Needed to Fully Address Remaining Challenges

We have previously reported on the extent to which FEMA programs encourage disaster resilience during recovery efforts and our prior and ongoing work also highlight opportunities to improve disaster resilience nationwide.[9] Specifically, we reported on (1) federal efforts to strengthen disaster resilience, (2) FEMA's efforts to promote hazard mitigation through the Public Assistance program, and (3) crafting appropriate federal responses to the effects of climate change.

First, in July 2015, we found that states and localities experienced challenges when trying to use federal funds to maximize resilient rebuilding in the wake of a disaster.[10] In particular, they had difficulty navigating multiple federal grant programs and applying federal resources toward their most salient risks because of the fragmented and reactive nature of the funding.[11] In our 2015 report, we recommended that the Mitigation Framework Leadership Group—an interagency body chaired by FEMA—create a National Mitigation Investment Strategy to help federal, state, and local officials plan for and prioritize disaster resilience efforts. In August 2019, FEMA took action to fully implement our recommendation by publishing this strategy.

Second, in November 2017, we found that FEMA had taken some actions to better promote hazard mitigation as part of its Public Assistance grant program, which

[9] For example, see GAO, *Hurricane Sandy: An Investment Strategy Could Help the Federal Government Enhance National Resilience for Future Disasters*, GAO–15–515 (Washington, D.C.: July 30, 2015); *Emergency Preparedness: Opportunities Exist to Strengthen Interagency Assessments and Accountability for Closing Capability Gaps*, GAO–15–20 (Washington, D.C.: Dec. 4, 2014); and GAO–18–472.

[10] GAO–15–515.

[11] GAO–15–515. A provision of DRRA also created a grant in the Disaster Relief Fund for pre-disaster hazard mitigation. DRRA authorized the President to set aside 6 percent of the total grant awards for the Individual Assistance and Public Assistance programs (each discussed later in this statement) for each declared disaster to be used for pre-disaster hazard mitigation. From May 20 through July 15, 2019, FEMA collected public comments on the implementation of this provision through a program it has named the Building Resilient Infrastructure and Communities grant. 42 U.S.C. § 5133(i).

provides grant funding for cost-effective hazard mitigation measures to reduce or eliminate the long-term risk to people and property from future disasters and their effects.[12] However, we also reported that more consistent planning for, and more specific performance measures related to, hazard mitigation could help ensure that mitigation is incorporated into recovery efforts. We recommended, among other things, that FEMA (1) standardize planning efforts for hazard mitigation after a disaster and (2) develop performance measures for the Public Assistance grant program to better align with FEMA's strategic goal for hazard mitigation in the recovery process. The Department of Homeland Security (DHS) concurred with our recommendations, and officials reported taking steps to increase coordination across its Public Assistance, mitigation, and field operations to ensure hazard mitigation efforts are standardized and integrated into the recovery process. Additionally, FEMA officials reported taking actions to begin developing disaster-specific mitigation performance measures. However, FEMA has yet to finalize these actions, such as by proposing performance measures to FEMA senior leadership. As such, we are continuing to monitor FEMA's efforts to address these recommendations.

Third, in September 2017, we reported that the methods used to estimate the potential economic effects of climate change in the United States—using linked climate science and economics models—could inform decision makers about significant potential damages in different U.S. sectors or regions, despite the limitations.[13] For example, for 2020 through 2039, one study estimated between $4 billion and $6 billion in annual coastal property damages from sea level rise and more frequent and intense storms. We found that the federal government has not undertaken strategic government-wide planning on the potential economic effects of climate change to identify significant risks and craft appropriate federal responses. As a result, we recommended the Executive Office of the President, among others, should use information on the potential economic effects of climate change to help identify significant climate risks facing the federal government and craft appropriate federal responses, such as establishing a strategy to identify, prioritize, and guide federal investments to enhance resilience against future disasters. However, as of June 2019, officials had not yet taken action to address this recommendation.

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[12] GAO, *Disaster Assistance: Opportunities to Enhance Implementation of the Redesigned Public Assistance Grant Program*, GAO–18–30 (Washington, D.C.: Nov. 8, 2017). In addition to rebuilding and restoring infrastructure to its pre-disaster state, the Public Assistance program, under Section 406 of the Stafford Act, funds mitigation measures that will reduce future risk to the infrastructure in conjunction with the repair of disaster-damaged facilities. 42 U.S.C. § 5172. For example, a community that had a fire station damaged by a disaster could use Public Assistance grant funding to repair the facility and incorporate additional measures such as installing hurricane shutters over the windows to mitigate the potential for future damage.

[13] GAO–17–720.

FEMA's Public Assistance program provides grants to repair public infrastructure such as water storage systems, roads, and power lines. Source: GAO; Photos taken by GAO while on site in Florida. GAO–20–183T

FEMA and other federal agencies provide multiple forms of disaster recovery assistance after a major disaster has been declared, including through FEMA's Public Assistance and Individual Assistance programs, HUD's Community Development Block Grant Disaster Recovery (CDBG–DR) program, and other efforts.[14] Through these programs, the federal government obligates billions of dollars to state, tribal, territorial, and local governments, certain nonprofit organizations, and individuals that have suffered injury or damages from major disaster or emergency incidents, such as hurricanes, tornados, or wildfires. In September 2016, we reported that, from fiscal years 2005 through 2014, FEMA obligated almost $46 billion for the Public Assistance program and over $25 billion for the Individual Assistance program.[15] According to FEMA's September 2019 Disaster Relief Fund report, total projected obligations through fiscal year 2019 for the Public Assistance and Individual Assistance programs since August 1, 2017, are approximately $19 billion and $9 billion, respectively.[16] Further, in March 2019, we reported that in response to the 2017 disasters, HUD had awarded approximately $32.9 billion in CDBG–DR funds to four grantees as of February 2019—$19.9 billion to Puerto Rico, $9.8 billion to Texas, $1.9 billion to the USVI, and $1.3 billion to Florida.[17] As of September 2019, much of these awarded funds had been allocated to the grantees via *Federal Register* no-

[14] In addition, FEMA's Hazard Mitigation Grant Program provides additional funds to states to assist communities in implementing long-term measures to help reduce the potential risk of future damages to facilities.

[15] GAO–16–797.

[16] DHS, FEMA, *Disaster Relief Fund: Monthly Report as of August 30, 2019*, (Sept. 13, 2019).

[17] The $32.9 billion excludes approximately $2.5 billion awarded to states affected by 2017 disasters other than Hurricanes Harvey, Irma, and Maria or prior disasters. As of February 2019, HUD had allocated via *Federal Register* notices $17.2 billion of the $32.9 billion awarded to Puerto Rico, Texas, the USVI, and Florida. See *Allocations, Common Application, Waivers, and Alternative Requirements for 2017 Disaster Community Development Block Grant Disaster Recovery Grantees*, 83 Fed. Reg. 5844 (Feb. 9, 2018) and *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees*, 83 Fed. Reg. 40314 (Aug. 14, 2018). GAO, *Disaster Recovery: Better Monitoring of Block Grant Funds Is Needed*, GAO–19–232 (Washington, D.C.: Mar. 25, 2019).

tices with the exception of Puerto Rico.[18] HUD had not allocated the remaining $10.2 billion it awarded to Puerto Rico as of September 10, 2019 due to recent concerns about the territory's governance and financial management challenges.[19] Given the high cost of these programs, it is imperative that FEMA and HUD continue to make progress on the challenges we have identified in our prior and ongoing work regarding recovery efforts.

FEMA's Public Assistance Program

FEMA's Public Assistance program provides grants to state, tribal, territorial, and local governments, as well as certain types of private nonprofit organizations, for debris removal; emergency protective measures; and the repair, replacement, or restoration of disaster- damaged, publicly owned facilities.[20] It is a complex and multistep program administered through a partnership among FEMA, state, and local officials. Prior to implementing the Public Assistance program, FEMA determines a state, territorial or tribal government's eligibility for the program using primarily the per capita damage indicator.[21] In our September 2018 report on federal response and recovery efforts for the 2017 hurricanes and wildfires, we reported on FEMA's implementation of the Public Assistance program, which has recently undergone significant changes as a result of federal legislation and agency initiatives. Specifically, we reported on FEMA's use of its redesigned delivery model for providing grants under the Public Assistance program, as well as the alternative procedures for administering or receiving such grant funds that FEMA allows states, territories, and local governments to use for their recovery.[22] Our prior and ongoing work highlight both progress and challenges with FEMA's Public Assistance program, including the agency's methodology for determining program eligibility, the redesigned delivery model, and the program's alternative procedures.

Criteria for Determining Public Assistance Eligibility

In September 2012, we found that FEMA primarily relied on a single criterion, the per capita damage indicator, to determine a jurisdiction's eligibility for Public Assistance funding.[23]

However, because FEMA's per capita indicator, set at $1 in 1986, does not reflect the rise in (1) per capita personal income since it was created in 1986 or (2) inflation from 1986 to 1999, the indicator is artificially low. Our analysis of actual and projected obligations for 508 disaster declarations in which Public Assistance was awarded during fiscal years 2004 through 2011 showed that fewer disasters would have met either the personal income-adjusted or the inflation-adjusted Public Assistance per capita indicators for the years in which the disaster was declared.[24]

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[18] In 2019, HUD allocated CDBG–DR funds via *Federal Register* notices for activities to mitigate disaster risks and reduce future losses. Specifically, in August 2019, HUD allocated approximately $633 million to Florida and approximately $4.3 billion to Texas. See *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Mitigation Grantees*, 84 Fed. Reg. 45838 (Aug. 30, 2019). In September 2019, HUD allocated approximately $774 million to the USVI. See *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Mitigation Grantees*; *U.S. Virgin Islands Allocation*, 84 Fed. Reg. 47528 (Sept. 10, 2019).

[19] See 84 Fed. Reg. 45838.

[20] In accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), as amended, the President of the United States may declare that a major disaster or emergency exists in response to a governor's or tribal chief executive's request if the disaster is of such severity and magnitude that effective response is beyond the capabilities of a state, tribe, or local government and federal assistance is necessary. See 42 U.S.C. §§ 5170–5172.

[21] See 44 C.F.R. § 206.48. The per capita indicator is a set amount of funding, $1.50 per capita in fiscal year 2019, that is multiplied by the population of the jurisdiction (for example, state) for which the governor is requesting a disaster declaration for Public Assistance, to arrive at a threshold amount, which is compared with the estimated amount of damage done to public structures.

[22] GAO–18–472. The Sandy Recovery Improvement Act of 2013 amended the Stafford Act by adding Section 428, which authorized FEMA to approve Public Assistance program projects under the alternative procedures provided by that section for any presidentially-declared major disaster or emergency. This section further authorized FEMA to carry out the alternative procedures as a pilot program until FEMA promulgates regulations to implement this section. Pub. L. No. 113–2, div. B, § 1102(2), 127 Stat. 39, amending Pub. L. No. 93–288, tit. IV, § 428 (codified as amended at 42 U.S.C. § 5189f).

[23] GAO, *Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recover on Its Own*, GAO–12–838 (Washington, D.C.: Sept. 12, 2012).

[24] Specifically, our analysis showed that 44 percent of the 508 disaster declarations would not have met the Public Assistance per capita indicator if adjusted for the change in per capita personal income since 1986. Similarly, our analysis showed that 25 percent of the 508 disaster dec-

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Thus, had the indicator been adjusted annually since 1986 for personal income or inflation, fewer jurisdictions would have met the eligibility criteria that FEMA primarily used to determine whether federal assistance should be provided, which would have likely resulted in fewer federal disaster declarations and lower federal costs.

We recommended, among other things, that FEMA develop and implement a methodology that that more comprehensively assesses a jurisdiction's capacity to respond to and recover from a disaster without federal assistance, including fiscal capacity and consideration of response and recovery capabilities. DHS concurred with our recommendation and, in January 2016, FEMA was considering establishing a disaster deductible, which would have required a predetermined level of financial or other commitment before FEMA would have provided assistance under the Public Assistance program. In September 2019, FEMA told us that it was considering options for alternative methodologies for, among other things, assessing a jurisdiction's independent capacity to respond to and recover from disasters. In addition, the DRRA includes a provision directing the FEMA Administrator to initiate rulemaking to update the factors considered when evaluating requests for major disaster declarations.[25] According to FEMA documentation, as of September 2019, the agency was working to implement this provision through rulemaking proposals, including increasing the per capita indicator to account for inflation. Until FEMA implements a new methodology, the agency will not have an accurate assessment of a jurisdiction's capabilities and runs the risk of recommending that the President award Public Assistance to jurisdictions that have the capacity to respond and recover on their own.

Redesigned Public Assistance Delivery Model

In November 2017, we reported that FEMA redesigned its delivery model for providing grants under the Public Assistance program.[26] As part of the redesign effort, FEMA developed a new, web-based case management system to address past challenges, such as difficulties in sharing grant documentation among FEMA, state, and local officials and tracking the status of Public Assistance projects. Both FEMA and state officials involved in testing the redesigned delivery model stated that the new case management system's capabilities could lead to greater transparency and efficiencies in the program. However, we found that FEMA had not fully addressed two key information technology management controls that are necessary to ensure systems work effectively and meet user needs. We recommended, among other things, that FEMA (1) establish controls for tracking the development of system requirements, and (2) establish system testing criteria, roles and responsibilities, and the sequence and schedule for integration of other relevant systems. DHS concurred with these recommendations and, as of October 2019, has fully implemented both. FEMA's original intention was to implement the redesigned delivery model for all future disasters beginning in January 2018. However, in September 2017, FEMA expedited full implementation of the redesigned model shortly after Hurricane Harvey made landfall. In September 2018, we reported that local officials continued to experience challenges with using the new Public Assistance web-based, case management system following the 2017 disasters, such as not having sufficient guidance on how to use the new system and delays with FEMA's processing of their projects.[27]

Public Assistance Alternative Procedures in the U.S Virgin Islands and Puerto Rico

Our prior and ongoing work highlight the challenges with implementing the Public Assistance program, including the alternative procedures, in Puerto Rico and the USVI.[28] In particular, our work has identified challenges related to (1) developing fixed-cost estimates and (2) implementing flexibilities provided by the Bipartisan

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larations would not have met the Public Assistance per capita indicator if adjusted for inflation since 1986.

[25] Pub. L. No. 115–254, div. D, § 1239, 132 Stat. at 3466.

[26] GAO–18–30.

[27] GAO–18–472.

[28] Under the standard Public Assistance program, FEMA will fund the actual cost of a project. However, the Public Assistance alternative procedures allow recipient governments to choose to receive awards for permanent work projects based on fixed-cost estimates, which can provide financial incentives for the timely and cost-effective completion of work. GAO, *U.S. Virgin Islands Recovery: Status of FEMA Public Assistance Funding and Implementation*, GAO–19–253 (Washington, D.C.: Feb. 25, 2019) and GAO, *Puerto Rico Hurricanes: Status of FEMA Funding, Oversight, and Recovery Challenges*, GAO–19–256 (Washington, D.C.: Mar. 14, 2019).

Budget Act of 2018.[29] This Act allows FEMA, the USVI, and Puerto Rico to repair and rebuild critical services infrastructure—such as medical and education facilities—so it meets industry standards without regard to pre-disaster condition (see fig. 1).

FIGURE 1: HURRICANE DAMAGE TO A HOSPITAL IN THE U.S. VIRGIN ISLANDS AND SCHOOL IN PUERTO RICO

Damaged structure and ventilation system of the Governor Juan F. Luis Hospital and Medical Center in St. Croix, U.S. Virgin Islands.

Classroom with molded floors and water damage on the walls at the Berwind Intermediate School in San Juan, Puerto Rico.

Source: GAO; photos taken by GAO while on site in the U.S. Virgin Islands and Puerto Rico. | GAO-20-183T

Unlike in the standard Public Assistance program where FEMA will fund the actual cost of a project, the Public Assistance alternative procedures allow awards for permanent work projects to be made on the basis of fixed-cost estimates to provide financial incentives for the timely and cost-effective completion of work. FEMA officials in Puerto Rico and the USVI stated that the development of a "cost factor" for use in the fixed-cost estimating process had slowed the pace of FEMA obligations for permanent work projects. Specifically, these factors are intended to ensure that the costs associated with implementing projects in Puerto Rico and the USVI are sufficiently captured when developing the fixed-cost estimates for alternative procedures projects. Since incorporating the cost factor into the fixed-cost estimating process will increase the amount of funding obligated for any given permanent work project, FEMA officials explained that Puerto Rico and the USVI had an incentive to delay the obligation of individual projects until this factor was finalized. For example, FEMA officials in the USVI told us in May 2019 that obligations for permanent work projects in the territory had been mostly on hold since October 2018 while an independent contractor worked to develop the USVI-specific cost factor.

FEMA officials told us that USVI officials disagreed with the initial USVI-specific cost factors the independent contractor proposed. USVI officials contended that the cost factors were insufficient in accurately capturing the unique circumstances that influence construction costs in the territory, such as the limited availability of local resources and the need to import materials and labor. In May 2019, the contractor proposed a new cost factor, which FEMA approved on an interim basis pending further analysis.[30] In July 2019, FEMA officials told us that while additional analyses

[29] The Bipartisan Budget Act of 2018 authorized FEMA, when using the Public Assistance alternative procedures, to provide assistance to fund the replacement or restoration of disaster-damaged infrastructure that provide critical services to industry standards without regard to pre-disaster condition. Pub. L. No. 115–123, § 20601(1), 132 Stat. 64 (2018). Critical services include public infrastructure in the following sectors: power, water, sewer, wastewater treatment, communications, education, and emergency medical care. See 42 U.S.C. § 5172(a)(3)(B). Section 20601 applies only to assistance provided through the Public Assistance alternative procedures program for the duration of the recovery for the major disasters declared in Puerto Rico and the USVI following hurricanes Irma and Maria. Further, the Additional Supplemental Appropriations for Disaster Relief Act of 2019, which was signed into law on June 6, 2019, provides additional direction to FEMA in the implementation of section 20601. Pub. L. No. 116–20, tit. VI, § 601, 133 Stat. 871, 882 (2019). For the purposes of our report, discussion of the Bipartisan Budget Act of 2018 refers specifically to section 20601.

[30] FEMA approved an interim cost factor of 1.51 until additional analysis can be completed. To develop a fixed-cost estimate using this interim cost factor, FEMA first uses the agency's standard cost estimating process to determine the initial estimate for any given permanent work project. Next, FEMA multiplies this estimate by the USVI-specific cost factor of 1.51 to determine the fixed-cost estimate for the alternative procedures project. For example, if FEMA deter-

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are required to ensure its final process for developing fixed-cost estimates in the USVI accurately captures construction costs, using this interim cost factor in the meantime allows FEMA and USVI officials to move forward with the development and final approval of alternative procedures projects.[31] In August 2019, a senior USVI official told us the territory plans to begin using the interim cost factor, where appropriate, to keep projects progressing forward. However, this official stated that the USVI questioned whether the interim cost factor did, in fact, sufficiently capture the actual costs of construction in the USVI.[32] Given the uncertainty around these fixed-cost estimates, USVI officials told us the territory will need to balance the potential flexibilities provided by the alternative procedures program with the financial risk posed by cost overruns when deciding whether to use the alternative procedures or the standard Public Assistance program for any given permanent work project. Specifically, these officials stated that the USVI plans to pursue alternative procedures projects that do not include high levels of complexity or uncertainty to reduce the risk of cost overruns, especially given its already difficult financial situation.[33]

In addition, according to FEMA guidance, the Puerto Rico-specific cost factor was developed by a third-party center of excellence comprising personnel selected by FEMA and Puerto Rico.[34] Through our ongoing work we learned that FEMA convened a panel of FEMA engineers to assess the cost factor methodologies proposed by the center of excellence. In July 2019, FEMA approved the use of a cost factor designed to account for location-specific construction costs in Puerto Rico to ensure that fixed-cost estimates for alternative procedures projects are accurate. This cost factor consists of cost indices to apply to urban, rural, and insular (the islands of Vieques and Culebra) areas of Puerto Rico. According to FEMA officials, these cost indices will compile location-specific construction costs for each of these three areas. We are currently assessing FEMA's process for developing cost estimates for projects under both the standard and alternative procedures programs, and plan to report our results in early 2020.

As of September 2019, FEMA officials told us the agency had obligated funding for 14 alternative procedures projects in Puerto Rico out of approximately 9,000 projects FEMA and Puerto Rico are working to develop for inclusion in the program. According to FEMA guidance, Puerto Rico must use the alternative procedures for all large permanent work projects and its deadline for finalizing the fixed-cost estimates for these projects was October 11, 2019.[35] However, on October 8, 2019, Puerto Rico requested that FEMA extend this deadline. In response, FEMA acknowledged that Puerto Rico and FEMA have significant work remaining to develop and finalize the fixed-cost estimates for alternative procedures projects. As a result, FEMA authorized all parties to continue developing these projects while FEMA works to establish a new deadline for finalizing fixed-cost estimates in Puerto Rico.

Unlike Puerto Rico, the USVI has the flexibility to pursue either the alternative procedures or the standard procedures on a project-by-project basis. As of September 2019, FEMA had obligated funding for two alternative procedures projects in the USVI. As the USVI's deadline for finalizing these projects is in March 2020, it is too early gauge the extent to which the alternative procedures will play a role in the USVI's long-term recovery strategy.

In addition, our preliminary observations indicate that FEMA, USVI, and Puerto Rico officials have reported challenges with the implementation of the flexibilities authorized by section 20601 of the Bipartisan Budget Act. This section of the Act allows for the provision of assistance under the Public Assistance alternative procedures to restore disaster-damaged facilities or systems that provide critical services to an industry standard without regard to pre-disaster condition. Officials from

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mined through its cost estimating process that a project would cost $1 million, applying the interim cost factor would result in a final fixed-cost estimate of $1.51 million for this alternative procedures project.

[31] According to agency documentation, these additional analyses include the development of a specific "future price factor" to capture the potential variances in the cost of construction over time. This factor is to be incorporated into FEMA's process for developing fixed-cost estimates and is to be applied based on the anticipated construction schedule for any given project.

[32] Further, according to this official, the USVI requested that FEMA retroactively amend all fixed-cost estimates using the interim factor once FEMA's process for developing these estimates in the USVI was finalized.

[33] Under the standard Public Assistance program, FEMA will reimburse the USVI for the actual cost of completed work for any given project.

[34] According to FEMA guidance, as part of the alternative procedures process in Puerto Rico, FEMA and Puerto Rico must agree on a group of personnel with cost estimation expertise who will serve as part of a center of excellence.

[35] FEMA, *Public Assistance Alternative Procedures (Section 428) Guide for Permanent Work FEMA–4339–DR–PR*, (April, 2018).

Puerto Rico's central government stated that they disagreed with FEMA's interpretation of the types of damages covered by section 20601 of the Bipartisan Budget Act of 2018. In response, FEMA officials in Puerto Rico stated they held several briefings with Puerto Rico's central recovery office to explain FEMA's interpretation of the section.[36] Further, FEMA officials in the USVI told us that initially, they had difficulty obtaining clarification from FEMA headquarters regarding how to implement key components of section 20601 of the Act. In June 2019, the Additional Supplemental Appropriations for Disaster Relief Act of 2019 was signed into law and provides additional direction to FEMA regarding the implementation of section 20601.[37] Among other things, this legislation includes a provision directing FEMA to change its process for determining whether a disaster-damaged facility is eligible for repair or replacement.[38] FEMA evaluated this and other provisions of the Act and, in September 2019, issued an updated policy to provide clear guidance moving forward, according to agency officials.[39] We will continue to evaluate these identified challenges and any efforts to address them, as well as other aspects of recovery efforts in the USVI and Puerto Rico, and plan to report our findings in November 2019 and January 2020, respectively.

FEMA's Individual Assistance Program

The Individual Assistance program provides financial and direct assistance to disaster victims for expenses and needs that cannot be met through other means, such as insurance. In May 2019, we reported on FEMA's efforts to provide disaster assistance under the Individual Assistance program to older adults and people with disabilities following the 2017 hurricanes.[40] We found that aspects of the application process for FEMA assistance were challenging for older individuals and those with disabilities. Further, according to stakeholders and FEMA officials, disability-related questions in the Individual Assistance registration materials were confusing and easily misinterpreted. While FEMA had made some efforts to help registrants interpret the questions, we recommended, among other things, that FEMA (1) implement new registration-intake questions that improve FEMA's ability to identify and address survivors' disability-related needs,[41] and (2) improve communication of registrants' disability-related information across FEMA programs. DHS concurred with the first recommendation, and officials reported that in May 2019 the agency updated the questions to directly ask individuals if they have a disability. The agency has taken actions to fully implement this recommendation and, according to FEMA's analysis of applications for assistance following recent disasters—which used the updated questions—the percentage of registrants who reported having a disability increased.

However, DHS did not concur with the second recommendation, noting that it lacks specific funding to augment its legacy data systems. FEMA officials stated that they began a long-term data management improvement initiative in April 2017, which they expect will ease efforts to share and flag specific disability-related data. While we acknowledge FEMA's concerns about changing legacy systems when it has existing plans to replace those systems, we continue to believe there are other cost-effective ways that are likely to improve communication of registrants' disability-related information prior to implementing the system upgrades. For example, FEMA could revise its guidance to remind program officials to review the survivor case file notes to identify whether there is a record of any disability-related needs.

We also have work underway to assess FEMA's Individuals and Households Program, a component program of Individual Assistance. Through this program, as of April 2019, FEMA had awarded roughly $4.7 billion in assistance to almost 1.8 million individuals and households for federally-declared disasters occurring in 2017 and 2018. Specifically, we are analyzing Individuals and Households Program ex-

[36] In September 2018, FEMA issued guidance for implementing section 20601 of the 2018 Bipartisan Budget Act of 2018 through the Public Assistance alternative procedures program.

[37] See Pub. L. No. 116–20, tit. VI, § 601, 133 Stat. at 882.

[38] This legislation directs FEMA to "include the costs associated with addressing pre-disaster condition, undamaged components, codes and standards, and industry standards in the cost of repair" when calculating the 50 percent rule to determine whether a facility should be repaired or replaced.

[39] FEMA Recovery Policy FP 104–009–5 Version 2, *Implementing Section 20601 of the 2018 Bipartisan Budget Act through the Public Assistance Program*.

[40] GAO, *Disaster Assistance: FEMA Action Needed to Better Support Individuals Who Are Older or Have Disabilities*, GAO–19–318 (Washington, D.C.: May 14, 2019).

[41] For the purposes of this report, we used the term "disability-related needs" broadly to include all needs individuals may have that are related to a disability or access or functional need. For example, this may include replacement of a damaged wheelchair or other durable medical equipment, fixing an accessible ramp to a house, or any needed assistance to perform daily activities—such as showering, getting dressed, walking, and eating.

penditures and registration data for recent years; reviewing FEMA's processes, policies, and procedures for making eligibility and award determinations; and examining survivors' reported experiences with this program, including any challenges, for major disaster declarations occurring in recent years. We plan to report our findings in early 2020.

FEMA'S INDIVIDUALS AND HOUSEHOLDS PROGRAM

FEMA's Individuals and Households Program provides individuals with financial assistance, such as grants to help repair or replace damaged homes, and temporary direct housing assistance, such as recreational vehicles. Source: GAO; photos taken by GAO while on site in California (top) and Florida (below). GAO–20–183T

HUD Community Development Block Grant Disaster Recovery Funds

HUD CDBG–DR grants provide funding that disaster-affected communities may use to address unmet needs for housing, infrastructure, and economic revitalization. In March 2019, we reported on the status of CDBG–DR grants following the 2017 disasters, plans for monitoring the program, and challenges HUD and grantees faced in administering these grants.[42] We found that HUD lacked adequate guidance for staff reviewing key information, such as the quality of grantees' financial processes and procedures and assessments of grantees' capacity and unmet needs.

[42] GAO–19–232.

Further, we found HUD had not completed monitoring or workforce plans that identify key risk factors and critical skills and competencies required for program implementation, among other things. In addition, we found that Congress has not established permanent statutory authority for CDBG–DR but rather has used supplemental appropriation legislation to authorize HUD to establish requirements via *Federal Register* notices.[43] Without such permanent statutory authority, HUD must customize grantee requirements for each disaster. The ad hoc nature of CDBG–DR has created challenges for CDBG–DR grantees, such as lags in accessing funding and coordinating these funds with other disaster recovery programs. For example, it took 154 days (or 5 months) for HUD to issue the requisite *Federal Register* notice after the first appropriation for the 2017 hurricanes. According to HUD officials, they delayed issuance of the first notice for the 2017 hurricanes because they expected a second appropriation and wanted to allocate those funds in the same notice. However, because the second appropriation took longer than HUD expected, the first notice allocated only the first appropriation.

We recommended that Congress consider permanently authorizing a disaster assistance program to address unmet needs in a timely manner. In addition, we made five recommendations to HUD. Specifically, we made two recommendations to HUD regarding developing additional guidance for staff to use when reviewing grantees' planning documentation. HUD partially agreed with these two recommendations, stating that some of this guidance was already in place. Because HUD acknowledged that providing additional guidance would improve its review process, we revised these two recommendations accordingly to reflect the need for additional guidance. We also made three additional recommendations to HUD, including that the agency should develop a monitoring plan for grants and conduct workforce training. HUD generally agreed with these recommendations and indicated it planned to develop monitoring strategies. HUD also stated that it had developed a staffing plan, but we noted the agency still needed to conduct workforce planning to determine if the number of staff the agency planned to hire was sufficient. We are continuing to monitor HUD's efforts to address these recommendations.

Additional Challenges in Federal Response and Recovery Efforts

In addition to those described above, we reported on challenges FEMA faced in (1) providing mass care to disaster survivors, (2) assisting jurisdictions affected by wildfires, and (3) supporting electricity grid recovery efforts in Puerto Rico.

Mass Care

In September 2019, we reported on FEMA's and the American Red Cross' efforts to coordinate mass care—which includes sheltering, feeding, and distributing emergency supplies—following the 2017 hurricanes.[44] We found that some needs related to mass care were unmet. For example, local officials in Texas said flooded roads prevented trucks from delivering supplies. Further, mass care providers encountered challenges in part because state and local agreements with voluntary organizations that help to provide mass care to disaster survivors did not always clearly detail what services these organizations were capable of providing. Among other things, we also found that while state, territorial, and local grantees of federal disaster preparedness grants are required to regularly submit information on their capabilities to FEMA, the mass care information some grantees provided to FEMA was not specific enough to aid its response in 2017. Moreover, as FEMA does not require grantees to specify the organizations providing mass care services in their capabilities assessments, grantees and FEMA may not be collecting reliable information on capabilities.

As a result of our findings in this report, we made one recommendation to DHS, four recommendations to FEMA, and one recommendation to the American Red Cross.[45] Specifically, among other things, we recommended that FEMA should emphasize the importance of defining roles and responsibilities in its guidance to grantees in states and localities and require them to solicit key capabilities information from mass care providers. DHS concurred with four recommendations, but did not concur with our recommendation requiring grantees to solicit key information from organizations providing mass care services and to specify these organizations

[43] See, e.g., Pub. L. No. 155–56, 131 Stat. 1129 (2017); Pub. L. No. 115–123, 132 Stat. 64; 83 Fed. Reg. 5844 (Sept. 8, 2017); 83 Fed. Reg. 40,314–01 (Aug. 14, 2018).

[44] GAO, *Disaster Response: FEMA and the American Red Cross Need to Ensure Key Mass Care Organizations are Included in Coordination and Planning*, GAO–19–526 (Washington, D.C.: Sept. 19, 2019).

[45] We recommended that the American Red Cross develop mechanisms for itself and its partners to leverage local community groups, such as conducting regular outreach and information sharing.

in capability assessments. Specifically, DHS and FEMA stated that requiring grantees to include this information is not the most effective approach and would increase their burden. We modified our recommendation to address this concern and continue to believe that grantees should make an effort to include mass care providers in assessing capabilities. We will continue to monitor FEMA's progress in fully addressing these recommendations.

Wildfire Recovery

Further, in October 2019, we reported on the assistance FEMA provided to jurisdictions in response to major disaster declarations stemming from wildfires from 2015 through 2018 (see fig. 2).[46] We found that FEMA helped state and local officials obtain and coordinate federal resources to provide for the needs of wildfire survivors and provided more than $2.4 billion in federal assistance. However, state and county officials also described challenges in responding to wildfire disasters. For example, onerous documentation requirements for FEMA's Public Assistance grant program, a shortage of temporary housing for survivors, and the unique challenge of removing wildfire debris led to over-excavation on some homeowners' lots and lengthened the rebuilding process. We also found that while FEMA had developed an after-action report identifying lessons learned from the October and December 2017 wildfires, the agency could still benefit from a more comprehensive assessment of its operations to determine if any changes are needed to better respond to the threat posed by increased wildfire activity.

We recommended that FEMA assess operations to identify any additional updates to its management controls—such as policies, procedures, or training—that could enhance future response and recovery from large-scale and severe wildfires. DHS agreed with our recommendation and described a number of ongoing and planned actions it would take to address it, including supporting states' efforts to house disaster survivors, developing guidance for housing grants authorized by the DRRA, and taking steps to identify areas of innovation in response to wildfire disasters. DHS anticipates that these efforts will be put into effect by December 2020 and we will continue to monitor DHS and FEMA's progress in addressing this recommendation.

FIGURE 2: AERIAL PHOTOGRAPH OF DAMAGE FROM TUBBS FIRE, SANTA ROSA, CALIFORNIA, OCTOBER 11, 2017

Source: Department of Defense. GAO–20–183T

[46] GAO, *Wildfire Disasters: FEMA Could Take Additional Actions to Address Unique Response and Recovery Challenges*, GAO–20–5 (Washington, D.C.: Oct. 9, 2019).

Puerto Rico Electricity Grid Recovery

In October 2019, we reported on federal efforts to support electricity grid recovery in Puerto Rico.[47] We found that FEMA and other federal agencies can support long-term electricity grid recovery efforts and incorporate resilience through three primary roles—providing funding and technical assistance and coordinating among local and federal agencies. However, we found that zero permanent, long-term grid recovery projects in Puerto Rico had received funding as of July 2019 as Puerto Rico was still establishing priorities for permanent work. Further, we found that certain challenges are hindering progress on electricity grid recovery efforts in Puerto Rico, including uncertainty about the kinds of projects that may be eligible for federal funding, local capacity constraints, uncertainty about available federal funding, and the need for coordination among local and federal stakeholders.

As a result of our findings, we made three recommendations to FEMA and one recommendation to HUD. Specifically, we recommended that FEMA should provide clear written policies, guidance, or regulations to clarify its plans for implementing new authorities provided by the Bipartisan Budget Act of 2018 and take steps to enhance coordination among local and federal entities. DHS concurred with these recommendations and stated it is working to address them. In addition, we recommended that HUD establish timeframes and a plan for publication of the grant process and requirements specifically for CDBG–DR funding for improvements to Puerto Rico's electricity grid. In its response to this recommendation, HUD stated that it is closely working with its federal partners on the requirements for this funding in Puerto Rico, but did not specifically state whether it would establish the timeframes and a plan for publication of the grant process and requirements as we recommended. We continue to believe that this action is needed since without this information, local entities will continue to be uncertain regarding what is eligible for CDBG–DR funding. We will continue to monitor FEMA's and HUD's progress in addressing these recommendations.

LONGSTANDING WORKFORCE MANAGEMENT CHALLENGES EXACERBATE KEY ISSUES WITH RESPONSE AND RECOVERY OPERATIONS

FEMA's experiences during the 2017 disasters highlight the importance of continuing to make progress on addressing the long-standing workforce management challenges we have previously reported on and continue to observe in our ongoing work. In particular, our work has identified challenges related to (1) recruiting, maintaining, and deploying a trained workforce, (2) the Incident Management Assistance Team program, (3) Public Assistance program staffing, (4) contracting workforce shortages, (5) assistance to older adults and people with disabilities, and (6) workforce capacity and training.

Recruiting, Maintaining, and Deploying a Trained Workforce. In September 2018, we reported that the 2017 disasters—hurricanes Harvey, Irma, and Maria, as well as the California wildfires—resulted in unprecedented FEMA workforce management challenges, including recruiting, maintaining, and deploying a sufficient and adequately-trained FEMA disaster workforce.[48] FEMA's available workforce was overwhelmed by the response needs caused by the sequential and overlapping timing of the three hurricanes. For example, at the height of FEMA workforce deployments in October 2017, 54 percent of staff were serving in a capacity in which they did not hold the title of "Qualified"—according to FEMA's qualification system standards—a past challenge we identified. FEMA officials noted that staff shortages and lack of trained personnel with program expertise led to complications in its response efforts, particularly after Hurricane Maria.

FEMA's Incident Management Assistance Team Program. In February 2016, we reported on, among other things, FEMA's efforts to implement, assess, and improve its Incident Management Assistance Team program.[49] We found that while FEMA used some leading practices in managing the program, it lacked a standardized plan to ensure that all national and regional Incident Management Assistance Team members received required training. Further, we found that the program had expe-

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[47] GAO, *Puerto Rico Electricity Grid Recovery: Better Information and Enhanced Coordination is Needed to Address Challenges*, GAO–20–141 (Washington, D.C.: Oct. 8, 2019).

[48] GAO–18–472.

[49] The three national and 13 regional Incident Management Assistance Teams are comprised of FEMA emergency management staff in areas such as operations, logistics, planning, and finance and administration. These teams are among the first FEMA officials to arrive at the affected jurisdiction and provide leadership to identify what federal support may be required to respond to the incident, among other things. GAO, *Disaster Response: FEMA Has Made Progress Implementing Key Programs, but Opportunities for Improvement Exist*, GAO–16–87, (Washington, D.C.: Feb. 5, 2016).

rienced high attrition since its implementation in fiscal year 2013. We recommended, among other things, that FEMA develop (1) a plan to ensure that Incident Management Assistance Teams receive required training, and (2) a workforce strategy for retaining Incident Management Assistance Team staff. DHS concurred with the recommendations. FEMA implemented our first recommendation by developing an Incident Management Assistance Team Training and Readiness Manual and providing a training schedule for fiscal year 2017. In response to the second recommendation, FEMA officials stated in July 2018 that they plan to develop policies that will provide guidance on a new workforce structure, incentives for Incident Management Assistance Team personnel, and pay-for-performance and all other human resource actions. We are continuing to monitor FEMA's efforts to address this recommendation.

Public Assistance Program Staffing. In November and December 2017, we reported on staffing challenges in FEMA's Public Assistance program. In November 2017, we reported on FEMA's efforts to address past workforce management challenges through its redesigned Public Assistance delivery model.[50] As part of the redesign effort, FEMA created consolidated resource centers to standardize and centralize Public Assistance staff responsible for managing grant applications, and new specialized positions to ensure more consistent guidance to applicants. However, we found that FEMA had not assessed the workforce needed to fully implement the redesigned model, such as the number of staff needed to fill certain new positions, or to achieve staffing goals. Further, in December 2017, we reported on FEMA's management of its Public Assistance appeals process, including that FEMA increased staffing levels for the appeals process from 2015 to 2017.[51] However, we found that FEMA continued to face a number of workforce challenges, such as staff vacancies, turnover, and delays in training, which contributed to processing delays.

Based on our findings from our November and December 2017 reports, we recommended, among other things, that FEMA (1) complete workforce staffing assessments that identify the appropriate number of staff needed to implement the redesigned Public Assistance delivery model, and (2) document steps for hiring, training, and retaining key appeals staff, and address staff transitions resulting from deployments to disasters. DHS concurred with our recommendations to address workforce management challenges in the Public Assistance program and have reported taking some actions in response. For example, to address the first recommendation, FEMA officials have developed preliminary models and estimates of staffing needs across various programs, including Public Assistance. However, as of October 2019, the agency has not yet taken actions to implement this recommendation. To address the second recommendation, FEMA has collected information on the amount of time regional appeals analysts spend on appeals, and the inventory and timeliness of different types of appeals. FEMA officials stated in September 2018 that they plan to assess this information to prepare a detailed regional workforce plan. In May 2019, FEMA sent us additional information and documentation involving their analysis of appeal inventory and timeliness. As of October 2019, we are evaluating the information provided by FEMA to determine if they have addressed this recommendation.

Contracting Workforce Shortages. In April 2019, we reported on the federal government's contracting efforts for preparedness, response, and recovery efforts related to the 2017 hurricanes and California wildfires.[52] We found, among other things, that contracting workforce shortages continue to be a challenge for disaster response and recovery. Further, although FEMA's 2017 after-action report recommended increasing contract support capacities, it did not provide a specific plan to do so. We also found that while FEMA evaluated its contracting workforce needs in a 2014 workforce analysis, it did not specifically consider contracting workforce needs in the regional offices or address Disaster Acquisition Response Team employees.[53] In our April 2019 report, we recommended, among other things, that FEMA assess its workforce needs—including staffing levels, mission needs, and skill gaps—for contracting staff, to include regional offices and Disaster Acquisition Response Teams, and develop a plan, including timelines, to address any gaps. DHS concurred with this recommendation and estimates that it plans to implement it in the fall of 2019.

Assistance to Older Adults and People with Disabilities. In our May 2019 report on FEMA disaster assistance to older adults and people with disabilities following the 2017 hurricanes, we found that FEMA began implementing a new approach to

[50] GAO–18–30

[51] GAO,*Disaster Recovery: Additional Actions Would Improve Data Quality and Timeliness of FEMA's Public Assistance Appeals Processing*, GAO–18–143, (Washington, D.C.: Dec. 15, 2018).

[52] GAO–19–281

[53] The primary purpose of Disaster Acquisition Response Team employees is to support contract administration for disasters.

assist individuals with disabilities in June 2018, which shifted the responsibility for directly assisting individuals with disabilities from Disability Integration Advisors—which are staff FEMA deploys specifically to identify and recommend actions needed to support survivors with disabilities—to all FEMA staff.[54] To implement this new approach, FEMA planned to train all of the agency's deployable staff and staff in programmatic offices on disability issues during response and recovery deployments. According to FEMA, a number of Disability Integration Advisors would also deploy to advise FEMA leadership in the field during disaster response and recovery. We found that while FEMA has taken some initial steps to provide training on the changes, it had not established a plan for delivering comprehensive disability-related training to all staff who will be directly interacting with individuals with disabilities. We recommended, among other things, that FEMA develop a plan for delivering training to FEMA staff that promotes competency in disability awareness and includes milestones and performance measures, and outlines how performance will be monitored. DHS concurred with this recommendation and reported plans to update FEMA's position task books for all deployable staff with information that promotes competency in disability awareness. In July 2019, officials told us FEMA plans to hire new staff to focus on integrating the disability competency FEMA-wide and work with FEMA's training components to ensure that disability-related training is consistent with the content of the position task books. We will continue to monitor FEMA's efforts to address our recommendation.[55]

FEMA's Workforce Capacity and Training. In addition to our prior work on FEMA's workforce management challenges related to specific programs and functions, we are continuing to evaluate FEMA's workforce capacity and training efforts during the 2017 and 2018 disaster seasons. Our preliminary observations indicate that there were challenges in FEMA's ability to deploy staff with the right kinds of skills and training at the right time to best meet the needs of various disaster events. For example, according to FEMA field leadership we interviewed, for some of the functions FEMA performs in the field, FEMA had too few staff with the right technical skills to perform their missions—such as inspections of damaged properties—efficiently and effectively. For other functions, these managers also reported that they had too many staff in the early stages of the disaster, which created challenges with assigning duties and providing on-the-job training. For example, some managers reported that they were allocated more staff than needed in the initial phases of the disaster, but many lacked experience and were without someone to provide direction and mentoring to ensure they used their time efficiently and gained competence more quickly. In focus group discussions and interviews with field managers, FEMA officials told us that difficulties deploying the right mix of staff with the right skills led to challenges such as delays in making purchases to support FEMA operations, problems with properly registering applicants for FEMA programs, or poor communication with nonfederal partners. Nonetheless, FEMA staff have noted that, despite any suboptimal circumstances during disaster response, they aimed to and have been able to find a way to deliver the mission.

As part of this ongoing work, FEMA field leadership and managers also reported challenges using agency systems to ensure the availability of the right staff with the right skills in the right place and time. FEMA uses a system called the Deployment Tracking System to, among other things, help identify staff available to be deployed and activate and track deployments. To help gauge the experience level and training needs of its staff, the agency established the FEMA Qualification System (FQS), which is a set of processes and criteria to monitor staff experience in competently performing tasks and completing training that correspond to their job titles. According to the FQS guidance, staff who have been able to demonstrate proficient performance of all the relevant tasks and complete required training receive the designation "qualified," and are expected to be ready and able to competently fulfill their responsibilities. Those who have not, receive the designation "trainee," and can be expected to need additional guidance and on-the-job training. FQS designations feed into the Deployment Tracking System as one key variable in how the tracking system deploys staff. Among other challenges with FEMA's Deployment Tracking System and Qualification System, FEMA managers and staff in the field told us in focus group discussions that an employee's recorded qualification status was not a reliable indicator of the level at which deployed personnel would be capable of performing specific duties and responsibilities or their general proficiency in

[54] GAO–19–318.

[55] We continue to believe that FEMA should develop a plan that includes how it will deliver training to promote competency in disability awareness among its staff. The plan for delivering such training should include milestones, performance measures, and how performance will be monitored.

their positions, making it more difficult for managers to know the specialized skills or experience of staff and effectively build teams. We are continuing to assess these and other reported workforce challenges and plan to report our findings in spring 2020.

Thank you, Chairwoman Titus, Ranking Member Meadows, and Members of the Subcommittee. This concludes my prepared statement. I would be happy to respond to any questions you may have at this time.

Ms. TITUS. Thank you very much. That was helpful.

I'd like to ask unanimous consent to enter into the record a statement from the Department of Housing and Urban Development as well as a memo dated September 17, 2019, from the HUD inspector general to the HUD Secretary. All right, without objection, we'll enter that into the record.

[The information follows:]

Prepared Statement of the U.S. Department of Housing and Urban Development, Submitted for the Record by Hon. Dina Titus

INTRODUCTION

Chairman Titus, Ranking Member Meadows, and members of the subcommittee, the Department of Housing and Urban Development (HUD) appreciates the opportunity to provide a statement for the record on the HUD Community Development Block Grant–Disaster Recovery (CDBG–DR) program.

HUD is currently administering a disaster recovery portfolio of $55 billion in active grants, with projects dating back to the terrorist attacks on September 11, 2001. Over the three-year period from 2017–2019, $40 billion has been appropriated, with half of that amount, $20 billion, for Puerto Rico alone. That exceeds the entire amount appropriated for Hurricanes Katrina, Rita and Wilma.

GRANT FUNDING PROCESS

Contrary to popular belief, HUD is *not* in the immediate disaster response business, except when it comes to ascertaining the whereabouts of HUD employees and the impact on HUD-assisted properties and their residents. HUD is not the first federal agency on the ground to broadly assist survivors when disaster strikes. HUD is not even the second. That work is performed by the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA), respectively.

HUD is also the coordinating agency for the Housing Recovery Support Function and meets regularly with FEMA and other federal agencies of the Recovery Support Function Leadership Group (RSFLG).

But HUD's main role has been in the long-term recovery business.

That recovery process begins when you and your colleagues in Congress appropriate CDBG–DR funds. Based on unmet needs assessed from FEMA and SBA data for Presidentially-declared major disasters, HUD allocates those funds to the most impacted and distressed areas. Following the public announcement of allocations, HUD publishes a *Federal Register* notice outlining the framework of program requirements. Grantees then develop stakeholder-informed Action Plans within this framework and certify their capacity to manage the funds. HUD reviews and approves these plans and certifications and monitors the grantees for compliance.

The Department partners with grantees every step of the way, providing technical assistance and expertise to help ensure success. As a result, our job is to help fill unmet housing, economic development, and infrastructure needs after communities and our Federal partners have had an opportunity to fully assess damages and identify the gaps that will not be filled by other public or private sources of funding.

UNMET NEEDS

The group of 2017 disaster grantees consisted of California, Florida, Georgia, Missouri, Texas, the U.S. Virgin Islands (USVI) and Puerto Rico. To address their unmet needs, Congress appropriated a total of $19.4 billion in two separate tranches of funding. The first supplemental appropriations bill contained $7.4 billion and was allocated to Florida, Puerto Rico, Texas and the U.S. Virgin Islands. That tranche is fully available to those grantees, which, to date, have spent a combined total of

$135 million, or just 2 percent. Florida, at 3 percent, has spent the largest amount. Texas has spent 2 percent, and both Puerto Rico and the USVI have spent less than 1 percent.

The second supplemental appropriation for the unmet needs of the 2017 group totaled $12 billion. Of that amount, a combined total of $1 billion is currently available to grantees in California, Florida, Georgia, Missouri and Texas; Action Plans covering $8.2 billion and $779 million, for Puerto Rico and the USVI, respectively, have been approved by HUD and funds will be released to these grantees pending execution of grant agreements; and $2 billion was appropriated by Congress specifically to rebuild the electrical grids of Puerto Rico and the USVI.

ALLOCATION

HUD's calculation of unmet needs in most impacted and distressed areas uses data from FEMA and SBA on serious housing and business damage not likely to be covered by other resources—such as insurance, FEMA grants, and SBA loans—as well as the local match requirement for FEMA Public Assistance permanent repairs (categories C to G).

Hurricane Maria disasters were allocated a larger amount of funding relative to the unmet needs of the other disasters between 2015 and 2019 because of Congressional language requiring a minimum of $11 billion be allocated toward their unmet needs. Because of this requirement, Puerto Rico received $3.385 billion more than the traditional unmet need estimate at the time allocations were made. The USVI received $316 million more. Because mitigation awards were a function of how much was allocated for unmet needs, Puerto Rico and the USVI also received relatively larger mitigation grants. Moreover, in June, Congress appropriated and directed HUD to allocate yet another $331 million in excess funds for Hurricane Maria grantees.

MITIGATION FUNDS

In 2017, for the first time in the history of HUD's administration of disaster recovery appropriations, Congress provided mitigation funds as part of a CDBG–DR appropriation. Mitigation funds were appropriated not only for the 2017 grantees, but also for grantees receiving funds from disasters in 2015 and 2016, based on the proportion of unmet needs funds. While these funds create unprecedented opportunities for grantees, they also raise significant challenges for HUD.

HUD has never before administered a stand-alone mitigation program. In contrast to restoring what was lost, mitigation is a less naturally constrained endeavor. Designing a mitigation program has required a great deal of planning and coordination across the Administration, including HUD, FEMA, and other Federal partners. This has taken time, but HUD believes it is time well-spent, given the size of the appropriation and the fact that every grantee awaiting mitigation funds already has access to funding for unmet needs.

CONCLUSION

HUD's commitment remains strong to the recovery of all Americans whose homes and communities were devastated by natural disasters. And HUD is steadfast in our stewardship of the funding entrusted to us by you and by your colleagues in Congress.

Thank you for the opportunity to update the subcommittee on HUD's disaster recovery work.

Memo of September 17, 2019, to Benjamin Carson, Sr., Secretary, U.S. Department of Housing and Urban Development, from Rae Oliver Davis, Inspector General, U.S. Department of Housing and Urban Development, Submitted for the Record by Hon. Dina Titus

OFFICE OF INSPECTOR GENERAL

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEPTEMBER 17, 2019

Memorandum

TO: Benjamin Carson, Sr.
Secretary, S

FROM: Rae Oliver Davis
Inspector General, G

SUBJECT: Capacity Review of Vivienda

I am writing to express my concern that Department officials provided inaccurate information to congressional committee staff about my communications to you regarding the Office of Inspector General's (OIG) review of Vivienda's capacity to administer CBDG-DR funds appropriated for disaster relief in Puerto Rico.

Your staff incorrectly stated to congressional committee staff that I told you the OIG capacity review of Vivienda would have serious or significant findings. I never made such a statement. I also did not recommend that the Department take any specific actions with respect to Vivienda, including withholding funds from Vivienda, delaying finalization of grant agreements with Vivienda, or delaying publishing Federal Register notices related to CDBG-DR funds designated for mitigation in Puerto Rico.

My staff did inform Department leadership that we have an ongoing audit of Vivienda's capacity to administer CBDG-DR funds appropriated for disaster relief in Puerto Rico. My staff also stated explicitly to Department leadership that the OIG audit team had not yet prepared draft findings to share with Vivienda or the Department, and therefore, we were not able to share any specific information about the capacity review with them at that time.

I am always available to provide updates to you about the status of our work, and I will continue to raise to your attention important developments in our oversight activities.

Ms. TITUS. Now we're going to move onto Member questions. Each Member will be recognized for 5 minutes, and I'll start by recognizing myself.

I know that some of the Members have specific disasters in their areas that they're going to want to ask about where things are and what the problems are. So I'm going to limit some of my questions to the kind of general, overall themes that you all have brought up.

Mr. Currie, what you said about needing to change is always a criticism of bureaucracy, and it just gets kind of hide-bound, and it's difficult to change that, do you have any specific recommendations about perhaps consolidating some of these programs, bringing the HUD grant program under FEMA? You've outlined the problem, but do you have any solutions for us?

Mr. CURRIE. Yes, ma'am. I think certainly it's not GAO's place to make those kind of policy decisions. It's up to Congress to decide the different oversight committees. If you want to consolidate the programs, it's definitely an option. But until that happens, I think there are other options to help address this issue.

For example, we know that in these large disasters, we know the programs that are used in recovery, and we know how they've operated in the past, and you can make changes to those programs so they're better synchronized to work together instead of just being surprised after the disaster.

So in the case of HUD, for example, we recommended recently that Congress permanently authorize the program. That's been a challenge each time Congress appropriates money to HUD. HUD basically has to recreate the program in a Federal Register notice. Which you all probably know Federal rulemaking is not the easiest process. So every time that happens, that has to occur.

So whether that is authorized in HUD or another program, I think we need to have a permanently authorized program so we don't have to create this from scratch each time.

Ms. TITUS. Thank you.

Mr. Byard, I know that a problem that seems to come up over and over again are the workforce shortfalls. People are hired temporarily, they go work on a disaster, then they go home or go back to wherever they're from. We're 1,000 people short. You have to gear up every time something happens. Do you have any recommendations for how we might address that shortage?

Mr. BYARD. Yes, ma'am. It's a definite challenge, as you've pointed out. I do think it's important to note, though, that staffing challenges are primarily, or really fully, on the recovery in that. We have the staff necessary, and the way we do our business from a response standpoint, all the available staff is ready to respond, and it's also important to note that, you know, FEMA is a coordinating element. So we have just tremendous partnerships throughout the Federal Government to effectively respond to any disaster the Nation faces. So we do have shortfalls, but I want to make sure that we understand from a response standpoint to that immediate lifesaving ability FEMA is prepared to do that and will continue to prepare to do that.

The type of individuals and staff that you highlighted are disaster reservists. And I must say, ma'am, they are the backbone of what we do. They do tremendous work in all of your communities. So one of the areas that we're looking at to increase that is looking at a regional reservist cadre. So you have certain individuals that definitely want to do great work for the American people that we do. But they may not want to travel all the way across the country.

So, for example, in our hurricane-prone regions, we're looking at how do we bring on retired engineers, for example, that understand bridges and roads that want to work just in that area. That's one area that we're doing. We're also working through Congress, increasing our recovery staffing. We're bringing on about 1,000 a year right now.

But we've also got to look at our retention. You know, bringing new staff on is just one thing, and we've made a concerted effort. The Acting Administrator as well as myself have challenged our leadership to find out why our staff may be leaving and how do we increase and keep that staff here.

Ms. TITUS. What about the possibility of legislation that would guarantee if somebody left a job, say, working in the Montana wildlife division to go fight a fire in California, that they are guaranteed they'll have that job when they come back?

Mr. BYARD. You know, ma'am, that's not for me to——

Ms. TITUS. No, but you can say if that might work or not.

Mr. BYARD. There's a lot of complexities in it. I guess what you're laying out is similar to what our Department of Defense does with the National Guard and so forth.

Ms. TITUS. Right.

Mr. BYARD. You know, I would have to know a little more about that before I commented one way or the other. But I do think that as we look at certain jobs programs and especially one of the innovative measures we may want to look at is with our 2-year universities, our trade schools, of really teaching Public Assistance program. This is—these are well-paying jobs that are out there and we've got plenty of work to go around.

So I think there may some other avenues to look at, because we want to not only retain—or build our reservist cadre, but we need to retain that knowledge for future disasters.

Ms. TITUS. I think maybe we need to look at veterans, too, more closely and how we put some veterans in these positions. You know, but——

Mr. BYARD. I agree. As a veteran, I agree, ma'am.

Ms. TITUS. Just briefly, we're spending nearly $300 million to renovate and consolidate DHS headquarters, yet we don't have a Secretary, a Deputy Secretary, a General Counsel, or an Under Secretary. I just worry that without leadership at the top, some of these recommendations that you're making or that we're considering may just fall through the cracks.

Mr. BYARD. Ma'am——

Ms. TITUS. That's all right. I'm out of time.

Mr. BYARD. Yes, ma'am.

Ms. TITUS. But think about that.

I'll now recognize Mrs. Miller.

Mrs. MILLER. Thank you, Chairwoman Titus, for holding this hearing today. And thank you all for being here.

I recently came back from my district work period where I held a roundtable in Greenbrier County, West Virginia. The purpose of the roundtable was to discuss the dissemination of flood recovery funding. In 2016, three schools in Nicholas County, West Virginia, were destroyed due to flood damage. During the storms, hundreds of people were displaced from their homes, and 26 people died.

The reality is that we have people who have been in temporary housing since 2016, and we have schools that need to be rebuilt. It is inexcusable that it has taken 3 years to put people back into their homes and rebuilding our schools. I understand that the community recovery is a long process. However, we all have people in our districts that need help. We owe it to our constituents to be efficient and to make sure that they are receiving the funding that they need.

Mr. Byard, how can the Federal Government incentivize States to encourage the State to spend money in a timely manner and to ensure that the money is given to the people who have suffered from the disaster?

Mr. BYARD. Ma'am, I want to make sure I can answer your question correctly. So from the FEMA aspect and perspective, the authorities that we have to help individuals is our Individual Assistance Program, which we do direct financial assistance and other assistance directly to the disaster survivors.

As far as what the State may do over and above that, I'm not familiar with that State to State. Also I know and I believe that there was a CDBG–DR allocation for West Virginia that was for the purposes of housing. And, again, I would have to yield to HUD for the specifics in the State for the specifics on that.

I do and am familiar with the schools that you referenced, and I know our regional administrator, MaryAnn Tierney, has been there multiple times. She is a fantastic representative of FEMA, and we're working through that now. Some of that had to do with some environmental studies and surveys. So I know we're making progress on the schools, but I don't want to overspeak on the exact housing question that you had, because I know we do direct grants to individuals based on the eligibility requirements of each citizen.

Mrs. MILLER. Thank you. And I will say that Ms. Tierney has been very helpful and has met with us several times.

Mr. BYARD. Yes, ma'am.

Mrs. MILLER. How are you working to ensure that entities recuperate and rebuild after severe natural disasters that destroy things like the broadband and water and sewer, the utilities that, in my mind, are really essential?

Mr. BYARD. Yes, ma'am, I would—you know, you heard my—on my opening talk about stabilization of community lifelines. There's seven community lifelines that, regardless if you're the District of Columbia or smalltown Alabama, smalltown West Virginia that have to happen. The infrastructure is one of those. I would submit that utilizing the authorities of Congress and looking at our BRIC initiative, the mitigation before a storm hits, we should harden this infrastructure before a disaster hits. There's ways to do that.

We've got 250 million additional dollars this year within that program. That will hopefully grow. So I think that we first need to look at what are we doing before a storm hits to harden this infrastructure. Quite frankly, if the power and the water can stay on, that's 90 percent of FEMA or a State emergency manager or a local emergency manager's problems are solved then.

Mrs. MILLER. Thank you.

Mr. BYARD. Yes, ma'am.

Mr. Alvord, can you discuss how the Opportunity Zone initiative will generate long-term impact?

Mr. ALVORD. Thank you, Congresswoman. Yes, we, as you may know, have long held private investment as one of our key criteria for successful economic development. And, you know, the two primary focuses of EDA's traditional grantmaking programs are in generating private investment and creating jobs in economically distressed areas and regions.

In the case of Opportunity Zones, with the additional tax incentives that are available and the qualified opportunity funds that are being formed, we see an opportunity to exponentially leverage that private investment.

So we anticipate that EDA will be able to make strategic grant investments in Opportunity Zone areas that will create the conditions that are conducive to that investment by qualified opportunity funds. And rather than receiving a small amount of additional private investment, we could see 5, 10, 25 times or more in additional private investment flowing into those areas.

Mrs. MILLER. Have you run into any challenges when trying to expand Opportunity Zones in rural parts of the country like West Virginia?

Mr. ALVORD. So the Opportunity Zone initiative is a relatively new initiative. And there's actually still a process underway to clarify all the regulations and requirements that accompany the incentive. As a result, we're seeing a lot of the early activity is flowing into areas where there are investments that are ripe and ready to move, many of those in urban areas. However, we do anticipate that as the initiative continues to mature, more and more funding will flow into other outlying areas as well.

Mrs. MILLER. Thank you. I yield back my time.

Ms. TITUS. Thank you.

Now, Mr. Garamendi.

Mr. GARAMENDI. I thought the gentlelady from West Virginia might say "like California." Yes, all things are local.

Just a couple of questions. This will be for Mr. Byard. Thank you.

Mr. BYARD. Byard. Yes, sir.

Mr. GARAMENDI. Thank you. I want to discuss how Federal disaster recovery funds flow from FEMA to local recipients. Under current practice, as local communities are often required to use their own limited funds following a disaster to front the money for disaster recovery efforts in projects before they can then seek Federal reimbursement for those costs.

The fact is—let me just cite Butte County, the Camp Fire. The small rural communities simply lack the cash necessary to front the local funds while they wait months, years in many cases, for reimbursement from FEMA.

So, first, I assume you're aware of this situation. Is that correct?

Mr. BYARD. Yes, sir. I am.

Mr. GARAMENDI. Good. Then what are you doing about it?

Mr. BYARD. So first let me say that's one of the most devastating disasters in 17 years that I've been to. I went and visited with the leadership out there. I'm familiar with this primarily putting my State hat on of, again, 17 years. Fourteen years of that I was with State emergency management. So I understand the question very, very well.

It's important, first, to know that under the Stafford Act, FEMA's a reimbursement agency. We reimburse local and State governments——

Mr. GARAMENDI. I'm aware of that. But my question is: So what do you propose be done about it if the law doesn't allow it? Are you suggesting a change of law? Change in regulations? What would you suggest we do about it?

Mr. BYARD. Well, you know, I don't know what that change would be, sir, how we would frontload dollars into a local community to pay for their response.

Mr. GARAMENDI. Well, let me give you an example. You're building a house. You hire a contractor. You've got a bank that's financing the construction loan, right? Yes, that's how it's done. The construction loan, when the contractor signs the contract, there's 10 percent. OK? When the foundation is poured, there's another 10, 15 percent. When the framing is done, another amount of money. Is

it possible that we develop something that would allow the local community on signing a contract get upfront money? They sign a contract with the contractor that's going to repair the bridge. Does that make sense?

Mr. BYARD. Sir, I would definitely look at that. I think that you're—there's one element of the puzzle that's missing here that's very vital in anything emergency management, and that's the State. So I would say what could a State do to help a local community in that situation. I know in certain States they do do that. In certain States, they don't. And that's depending on the State.

Mr. GARAMENDI. So you don't believe there's a role for the Federal Government to do it, but it's a State responsibility?

Mr. BYARD. Sir, I believe that we all have a responsibility in emergency management. The Federal supported, State-managed, and locally executed works. I would be happy to sit down with you and your staff to see where we could do that. Nobody—look, the two things that hit a local community hardest in any disaster is overtime. They don't budget for that. They can delay contractors, but they don't budget for overtime, so I'm definitely——

Mr. GARAMENDI. Well, you're down into the weeds. The fact of the matter is it could be possible for FEMA to frontload it if they had the authority and the authority comes from us. So we should consider that for certainly the smaller communities that do not have funds to address that.

Also, there's been a major effort to try to do pre-disaster mitigation. Six percent of the total funds are available. The—and this is really a question for Mr. Currie. How's it going?

Mr. CURRIE. So that program—so the Congress—you authorized that in the DRRA. And so basically FEMA has gone to work trying to implement that program, but it has to be done through a Federal rulemaking, a Federal regulation, which, as I mentioned at the beginning, is not an easy and short process. So they are in the middle of that, which, as you know, has multiple phases. And so the program hasn't been implemented yet, because it hasn't fully gone through the rulemaking process.

Mr. GARAMENDI. Have you had a chance to analyze the proposal?

Mr. CURRIE. So I haven't seen or analyzed the proposal. We haven't reported on it. I mean, in general, we think that the set-aside of the additional funding for pre-disaster mitigation is a fantastic idea, because it allows us to more strategically spend money around the country instead of letting Mother Nature dictate where we spend it.

Mr. GARAMENDI. There's an ancillary to that, and that is in the recovery effort—I should say public recovery effort—can the agency build our resiliency, or must they only build for what was there prior to the——

Mr. CURRIE. Well, that's been the biggest problem with recovery over the years is that the way the programs used to be structured is you could only build back exactly the way it was before. That has been changed now through recent legislation. So—but, however, as I said upfront, you know, it's going to take a little while for that to get down into the programs and to the employees to make sure that's actually happening so, as someone else mentioned, we're not fighting over doorknobs.

Mr. GARAMENDI. We should turn our attention to that as a committee. Thank you very much. I yield back.

Ms. TITUS. Thank you. We'll now recognize Mr. Graves.

Mr. GRAVES OF MISSOURI. Thank you, Madam Chair.

My question is for Mr. Byard. Are you familiar with the gap in Missouri that we have that I mentioned in my opening statement?

Mr. BYARD. Yes, sir.

Mr. GRAVES OF MISSOURI. Are we working to rectify that? Can you give me a little bit of background on that? And just for—I might explain it again, too, for the committee's awareness. So we have a gap between April 16th and April 29th. And our first flooding incident occurred in March, but we have two different disaster declarations. And our second event occurred later on. We had houses that were flooded in that gap.

We also—and I also want you to address—we have people that have applied for assistance, have received it, and then somebody's come back around then and said, "No, you're going to have to give that back," which is creating a lot of problems as well, in fact a lot of problems. That gets my office involved, which is a complete waste of resources when we shouldn't have to deal with that. But can you give me a little bit of background on what's going on with that? Can we get that fixed? Can we move past it, something?

Mr. BYARD. Yes, sir. So when the Governor requests for a declaration, it's there for a specific weather event. When there's a situation like Missouri, the State generally looks at what the National Weather Service has provided from meteorological data of was it the same event, was it a separate event.

You know, sometimes in this position, there are things that are in the law, but in your case, a citizen's flooded, they're flooded. So I'm not going to—but that's how we look at it. We look at it as a separate system. Therefore it has to meet in standalone criteria for assistance.

As far as the recoupment, now that's the first I've heard of that. Ranking Member, I've made a note of that. I am going to figure out what's going on with that as soon as I get out of here.

Mr. GRAVES OF MISSOURI. So we have—you know, and when it comes to a particular weather event, when it rains and the water comes up—in fact, when it rains north of Gavins Point or it rains—we had the big weather event out across the Platte River Valley in Nebraska—it takes a long time for that water to get to us.

Then when you couple that with the Corps of Engineers releasing more and more water through the reservoirs coming down, the rain may have passed and it may be clear, blue skies out there, but the water's coming up, and it's coming up fast, and it breaks the levees, and it floods people out.

So it's very frustrating to me when we're dictating or putting out these dates based on this weather event and that weather event when we have people that flooded.

And I know specific examples that flooded into that timeframe, and, you know, you take the town of Craig, Missouri, one of the communities that flooded in my district, and the water's coming up, and it continues to come up. It kept coming up right on through that date range and flooded a lot of people out. Yet they're not eligible for assistance.

And so we put these arbitrary dates out there in an event like this, and it's creating a lot of problems. A lot of problems.

You know, and what's frustrating to a lot of those people, too, is folks north of them, that's the State of Missouri. You know, in Iowa and Nebraska that are getting the same water, the same rain events and everything, and they're not dealing with that. And Missouri was slow to do their disaster declaration which didn't help any at all, but it still shouldn't be a problem for folks.

And I definitely—we do have people, though, getting back to the other point, people being asked to return dollars because, for whatever reason, FEMA's come in and said, "No, your house flooded in this date range. We made a mistake in giving you funds." And that's—I mean it's—this is bad. It really is. And it's affecting the lives of a lot of people out there. And, you know, we need to be a little bit more aware of that.

You know, and even the attitude with some of the folks that are coming out and doing the assessments. And I might ask you about that, too.

Have your folks on the ground, the folks that are out there doing the assessments, are they having problems with that? I know we still have water standing since March, some of those areas, and they can't even get in there to do the assessments. But it's starting to go down. Are they having any better luck getting assessments done?

Mr. BYARD. Sir, I will check with our Federal coordinating officer there in Missouri and see where we are on that. When we look at flooding in that magnitude, the incident period, however, even though, you know, you mentioned two separate incidents or two separate weather events, but for a declared flood of that magnitude, we do leave that incident period open, sometimes 3, 4, 5 months so that that water can go down and we know where it is. But the two get-backs I have for you is the recoupment—I want to find out about why we're recouping dollars from citizens—and then what is our ability to assess still-flooded areas of that—of your part of the State. Is that——

Mr. GRAVES OF MISSOURI. I wanted—and I want to specifically address, too, this gap. And I'd encourage you, too, to talk to the folks from Atchison County and get a better understanding, because they are absolutely on the ground and dealing with it every single day. And—but I definitely want you to—they're here today.

Thank you, Madam Chairman.

Ms. TITUS. Ms. Mucarsel-Powell.

Ms. MUCARSEL-POWELL. Yes, good morning. Thank you, Madam Chair, for holding such an important hearing. It's been mentioned several times most of us here are really representing areas that are affected by stronger and stronger storms and disasters.

And the first thing I want to say, Mr. Byard, which you probably don't hear that much, is thank you. Because in May we had another hearing, and it was Mr. Kaniewski who testified before our subcommittee, and I was stressing the importance of getting these FEMA reimbursements after Hurricane Irma. It's been over 2 years, and very promptly we started seeing those reimbursements flow.

Unfortunately, we are still owed over $100 million in Miami-Dade County alone. And I'm just very concerned, because it's been 2 years. We were very fortunate to dodge Hurricane Dorian, and we've incurred costs because of that, but I don't want us to lose sight of the fact that we're still waiting and FEMA is still holding over $100 million just from Miami-Dade County alone.

So my first quick question: If you could please assure me that you'll go back to your team and try to expedite those remaining reimbursements, I would greatly appreciate that.

Mr. BYARD. Yes, ma'am.

Ms. MUCARSEL-POWELL. Thank you. And may I also bring up the fact that Keys Energy, which is the public power utility in the lower Florida Keys, was owed over $43 million from FEMA, and, in May, FEMA had obligated about $15 million. But we've only gotten $2 million paid to Keys Energy. It's now October, and they're still waiting.

FEMA's sitting on $28 million, and this is highly costly because they've had to take out loans to make up for this difference. Without this money, we are in even greater danger if we—we're still in hurricane season, believe it or not, in Florida.

So I know that in your testimony you talked about the ways that FEMA has been simplifying and streamlining its grant application process. But I have to be honest with you. It's not working for everyone. I know that you are trying to have a better response, a timely response, but we're not seeing that in Florida. The FEMA team responsible for working directly with Keys Energy has changed a number of times.

Just imagine over the past year, since October 28, 2017, we've had seven different project development grant managers, which, Mr. Currie, you were talking about how costly and how complicated the process of overseeing disaster recovery efforts is.

Well, it doesn't help when you have changes like this. Seven different staff members in FEMA overseeing this project. Every single time, every time there's a new person, we have to start all over again. So FEMA has Keys Energy walk them through the audits, walk them through the project worksheets, everything.

Thankfully, they've had a consistent team since May, so I'm hoping that there's consistency there and that we can see improvement in the streamlining process. But I think that you—my suggestion is that we need to figure out a way to have staff be even present during storms, someone that has the authority to make those decisions for approval, which I think would cut the timeliness of getting those reimbursements and the approval process of all the audits that FEMA requests.

So, Mr. Byard, can you also please assure me that you can help with the Keys Energy reimbursements 2 years later?

Mr. BYARD. Yes, ma'am. I will.

Ms. MUCARSEL-POWELL. Thank you. Now, I just heard yesterday that even though there has been $15 million that has been obligated, FEMA has directed the Florida Division of Emergency Management to hold the money until the payments are reviewed further. Can you explain why this is happening?

Mr. BYARD. Ma'am, I will have to get with our region 4 partners. You know, we obligate to the State. The State then does that reim-

bursement to an outfit like Key Power. We are doing validate-as-you-go. That may have something to do with it, but that doesn't sound like it where we're—and what that process is, as I alluded to, it's a reimbursement program, so Key Power would show where they had eligible work. They would show that those costs were eligible. The reimbursement would go.

The beauty of that is when the project's done, there's no more waiting for closeout. It's closed there. But to your point I would need to get with our region 4, and I will do that.

Ms. MUCARSEL-POWELL. Thank you. Thank you.

Mr. BYARD. So definitely Miami-Dade County and Keys Power, several issues with Keys Power.

Ms. MUCARSEL-POWELL. Thank you. So one quick question, and you can all answer and give me your ideas here, but what is it that we need to do to better streamline this process. You talked about the States, but it is the responsibility of these Federal agencies to respond in a timely manner. I've been to Puerto Rico, and I've seen the delay in response there as well. So what is it that we need to do? And I would love to hear from each one of you briefly if that's possible. Thank you.

Mr. CURRIE. From my perspective, what we've seen on the response side, meaning leading up right to the disaster and the days after the disaster, we've seen huge improvements since Hurricane Katrina in terms of FEMA being there on the ground. I think it's really the recovery programs that are still causing a lot of challenges, and it's what I said in my opening statement. I think there are so many different Federal programs that come together with different rules, requirements and regulations, and it's extremely difficult for State and local emergency managers to figure out how to synchronize and manage all those programs.

Ms. TITUS. Thank you. I think your time is out. You all might talk later about that if you want to add something to it.

Now, Mr. Palmer.

Mr. PALMER. Thank you, Madam Chairman. I've got some questions for you, Mr. Byard, about FEMA and the debris removal. Alabama was hit by a swarm of tornadoes in April of 2011, massive damage statewide, the worst outbreak in the history of the State. And then the aftermath, and the debris removal, I think FEMA typically contracts out the debris removal to the Corps of Engineers. Is that correct?

Mr. BYARD. Well, sir, not necessarily. But I can—I'll be happy to kind of high-level talk you through how that goes.

Mr. PALMER. Well, I have a pretty good idea of how it goes, and that's what I want to talk about is that in Alabama, the debris removal cost was being handled through the Corps of Engineers. They were contracting it out to look like a single-bid contractor. And it was about $40 per cubic yard.

Fortunately, there were some county engineers and others in the State that were not willing to do that, and what would have happened there is even at that price, when the final tally came in, that the State would have had to reimburse FEMA for anywhere from 10 to 25 percent of the removal cost.

In a couple of cases—and I've got an article here, Madam Chairman, that I'd like to enter into the record if I may, that details this.

Ms. TITUS. Without objection, so ordered.

[The information follows:]

Article from www.al.com, Submitted for the Record by Hon. Gary J. Palmer

U.S. ARMY CORPS OF ENGINEERS IS MOST EXPENSIVE TORNADO DEBRIS REMOVAL OPTION, BUT CLIENTS CITE FEWER HEADACHES

By Robin DeMonia—The Birmingham News

https://www.al.com/spotnews/2011/07/us__army__corps__of__engineers__is.html

Updated Jan 14, 2019; Posted Jul 31, 2011

Some counties and cities that hired private contractors to cart off debris from April's tornadoes paid significantly less for the work than those local governments relying on the U.S. Army Corps of Engineers.

The Corps of Engineers, which in the past has refused to disclose its rates even to some local officials using its services, confirmed this past week its cost for removing debris in the state. It has averaged $46 a cubic yard, said Nelson Sanchez, the commander of the recovery field office.

That's almost two times the rate the city of Birmingham reported paying private contractors and consultants during the first 30 days of its storm cleanup. The Corps' price is more than three times the rate paid in Jefferson County and in Fultondale, more than four times the rate paid in Calhoun County, and more than five times the rate paid by the city of Hanceville.

"We've saved the taxpayers millions of dollars," said Hanceville Mayor Kenneth Nail, whose city hired a North Carolina construction firm to remove storm debris, hired temporary workers to monitor the cleanup and ended up after 30 days with costs below $8.50 a cubic yard.

The Federal Emergency Management Agency, which will pay the bulk of the cleanup costs in all jurisdictions, said the price comparisons can be deceptive. The Corps' rates cover expenses such as auditing that are not included in contracts with private firms, and the private contracts can carry costs that go beyond dollars, agency officials say.

"There are intangibles here, like the cost of the time and effort for local government bodies to manage a debris contract, to (award) it, to put it out to bid, to make sure it's being done, and then to be ready for the audit that will come," said Michael Byrne, who is the coordinator of the Alabama disaster for FEMA.

Those that hired private debris-removal contractors don't dispute the headaches. They had to pay full costs upfront and grapple with FEMA to get reimbursed, while those that used the Corps will pay just their share after the work is complete. Also, most of those using private contractors had to hire consultants to manage or monitor the debris work.

Still, the price beat the Corps' by far. Calhoun County paid less than $11 per cubic yard during the first 30 days of debris removal, even though it hired three contractors to do the work or to monitor and manage it. Calhoun County Administrator Ken Joiner gives much of the credit to one of the contractors, Lee Helms, a former director of the Alabama Emergency Management Agency, who oversaw the Calhoun County cleanup.

Even with Helms' careful management and the low prices, however, it was a serious strain on the county to front the cost and wait for reimbursement, Joiner said. "We're not the federal government with big purse strings," he said. "We're having to dig into what we have, and that's not much."

Nail said Hanceville at one point ran out of money, and it has found FEMA fickle about its terms for reimbursement. "Today, it's 'do it this way'; tomorrow, it's 'let's do it that way,'" he said. "I have to jump through hoops, dance around, tippy-toe, sing, and I've done a little bit of all of that."

He doesn't blame the FEMA officials he deals with. "They are like the waitress who has to deal with the customer when the chef cooks a bad steak."

But the ultimate price should matter, Nail said. Even with FEMA reimbursing the bulk of the cost, local governments have to chip in a small portion. "I'd a lot rather pay 5 percent on $1.3 million than 5 percent on $3.3 million," he said. "That's a big difference in a little town."

WASHING MACHINES

Debris has been a huge issue across Alabama since April 27, when more than 60 tornadoes left the state littered with uprooted trees, crumpled homes, twisted cars and other wreckage.

Officials measure the debris by the cubic yard, which is roughly the size of a washing machine. If the rubble across the state were piled up, it would be the size of 10 million washing machines—and that estimate includes just the pieces that landed on or could be pushed to public roadsides.

Getting rid of the debris will be the biggest expense in the disaster, Byrne said. FEMA will pay either 90 percent or 75 percent of the expense, depending on when and where the work took place. The state picked up the portion not covered by the federal government for the first 30 days of the cleanup. But beyond that, the state and local governments are splitting the nonfederal portion. Currently, the state and local governments are paying 12.5 percent each.

The rates charged by the Corps of Engineers, which is handling about half of the debris work in the state, will be a significant factor in the final cost.

Cullman Mayor Max Townson said he is guessing the Corps' rate in his city will be $50 per cubic yard. That puts the total expense so far at greater than $7 million and leaves Townson with serious concerns about what the city's portion of that will be. "The storm is taking a bite out of our budget," he said.

The state's share—which has been estimated at $50 million—will be larger than all the local governments combined, said Jeff Byard, who is the executive officer at the Alabama Emergency Management Agency and the state coordinating officer for the disaster.

The state didn't know the rates when it asked for the Corps' help in the storm cleanup, Byard said. But cost wasn't the state's chief concern, he said, and he is convinced the Corps was a good option.

"We're very aware, very cognizant that our local governments are very tight on money. We all are, to include the federal government," he said. "But having said that, at the end of the day, you're going to have to get the debris up, and we're going to have to do it the best way we can."

Some local governments, including Jefferson County, Birmingham and Fultondale, chose not to use the Corps and hired private contractors instead. Their officials said a key concern was uncertainty about the Corps' costs.

"We're not going to buy a car if we don't know the price," said Jefferson County Commissioner Joe Knight.

"The question for me," Birmingham Mayor William Bell said, "was did I want to be a passenger in the back seat of the car and not know where I'm going or did I want to be in the driver's seat?"

But debris work is a prime candidate for an audit after the storm, said Byrne, the top FEMA official in Alabama. With private contractors, cities and counties are at risk of making mistakes that result in having to pay back the federal government, Byard said. If FEMA's reimbursement process appears cumbersome and slow, it's an effort to prevent those situations, he said.

The scenario helps to explain why some hard-hit jurisdictions such as Tuscaloosa, Cullman, St. Clair, Marion, Lawrence and DeKalb counties chose the Corps.

The city of Tuscaloosa's estimated tab for the Corps' work had reached $730,000 this week, with 70 percent of the cleanup done, said Mayor Walt Maddox. But the city would have had to borrow money and divert resources from other critical needs if it had hired a private contractor to do the work, he said.

Instead, Maddox said, "We put it in the hands of the largest engineering firm in the world. It was the only decision to be made."

SPEED COSTS MONEY

The Corps of Engineers said one factor raising its costs is that it keeps private contractors on standby for any disasters that strike. For Alabama, the prime standby contractor is Tennessee-based Phillips & Jordan, and it went to work after the tornado outbreak. The Corps said the rate it pays Phillips & Jordan is proprietary and not public information.

But the prices tend to be high because the contractor "has to bid his prices based on a lot of unknowns and variables," said Steve Philben, the Corps' emergency support team leader at the Birmingham office serving as the disaster response headquarters.

"You're paying management people that know how to do this stuff a premium to go out and do a job right for you and get on the ground quickly," Philben said. "The reason for bringing us in is speed and speed costs money."

The Corps said its rates may get lower as the cleanup continues, while local governments with private contractors say their expenses may rise. But if past disasters are a guide, the gap isn't likely to close. After Hurricane Katrina, a congressional report titled "A Failure of Initiative" touched briefly on the Corps' debris work. "Local governments have been able to get the job done more quickly and cheaply," the report said.

Trying to compare local governments' costs, however, is not easy.

The contracts in Birmingham, Jefferson County and other locations show that a company's unit prices may be low in one area and higher in others, and sometimes, what might seem to be the same service is not.

Next to some other jurisdictions, the city of Birmingham's average looks high. But it also reflects mostly construction debris, which tends to be more costly than vegetation. Calhoun County's price is lower, but it was able to save money by burning vegetative debris, which wasn't possible in Jefferson County because of air quality issues.

Whether a price is reasonable and eligible for reimbursement is ultimately up to FEMA to decide.

The Disaster Recovery Contractors Association, a national trade group, takes no position on what should constitute a reasonable rate for debris.

"DRCA's membership believes that debris removal contracts should be competed at the local government level to ensure fair competition, reasonable rates and local community control of the disaster," said Casey Long, a former FEMA official who is the trade group's managing director.

The group also advocates for equal FEMA reimbursements for debris work whether it's performed by the Corps or private contractors. That was initially a concern in Alabama, but the cost share now is the same for both.

Private debris contractors in general are quiet about their costs compared to the Corps'. Many of them also do work for the Corps. Ceres Environmental Services, which won the Jefferson County contract for debris removal, has a standing contract with the Corps in other states for debris work, a spokeswoman said. DRC Emergency Services, which got the contract in Birmingham, Fultondale and Calhoun County, is currently working for the Corps in Joplin, Mo.

Byard, the state's coordinating officer for the disaster, said there's no reason pit pivate contractors against the Corps.

"By using a mix of both, we're at 9 million cubic yards removed on the 90th day after the storm," he said. "What that does for our citizens you cannot put a price tag on. Mentally and emotionally, it is a return to normalcy."

Mr. PALMER. Thank you, ma'am.

They went out and got their own bids and in one case it was $10 per cubic yard county—and this was a small county. It had about 600,000 cubic yards of debris, $10 a cubic yard, that's a savings of about $15 million. And I'm not really going after FEMA. I mean ultimately we want to get the debris removed and people back to normal as quick as possible.

But when you're talking about a small county and $15 million, it's not only a massive savings for the Federal Government, because Federal Government would have paid a big part of that, but it's a major savings for counties. And these small counties have really struggled. One was a city in Cullman County, they wouldn't have had the money to pay their share.

So my question to you, sir, is when this occurs where the county or the local government contracts it out themselves and handles that themselves, then FEMA—they have to submit an invoice to FEMA for FEMA to pay them back. When it takes FEMA months to reimburse these cities, it's really a hardship on them. Is there any way we could expedite this? Because it's beneficial to the Federal Government as well as it is to these localities.

Mr. BYARD. Yes, sir. And I was actually the State coordinating officer for Alabama in 2011. We lost 250 Alabamians in 1 day over 50 counties declared.

Mr. PALMER. I was there. I had damage at my place.

Mr. BYARD. Exactly.

Mr. PALMER. With trees down in the yard.

Mr. BYARD. At that point, the State—I—you know, blame me.

Mr. PALMER. I'm not blaming anybody.

Mr. BYARD. Based on Governor Bentley requested the Corps do the debris removal in many, many counties. Some of that is those counties did not have to do any upfront costs. They did not have to do the reimbursement. What Alabama did since then I think is very proactive, is we divided the State up in districts and have pre-event, already vetted through FEMA contracts. I was a part of that as we worked with FEMA region 4.

So counties and cities within that county were able to, if declared, working through the County Commissioners Association, we had contracts in place that went through the proper bid procedures and so forth. So that's one area that will definitely increase the reimbursement piece of that. One of the biggest issues we see in debris removal is the procurement of that contract post-storm.

So anything that can be done before an event that we can sit down with the FEMA legal team, the State legal team and make sure it fits that procurement procedure is a good practice.

Mr. PALMER. Well, I think it's in the best interest of all of us if FEMA could streamline the reimbursement to these localities that can't afford to do that because the savings are enormous.

I'd also like to ask about—just a quick question: Do you have any idea how much of the disaster relief money for the Sandy Recovery's still unspent?

Mr. BYARD. No, sir. I can get you a balance of that. I do not have that in front of me.

Mr. PALMER. If you would, I would appreciate that very much.

Mr. BYARD. Yes, sir.

Mr. PALMER. Madam Chairman, I had other questions, but my time is fast evaporating. I yield back.

Ms. TITUS. Mrs. Fletcher.

Mrs. FLETCHER. Thank you, Chairwoman Titus. This hearing today is incredibly important to myself, to the people I represent, and to all of my colleagues here. And, like them, I also represent an area that's been devastated by several disasters and appreciate the work that FEMA has done to help our community recovery.

I represent Texas' Seventh Congressional District in Houston. And so we are still recovering not only from Hurricane Harvey, but from the Tax Day Flood, the Memorial Day Flood. We now have damage from Imelda. So we're continuing to see these challenges. And one consistent theme that I hear from my constituents is that we want to figure out how to do this faster. We continue to have similar storms. No storm is the same. But how can we streamline and improve the process?

And so that's something I want to put to everyone on the panel. But I also want to start with an observation. We have just now, 2 years later, gotten several projects approved from FEMA, and so I appreciate that. I know that the North Canal Project as well as the Inwood Golf Course Project and the Lake Houston Dam Project are all going to move forward.

That said, it's been 2 years, more than 2 years, since Harvey and since these projects were proposed. And there is a common frustra-

tion throughout our community, because these projects cannot go forward until they've been approved by FEMA, or we'll jeopardize the matching funds. We have some legislation that's passed this committee to try to streamline some of that process, but it's for a limited number of projects.

And so I guess what I would love to hear from you all is what can be done to improve the timeline for Federal consideration of these hazard mitigation projects. Because for many people who spend the money to repair their homes, but the hazard mitigation project can't come in, so they're concerned and I can tell you every time it rains, people in my district are concerned their house is going to flood again because we haven't been able to build the additional detention or do other projects that could help change the outcome.

So can you talk a little bit about that? What can we do to improve this timeline?

Mr. Byard, maybe I'll start with you.

Mr. BYARD. Yes, ma'am. So as it relates to the Hazard Mitigation Grant Program, which I believe is what you're referring to, as a post-disaster grant program, a lot of the time constraints that that program hits deals with environmental process, the environmental assessments that need to be done.

I can definitely check on where we are on those specific projects as it relates to Houston. However, with the BRIC program, that is one of the goals, is to get more funding upfront so that we can do these projects, you know, when it's not already destroyed so to speak. So it's better to do it upfront, save money, and then have a less recovery.

But I can definitely check on the specifics of where we are on those projects for Houston, but it—if I had to—not having it in front of me, it's probably somewhere in the environmental review process.

Mrs. FLETCHER. Well, that's helpful. I appreciate that. And I think it's not just for my own district, but for all of us, think what are the things that we can do legislatively. What are the ways that we can be helpful in streamlining some of the challenges that cause the review process to take so long? If there are legislative opportunities, I think it would be helpful for all of us to know them, so we can try to move them through this committee.

Mr. BYARD. Yes, ma'am.

Mrs. FLETCHER. Anyone else want to weigh in on that?

Mr. ALVORD. Yeah. I'd offer a quick observation I think. And I'll draw a quick distinction between response and recovery. Because I think you're dealing with two different scenarios. And EDA is most involved in the economic recovery portion of disasters, and I think we've seen some great opportunities in the context of the National Disaster Recovery Framework and the economic recovery support function in those instances where we have been activated to deploy to a joint field office and Federal agencies are working hand-in-glove together to try to differentiate one another's assistance and provide clear guidance to our stakeholders about which agency can best meet their needs on the ground.

And this not only helps us to move in a more timely fashion to get the assistance to those that need it, but it also ultimately re-

sults in a more efficient and effective disaster recovery response, because we're guarding against duplication and overlap. If we know that one need is most cleanly met by a certain agency, that agency can then tackle that problem and we can move onto the next challenge.

Mrs. FLETCHER. I appreciate that. I would like to sort of put out for you all to consider and maybe help us come up with a solution here, because I agree that what my constituents see and find very frustrating is that different agencies can help with different things.

And so if we look at this from a sort of victim-centric focus instead of having to call FEMA, oh, you should call SBA. Well, that's going to come through the city, or that's going to come through the State or the county. There are so many different programs. And I think for someone in the immediate aftermath of a disaster or in long-term recovery, that process can be very confusing.

And so I think suggestions that you all would have for us that we could implement that would make it easier for the victims of these disasters to navigate that process would be extremely helpful.

I see that I've gone over my time, so I appreciate your being here this morning, and I yield back.

Ms. TITUS. Thank you.

Mr. LaMalfa.

Mr. LAMALFA. Thank you, Madam Chair. I appreciate sitting in on the committee today.

The issue in northern California has been pretty tough the last couple years, starting with the Oroville Dam, the State water project spillway, and FEMA and the administration responded very quickly on that. And as well then we had the 2018 Carr Fire in West Redding—230,000 acres burned, 1,600 buildings lost, 8 deaths after the Carr Fire. And then finally capped last November, we're coming up on the anniversary of the Camp Fire in Paradise, California—150,000 acres burned, 18,000 buildings destroyed and 86 lives lost all told in that. Humongous tragedy.

Of course, a big part of my job and my office and my team at home has been working really hard on this in helping the town of Paradise and surrounding areas in Magalia, Concow, Yankee Hill, others to recover on that as well as finishing up on the Carr Fire where people are recovering there.

The town of Paradise, for example, people have been very patient and very resilient on this issue. Even the Paradise High School football team has outscored their opponents 362 to 40 and is undefeated right now. So everybody's really hanging in. They're strong with resilience.

And FEMA, I commend you, Mr. Byard, on, again, the immediacy of getting resources and the support on the Camp Fire for removing the toxic material on each footprint where a home or a building has burned down and seeing the need on that watershed to just get that out and get it moved to approved waste areas.

And so tens of thousands of truck trips later, it's pretty much complete up there and a lot of building permits, home permits are being let, and recovery is happening. So great work on that, working with Cal OES, Office of Emergency Services, and local governments on that. So there's always people that are going to—there's

always an impatience with resources don't get there as fast as people want and untangling issues and redtape.

And so let's talk just real quick about the concept of temporary housing for folks that have been displaced. And, again, we're thankful, thankful for all this. But there was some issues in setting up temporary housing sites for people to dwell. They were scattered, you know, all over. Many in the town of Chico; maybe half of the 27,000 displaced, which has caused Chico issues of crowding and traffic, but temporary housing versus looking at how do we narrow that timeline? Six months to identify a site and 10 months to start moving people in, you know, and I know it is the circumstance, but how can we narrow that, and is there efficiency maybe with funding permanent homes instead of the temporary homes? Is there a way we can hopscotch that and find opportunities to put our focus towards permanent buildings?

So, could you touch on that, please?

Mr. BYARD. Yes, sir. So, you know, housing is a difficult mission, even in the best of times. For the example of Paradise, normally, in a lot of cases, we are able to put a temporary housing unit, or a manufactured housing unit, on an individual's lot. As you well know, due to the toxic environment that the debris caused, we cannot do that in Paradise, so we actually had to find group sites, which then relies on local governments as far as, "Where can we put those?"

The Federal Government and FEMA, we do a good job of reimbursement, but the land has to be granted or given or permitted for us to do that. Then, we have to come in and basically build a neighborhood, from sewer, power, and so forth in certain areas. We try to find where we can, like at campsites that are already built like that, something like that, and a lot of times, that works. My friend, we did that——

Mr. LAMALFA. Yeah, my time is going to be short on this. I am sorry. So, just kind of getting to the crux here. How can we narrow that timeline? I know it has been tough to identify some of these areas, and we had to do a lot of things with campgrounds and parks and others.

Mr. BYARD. Right.

Ms. TITUS. But what can we focus on to narrow that timeline?

Mr. BYARD. I would look at, again, how do our State and local partners, you know, can they identify lands that could be used for a group site in the event they need that? Then, we can come in in a lot more efficient fashion and do that.

Mr. LAMALFA. OK.

Mr. BYARD. If we——

Mr. LAMALFA. And now, I have got another issue, too. I am sorry, but——

Mr. BYARD. It is all right.

Mr. LAMALFA. Orphan roads, they call them. They are basically kind of like public roads, kind of like private, mostly? Or seen as private, but they are used by everybody. Emergency services, utilities, others, and there are folks really concerned up there that removal of debris along these roads.

We still have a million trees up there that have got to be removed, and I know FEMA is looking at trees being part of the

problem up there of not only along the roadways, but a little farther inland, and so, we need more attention on that, and I know you are working in that direction, but we have to remember that these dead trees that are out there are going to continue to be a problem.

That kind of gets back to forestry management in general, where somebody was talking about preset disaster planning. The forestry in the West is a disaster. Pre-disaster, a lot of it, so I would appreciate, keep paying attention on how we can remove these trees that are already burned and dead and in place and should be seen as part of the cleanup.

So, and then, I will just leave a quick note. You did a great job on clearing land in the Whiskeytown area and the Carr Fire on a private clearing, but also there was parkland nearby where you didn't have the jurisdiction to clean up a toxic building that burned down on parkland. So, national parkland. So, we have got to be able to look at what would be sensible. When you are there to do work, can you also do it on the national parkland, and is there a regulation?

Let me ask you on that. Is there——

Ms. TITUS. Mr. LaMalfa——

Mr. LAMALFA [continuing]. A regulation that could change? Please get back to my office.

Thank you, Madam. I am sorry. I yield back.

Ms. TITUS. Thank you.

I would like to follow up on something just for the record that Mr. Garamendi brought up about helping local communities that have difficulty paying for their recovery work up front. According to the Cash Management Improvement Act, FEMA can currently pay local governments on the basis of invoices before locals have to pay their vendors. Can you address why you aren't using that, or what the problem might be?

Mr. BYARD. There are certain situations when we can do that. To be specific on the gentleman's question, I don't have the background on that, and I definitely will look at it. You know, FEMA's goal is to expedite recovery in the most, you know, and the quickest we can. We do have to do that understanding that eligible reimbursements are the key or even that upfront money.

We also have an immediate needs funding process where we can do upfront grants. The State of Florida took advantage of that in Hurricane Michael. So, you know, I will definitely look at that. As far as the specifics of what the gentleman was asking, I don't have the projects in front of me.

Ms. TITUS. Well, that might be one of the reforms we could make. If you look at those programs that allow upfront funding to see if there is something we can do to streamline that or make it work better, that would be helpful.

Mr. BYARD. Yes, ma'am.

Ms. TITUS. Thank you. Now, Ms. Norton?

Ms. NORTON. Thank you very much, Madam Chair.

Underlying the local matters that you have heard, Mr. Byard, is the overarching issue of climate change. In the last 5 years, FEMA has had to face $5 billion natural disasters, and not until this year has there been, and the House has passed some legislation.

I would be most interested to know whether climate change, Mr. Byard, is even on your agenda, and if so, what specific steps is FEMA taking to help States and local jurisdictions prepare for these redundant and increasingly costly climate change events?

Mr. BYARD. Yes, ma'am.

You know, FEMA's mission is very clear. We want to help people before, during, and after disasters. That is actually our mission statement. It is a pretty simple mission statement. What we are doing as far as individual communities is, that is a decision of that community. We fund eligible mitigation projects to push——

Ms. NORTON. But I am asking, there is an over—you are not responding to my question. Communities have not faced what everyone, the world understands to be climate change. Different and more repetitive, more serious events. I am asking, is that on your agenda? I know what you do every day——

Mr. BYARD. Right.

Ms. NORTON [continuing]. When there is a disaster. Is climate change on FEMA's agenda? And if so, what are you doing with respect to climate change?

Mr. BYARD. Yes, ma'am, and again, you know, FEMA doesn't guide what a local mitigation plan or a State's mitigation plan is. It is based on the risk of that individual State or that individual community.

Ms. NORTON. So, you have no guidance whatsoever to offer?

Mr. BYARD. No, ma'am. We have mitigation guidance, we have planning guidance, we have various amounts of tools and resources for that.

Ms. NORTON. Has that planning and mitigation guidance changed since these natural disasters, billion-dollar disasters, have confronted FEMA and since climate change has been a problem for the United States?

Mr. BYARD. I can look back and see what changes, ma'am, have occurred, but you know, flooding, and different communities are faced with different threats. So, again, that is part of the locally executed, State-managed, and federally supported program that works best.

Ms. NORTON. I really thank you very much, but I take it from your answer that there is no national focus on climate change. Your answer does not assure me that we are preparing for these increasingly expensive events or that we even understand them to flow from climate change. This is very serious, and I do hope that this committee will in fact instruct FEMA to notice and engage in increasingly important preparation beyond the usual preparation for these increasingly costly events so that the Nation does have climate change on its agenda.

Now, I do have another question. FEMA, we have heard over and over again from you and from Members, is stretched thin. Sometimes, you call upon employees from other agencies like the Department of Homeland Security. I am not sure these other agencies have much background or the skills that are necessary. How do you deal with these employees that you have to borrow from other agencies, and I would also like to know whether FEMA's new headquarters plan for Department of Homeland Security will help to fill

in these gaps and assist FEMA and the staff when you are stretched thin like this.

Mr. BYARD. Yes, ma'am. I would have to say, you know, the program you are referring to is our service capacity ability to do that, which was granted to the agency through legislation. It is tremendous. Let me say that.

When you have Federal partners that we can surge in first through the Department and then outside of the Department, they can do vital work like man our call centers for our survivors; the IRS does a great job when we call upon them to do that, to help with our Disaster Survival Assistance Teams to go out and actually face-to-face with the disaster survivors. Some of the feedback we get out of that is that it is some of the most rewarding work that our Federal partners get to do, so that is a tremendous benefit to FEMA for that short term.

As far as the FEMA headquarters, ma'am, I don't know. You know, we are on 500 C Street. It is my understanding that we are staying on 500 C Street Southwest.

Ms. NORTON. Thank you very much.

Ms. TITUS. Thank you, Ms. Norton. I think you make a good point. I don't see how you can possibly talk about resilience in mitigation without considering climate change.

We will now go to Mr. Graves of Louisiana.

Mr. GRAVES OF LOUISIANA. Thank you, Madam Chair. Madam Chair, I want to thank you very much for having this hearing, and I wish that HUD were sitting here as well because they are very topical to this. I think it is awful that they refused to attend today, and afraid to attend, to be held to the standard, to be held accountable for their performance over the last several years.

I want to very quickly address FEMA. In the initial drafts of the Disaster Recovery Reform Act, we had a provision in there that incentivized State and local governments to carry out resilience activities, and in return, they would get a lower cost share from the 75/25 cost share on Individual and Public Assistance Programs.

That was moved and it was enacted. We extracted it out of that bill and put it in the BBA 18, the Bipartisan Budget Act of 2018. It is my understanding that FEMA has not taken any action in terms of implementing that program. Along the lines of what Ms. Holmes Norton was just discussing, this incentivizes State and local communities to be more resilient; to adapt to changes in our climate and other flood risk and disaster risk challenges.

I want to urge you, and I would like for you to come back to this committee and let us know your implementation timeline. I have even heard some folks at FEMA secondhand say that they may not be implementing it. I am not sure that when you read the law it really gives you any discretion to do so.

Number two, there is a provision in the Disaster Recovery Reform Act that says that schools are to be, they are deductible. Schools in the aftermath of a disaster are to be adjusted. We are waiting on that, and it is to the tune of about $40 million to schools in Louisiana. We have schools that aren't opening. We have kids that are challenged as a result of this, and I want to urge you to please expedite that, and please tell the committee when you are going to do that.

Thirdly and most importantly. In the GAO report that is largely topical to this hearing, GAO–19–232, page 47, you say in here that, in a previous report, "we found that different Federal disaster response programs are initiated at different times, making it challenging for State and local officials to determine how to use Federal funds in a comprehensive manner."

It goes on to say, "In response to a survey that we conducted for the report, 12 of 13 States and cities reported that navigating the multiple funding streams and various regulations was a challenge that affected their ability to maximize disaster resilience opportunities."

So, here you have in the immediate aftermath of a disaster, FEMA comes in and you start providing assistance. Then, SBA comes in. Then, HUD comes in with the CDBG–DR grants. We had FEMA shutting down housing options in terms of hotels and mobile homes, yet HUD wasn't anywhere near their ability to come in and deliver the long-term recovery funds.

So, you had people sitting there in a gap for a year or more. It doesn't make sense. We look like a circus. We look like a bunch of clowns. This is all the same Federal Government. Now, the GAO report goes on in its conclusion, and it does not—it does not conclude that we need to take the Community Development Block Grant and Disaster Recovery Program and memorialize it. It doesn't say that.

To the contrary, what it actually says is, "Congress should consider legislation establishing permanent statutory authority for a disaster assistance program administered by HUD or another agency that responds to unmet needs in a timely manner and directing the applicable agency to issue implementing regulations."

And this report largely goes in and says that HUD comes in each time, and they issue different, or they issue regulations. And in terms of the BBA 18, it took HUD 18 months—18 months to issue regulations on how to tap the funds. Eighteen months to issue regulations. These are disaster victims, and I don't think I have heard anybody talk about. These are disaster victims that have lost everything in many cases.

We are the United States. This is ridiculous what we do to people. Our own Federal Government revictimizes people. There should be seamless transitions. You know what? There is potentially going to be a bill next week on the House floor that is going to memorialize this Community Development Block Grant program into law. It is the stupidest thing we could possibly do.

Let's take a look at the data. You just heard Mr. Alvord say 79 percent of their grants are out the door. Seventy-nine percent. Is that what you said? Seventy-nine percent. You can look at this same report, page 77. You can look in here. You looked at grants. You looked at grants from 2013—2012 and 2013. Do you know that one-half of the 50 grants, one-half of them from grants from 2012 and 2013 have hit the 79-percent mark, and we are going to memorialize this program?

We have this program in Louisiana. We had a 1,000-year flood in 2016. We were given $1.7 billion. Of that, $1.2 billion is going to disaster victims. We had to pay a contractor $350 million to administer the program because of all the stupidity in the compliance

and certification. That is $350 million that should be going to disaster victims.

This is so stupid, what we are doing. We are wasting money—$1.7 trillion is what we have spent on disasters since 1980, just the top disasters. Congresswoman Plaskett and I have a bill, Congresswoman Fletcher and I have worked on this issue trying to get this money out the door to disaster victims.

We need to be very thoughtful with the clear evidence, the clear evidence of how stupid it would be for us to go this HUD route. HUD is refusing to be here because they know they can't stand up to scrutiny. They would be embarrassed sitting in this room right now.

We have got to go in a different path and learn from these clear lessons that were in the GAO report that screams it all over and over again. There is no reason it should take 18 months. These disasters and regulations are nearly identical every time they issue them. This is embarrassing what we are doing to people. It is costing taxpayers money. It is unaffordable, and I will say it again. We are revictimizing disaster victims.

Madam Chair, thank you.

Ms. TITUS. Thank you, Mr. Graves.

Just to follow up on that, Mr. Currie, I asked you this earlier about the community grants and kind of where that program belongs, to stay in HUD. Should it go to FEMA? Do they have the resources to handle it?

Mr. CURRIE. Mr. Graves is absolutely right. The reason we didn't suggest it go to HUD is because it is Congress' decision how you want to fund the disaster grant. What we looked at was the problem, and the problem is is that each time Congress appropriates money to HUD, it basically has to recreate the program and go through the Federal regulation process, which is just not efficient.

Ms. TITUS. Mr. Byard, does FEMA have the resources to take on this problem?

Mr. BYARD. Well, ma'am, as many of you have alluded to today, we are stretched thin. You know, we have got two major statutory programs that we administer, based on all the Public Assistance, Individual Assistance Program.

What the congressman pointed out, there is no argument he is going to get from me. Our program ends in 18 months. Any assistance to eligible survivors for housing should overlap that because we have to start pulling out, but for FEMA to take on additional grant funding, I would say, I would love to work with the committee about expanding our authorities to do a different means of housing, but not to take on other agencies' responsibilities or grants.

Mr. GRAVES OF LOUISIANA. Madam Chair, can I just have 10 seconds? Just one thing.

Ms. TITUS. Sure.

Mr. GRAVES OF LOUISIANA. Madam Chair, $350 million to administer this. We have got to look at the value added from the regulations from all of this scrutiny. This whole process assumes the fact that the States are going to spend the money stupidly and that they are going to be guilty and break the law. We have got to look at the value of that $350 million in our case and make sure that

it is actually returning value to taxpayers. If we go from a 2-percent error rate to a 5-percent error rate by doing more of a block grant type scenario, OK. I will take it all day long, because we are going to get the money to disaster victims faster.

Ms. TITUS. Thank you, Mr. Graves.

Ms. Plaskett, do you want to add to this?

Ms. PLASKETT. Thank you, I do want to add to this, and I want to ask you, sir. You said that FEMA is stretched thin, but if Congress not only gave you the authority, but also gave you the resources to do this, wouldn't this be a much more cohesive mechanism to be able to get—not just do the recovery, but the long-term rebuilding so that you are not duplicating efforts?

Mr. BYARD. Ma'am, again, I would happily sit down with the committee and look at all of the aspects of it. I don't want to speak in terms of what one solution may be because sometimes, it is just not more people. It is a training aspect that is involved in that. It is other areas that are involved in that. Is FEMA a long-term agency? You know, I would make a case that we are a response agency and a short-term——

Ms. PLASKETT. Well, that is not entirely what Congress has said that you are supposed to be, when we changed the Stafford Act.

For the U.S. Virgin Islands and for Puerto Rico, one of the things we said is that mitigation is necessary.

Mr. BYARD. Mm-hmm.

Ms. PLASKETT. And that we are doing your job better if we assist these areas to mitigate the damages so that when you come back in, the next time, it is not just at the same level that you have had before. So, we are looking at pre-positioning, right, for FEMA because we know in the Virgin Islands, unfortunately, you know, every year we say a hurricane prayer. It is part of our culture, because we know that that is going to happen. And so, these are things that we need to put in place.

Now, I am not knocking HUD whatsoever. But what I am saying is that when we begin one process, end it, and then have to move to a different agency and begin again, then we have issues. For one, one of the things I wanted to bring up was you had talked about capacity issues and cost estimates, right? Can you tell me how many cost estimates have been completed for the Virgin Islands, and how many need to be completed for the fixed cost estimates that are—we have a March 20, 2020, deadline? Do you know?

Mr. BYARD. Ma'am, I will get you the numbers. I know what we are focused on in the Virgin Islands—or, I am sorry. Was it Chris, or were you—?

Ms. PLASKETT. No, I am going to ask both of you.

Mr. BYARD. OK.

Ms. PLASKETT. What is your thought?

Mr. BYARD. What we are focused on on the fixed cost estimate——

Ms. PLASKETT. Mm-hmm——

Mr. BYARD [continuing]. Of those that apply with the Bipartisan Budget Act, and the beauty of that is as well, as you know, is it allows us not to look at the preexisting disaster conditions of that infrastructure——

Ms. PLASKETT. Right, but how many of those cost estimates have you done?

Mr. BYARD. I can get you those numbers back.

Ms. PLASKETT. Mr. Currie, are you aware of how many have been done and how many are still needed to be done, or a percentage?

Mr. CURRIE. So, what we reported in our testimony is that there were two alternative procedures, long-term infrastructure cost estimates completed so far on the Virgin Islands. That doesn't mean that there has only been two projects, but——

Ms. PLASKETT. I know——

Mr. CURRIE. Yeah.

Ms. PLASKETT. And out of how many, do you know, that they have said they are going to be doing?

Mr. CURRIE. I don't think the universe is actually known. I haven't seen an estimate on that.

Ms. PLASKETT. OK, and the data is—we have the estimate due by March 2020, right?

Mr. CURRIE. Right.

Ms. PLASKETT. March 20, 2020, is a deadline, which is a concern to me because we have issues in which FEMA resources on the ground are, one, unfamiliar with building technologies and construction processes in the Virgin Islands. There are changes in personnel that occur on a regular basis, and those individuals need to be brought back up to speed as to what the last individuals who were in the Virgin Islands need to do.

I mean, I am not insensitive to the challenges of FEMA with multiple disasters around the country, but I do, of course, have to be concerned with the Virgin Islands, where September 2017 was the hurricane. We lost a hospital in the Virgin Islands on the Island of St. Croix. The only hospital. We still do not have a mobile unit for that hospital. We have one operating room. It is just deplorable, when we talk about what individuals have to live through in dealing with this process, and the need to streamline it.

And so, that is why I am asking you about these cost estimates. Do you know if FEMA will be willing to devote more resources and personnel to site visits, and more expeditious completion of the work it deems necessary? I know that you have a lot on the ground, but I don't think that you are at full capacity yet, are you?

Mr. BYARD. We are looking at how do we bring more local hires on board to help with that effort, because we know it is going to be a long-term effort. I understand where the deadline is, but I am committed, we are committed to working with the Territory to make sure that we get the fixed cost estimates done and the work moving.

I think you hit on something, though. You know, we understand that we have to have generators on the island pre-storm. We have done that, now.

Ms. PLASKETT. Mm-hmm.

Mr. BYARD. We have learned a lot since 2017 about what are those critical things that we need on the Virgin Islands and in Puerto Rico and all of our——

Ms. PLASKETT. Right.

Mr. BYARD [continuing]. Territories, for that matter. Yes, ma'am. I will commit to that. I will speak with Jackie, who is running the operational——

Ms. PLASKETT. She has been fantastic.

Mr. BYARD. Yes, ma'am.

Ms. PLASKETT. And the people that you have on the ground are really committed, and we are grateful for them being there. We just need more of them.

Mr. BYARD. Yes, ma'am.

Ms. PLASKETT. We need more people, and the other thing I wanted to mention, just quickly wanted to get a question and answer on, is duplication of benefits.

So, in the immediate aftermath of the hurricane, you have individuals that take out SBA loans, right? They need their homes repaired. They need it fixed, and so under the Disaster Recovery Reform Act, we know that Governors have the ability to request a waiver of the Stafford Act prohibition regarding duplication of Federal benefits.

So, that is the question I am asking, is that are you in favor and with the new provisions and Federal law? So, those who have taken out SBA loans right after a major disaster, some out of desperation, others in need to begin rebuilding right away. For most of us, you know, the storms continued. Hurricanes and rains continued for several months after that initial hurricane. Will they be able to use Community Development Block Grant funds they receive to repay SBA loans? Will you allow our Governors to be able to do that and request the waiver?

Anyone?

Mr. CURRIE. Ma'am, I am not familiar with the situation.

Ms. PLASKETT. You are not familiar how individuals take SBA loans?

Mr. CURRIE. Oh, no. I am familiar with that, and actually, we have heard similar things. It is very confusing right after a disaster of——

Ms. PLASKETT. Right.

Mr. CURRIE [continuing]. If they are actually getting a loan versus direct assistance. I am just——

Ms. PLASKETT. Right.

Mr. CURRIE [continuing]. I am not familiar with how that would work under that scenario with CDBG HUD grants.

Ms. TITUS. Mr. Byard, could you answer that quickly, and then we will move on? Thank you.

Mr. BYARD. Ma'am, very similar to Chris, you know, that would be a HUD SBA question, ma'am. And I don't——

Ms. TITUS. Well, I mean, somebody can get us—we will look into it and get it back for the record.

Just—we have heard a lot about FEMA staffing. What about Economic Development Administration staffing? Do you have enough people out in the field helping folks to go through the applications and grant process?

Mr. ALVORD. Thank you, Madam Chair.

Yes, unquestionably, you know, the implementation of nearly three times of our regular appropriation has put a strain on staffing at EDA, and we have worked hard to fill that gap, but have

had challenges doing so, and I think those challenges have come on multiple fronts.

One, with a very strong economy, we are competing with not just other Federal agencies, but the private sector for the key positions that we need, particularly credentialed positions related to civil engineers and environmental compliance specialists, and others. So, we have worked hard to get those folks on board, but in many cases, we have fallen victim to them going into the private sector.

We have also encountered some friction in regards to just the traditional administrative processes. Sometimes, it takes longer than we would hope to get people through the Federal hiring process. I guess I would note in that regard that unlike some of our sister Federal agencies involved in disaster response and recovery, EDA has no special authorities related to hiring and bringing on staff to help with disaster response. So, we are working through the traditional process.

At this time, we have brought on board approximately 50 percent of the temporary hires that we have identified that we will need to deploy the disaster recovery assistance.

Ms. TITUS. Well thank you, gentlemen. I think you can see some of the frustration of the members of this committee, and we are anxious to look at some reforms that we may do streamlining the process, reorganizing possibly how to help with the personnel issues. So, we ask you to continue to work with us as we move forward with some of these reforms.

Are there any further questions from the committee?

Mrs. MILLER. Madam Chairwoman?

Ms. TITUS. Mm-hmm, Mrs. Miller?

Mrs. MILLER. I strongly suggest that FEMA stay to hear the witnesses from the second panel. I think it would be very helpful.

Ms. TITUS. Thank you, Mrs. Miller. At this point, then, we will say thank you and ask the second panel to come forward.

[Pause.]

Mrs. FLETCHER [presiding]. Thank you all. I would now like to welcome our next panel of witnesses.

Mr. Mike Sprayberry, director of emergency management at the North Carolina Department of Public Safety, testifying on behalf of the National Emergency Management Association.

The Honorable Fernando Gil-Enseñat, Secretary of the Department of Housing for the Commonwealth of Puerto Rico.

Ms. Rhonda Wiley, administrator of emergency management, 911, and flood plains for Atchison County, Missouri.

And Mr. Reese C. May, chief strategy and innovation officer at the St. Bernard Project.

Thank you all for being here today. I look forward to your testimony.

Without objection, our witnesses' full statements will be included in the record. As with the previous panel, since your written testimony has been made a part of the record, the subcommittee requests that you limit your oral testimony to 5 minutes, and Mr. Sprayberry, we will begin with you.

TESTIMONY OF MICHAEL SPRAYBERRY, DIRECTOR, NORTH CAROLINA EMERGENCY MANAGEMENT, TESTIFYING ON BEHALF OF THE NATIONAL EMERGENCY MANAGEMENT ASSOCIATION; HON. FERNANDO GIL-ENSEÑAT, SECRETARY OF THE DEPARTMENT OF HOUSING, COMMONWEALTH OF PUERTO RICO; RHONDA WILEY, EMERGENCY MANAGEMENT DIRECTOR, 911 DIRECTOR, AND FLOOD PLAIN ADMINISTRATOR, ATCHISON COUNTY, MISSOURI; AND REESE C. MAY, CHIEF STRATEGY AND INNOVATION OFFICER, ST. BERNARD PROJECT

Mr. SPRAYBERRY. Chairwoman Fletcher and distinguished members of the subcommittee, thank you for your kind introduction, for holding this hearing, and allowing me to testify representing the National Emergency Management Association in the State of North Carolina.

Since the devastation of Hurricane Matthew in 2016, North Carolina has experienced multiple hurricanes, tropical storms, and other disasters. The damage from Hurricane Florence alone totaled more than Hurricane Matthew and Hurricane Floyd combined. We are also the only State where Hurricane Dorian made landfall earlier this year.

Citizens across the country, as well as political leadership must understand the roles and responsibilities in responding to and recovering from disasters. FEMA is not a first responder, and the Governor maintains ultimate authority over managing the disaster. The three levels of disaster response, Federal, State, and local, must all support one another.

Our locals have a tough job. Many of them are only holding part-time positions, and few have all the necessary resources to respond to major events. To lead the State's efforts to rebuild smarter and stronger in the wake of Hurricane Florence, Governor Cooper established the North Carolina Office of Recovery and Resiliency, or NCORR.

The office provides many recovery functions, including managing CDBG–DR. With NCORR up and running, North Carolina is now on the road to recovery with a team of State, Federal, and volunteer partners dedicated to helping communities rebuild to be more resilient and better prepared to weather future storms.

One of the largest capability gaps currently is in the coordination of Federal programs. In the wake of any disaster, State and local emergency managers may have to navigate more than 90 programs across 17 Federal agencies. In my written statement, I go into detail about some of the challenges with disaster case management and crisis counseling programs at FEMA. Awards for these grants typically see significant delays. These delays lead to an inability to properly plan for assistance, maintain personnel, and commit resources to disaster survivors.

FEMA recently announced the termination of the Sheltering and Temporary Essential Power, or STEP program, which enables residents to more quickly return to their homes. With the termination of the program, FEMA must work to leverage other existing programs for emergency sheltering and housing assistance to meet the needs of survivors.

The continued debate over the National Flood Insurance Program and delays in implementing provisions of the Disaster Recovery Reform Act also prevent the bold moves we must take as a Nation to be more resilient.

No discussion of long-term recovery would be complete without addressing the CDBG–DR program at HUD. We appreciate the support of Congress in appropriating funds to CDBG–DR, and HUD has been a great partner to North Carolina in administering the program. However, the program remains bifurcated from other Federal recovery programs, and the lack of a regular authorization leaves States waiting months, if not years, for funding.

I know many options to this program are being discussed here in Congress, but one reform which would immediately improve CDBG–DR is creating a method by which information from disaster survivors could be shared across various Federal agencies. Typically known as a universal application, this improvement would allow survivors to complete one application for use by HUD, FEMA, and the Small Business Administration.

On behalf of the State emergency managers, thank you again for holding this hearing and drawing attention to the needs of the emergency management community. In North Carolina, we are acutely aware of the need to build upon the momentum of last year's Disaster Recovery Reform Act to further improve disaster recovery efforts and ensure we support our communities in their time of need.

Thank you, ma'am.

[Mr. Sprayberry's prepared statement follows:]

Prepared Statement of Michael Sprayberry, Director, North Carolina Emergency Management, testifying on behalf of the National Emergency Management Association

Thank you, Chairman Titus, Ranking Member Meadows, and distinguished members of the Committee for allowing me to testify before you today.

I am proud to testify today as a Past President of the National Emergency Management Association (NEMA) and Director of North Carolina Emergency Management (NCEM). NEMA represents the state emergency management directors of all 50 states, territories, and the District of Columbia. On behalf of my colleagues in state emergency management, we thank you for holding this discussion on federal recovery efforts from recent disasters.

ONGOING RECOVERY IN NORTH CAROLINA

Since the devastation of Hurricane Matthew in 2016, North Carolina has experienced multiple hurricanes, tropical storms, and other disasters. Damage from Hurricane Florence alone totaled more than the cost we experienced during Hurricane Matthew and Hurricane Floyd combined, and we were the only state where Hurricane Dorian made landfall earlier this year. While North Carolina is famed for its hurricanes, in the past few years we have also received major disaster declarations for tornados and severe storms, as well as two fire management assistance declarations. As a state which experiences a broad spectrum of natural hazards occurring across North America, we are attuned to the needs of our residents in disaster recovery and focused on a more resilient path forward.

Citizens across the country as well as political leadership must understand the roles and responsibilities in responding to and recovering from disasters. The Federal Emergency Management Agency (FEMA) is not a first responder, and the Governor maintains ultimate authority over managing the disaster, but without robust local emergency management, the execution of programs and projects will falter.

To lead the state's efforts to rebuild smarter and stronger the wake of Hurricane Florence, Governor Cooper established the North Carolina Office of Recovery and

Resiliency, or NCORR. The office provides disaster recovery coordination with services that include oversight of recovery funding, processing of program applications, construction and vendor management, and public outreach and education, among many other responsibilities. With NCORR up and running, North Carolina is now on the road to recovery with a team of state, federal and volunteer partners dedicated to helping communities rebuild to be more resilient and better prepared to weather future storms.

NCORR oversees the Community Development Block Grant–Disaster Recovery (CDBG–DR) program for the state, managing the disbursement of funds that will total in the hundreds of millions when the next tranche is disbursed. In keeping with the CDBG–DR mandate to prioritize the program's recovery spending in low-income areas, our CDBG–DR Housing Recovery Programs tackle the statewide shortage of affordable housing in coordination with partners at the state and local levels. We seek to instill resiliency in our recovery projects, which enhances coordination across all of our emergency management efforts, including our recovery support functions and the statewide disaster recovery task force.

UNDERSTANDING THE LANDSCAPE OF FEDERAL PROGRAMS

In September 2016, the Government Accountability Office (GAO) published GAO–16–797 and found that "During fiscal years 2005 through 2014, the federal government obligated at least $277.6 billion across 17 federal departments and agencies for disaster assistance programs and activities." GAO since revised that number to more than $400 billion including the years since. Across these 17 agencies, state and local governments and disaster survivors must navigate more than 90 federal programs. While the size and scope of all these programs exceed the capabilities of this hearing, I would like to explore a couple of key programs:

Disaster Case Management Program

The Disaster Case Management Program (DCMP) is a 24-month FEMA grant, which assists survivors with developing and facilitating personal recovery plans. In its most effective form, this process begins immediately after the event so that the survivor's recovery needs can be addressed before they compound to create other needs such as employment, health care, or childcare transportation.

For Matthew, NCEM began the DCMP grant application process at the time the storm hit and after two months received a 6-month grant for effectively 4 months of operational grant funding. We continue working with FEMA to facilitate the remaining portion of the 24-month grant but continue to operate under short, temporary extensions. The delay in the award makes it harder for us to address survivors' needs and creates difficulties in case management planning, training, and personnel retention. The uncertainty also affects our coordination with local long-term recovery groups and their ability to provide resources to survivors.

Crisis Counseling Program

The design of the Crisis Counseling Program (CCP) allows states to provide immediate crisis counseling and address behavioral health challenges for 60 days after the disaster event and thereafter up to nine months through the anniversary of the event. The grant is comprised of a two-month Immediate Services Program (ISP) and a nine-month Regular Services Program (RSP). FEMA approved the State's funding request for the RSP but due to delays within FEMA Region IV, which holds the decision-making authority for these FEMA grants to southern states including North Carolina, the state has not received a Notice of Grant Award (NOGA) from the Substance Abuse and Mental Health Services Administration (SAMHSA). The lack of a NOGA required seven 30-day extensions to the ISP, two with additional funding for continuation of services to survivors.

The delay in the long-term award negatively affects survivors and makes programmatic planning as well as training and retention of crisis counselors more difficult. FEMA must work with states in implementing the CCP with more speed, transparency, and efficiency to better address the needs of survivors.

Disaster Housing Programs

One of the most sensitive issues post-disaster is managing housing programs. In 2017 we saw states such as Texas take bold steps in managing their own housing programs. Through this process, we learned of some opportunities for better performance overall in the hierarchy of national housing programs and sheltering. Even if the programs are found to be satisfactory, we must consider how best to communicate and manage the relocation of thousands of citizens, and carefully explain the intent of assistance programs which aim for ultimate repatriation. In recent years, FEMA made intimations of deferring management of the housing mis-

sion to states through a block grant, citing regulatory and compliance difficulties. If fundamental problems exist within the housing programs, we should err on the side of make appropriate adjustments, not arbitrarily shifting responsibility to the states which every Governor may not want.

One program receiving attention as of late, mainly due to FEMA announcing the termination of the program, is the Sheltering and Temporary Essential Power (STEP) Program. The STEP program enabled residents to return to or remain in their homes, as a form of shelter while permanent repairs are completed, thereby reducing the number of individuals in congregate shelters or in the Transitional Shelter Assistance (TSA).

Now that the program will no longer be authorized, I would be remiss if I did not stress the importance of leveraging other existing programs for emergency sheltering and housing assistance to meet the needs of vdisaster survivors. FEMA should prioritize programs that enable residents to return to or remain in their homes, as a form of shelter, while permanent repairs are completed. The program should also utilize the partnership between federal, state, and locals to help identify appropriate applicants for the programs. There should be more consideration of the practical expectations in meeting emergency housing needs to the States and the survivors that details how to sign up for the program; timelines of completion; and guidance on what is acceptable. Enabling residents to go back to their homes provides the quick recovery they crave to get back to life as usual.

Disaster Recovery Block Grants

No discussion of long-term recovery would be complete without addressing the CDBG–DR program at the Department of Housing and Urban Development (HUD). We always appreciate the support of Congress in appropriating funds to CDBG–DR, and HUD has been a great partner to North Carolina in administering the program. However, the program remains bifurcated from other federal recovery programs and the lack of a regular authorization leaves states waiting months, if not years for HUD to publish Federal Register notices for funding.

One reform which would immediately improve the CDBG–DR process is creating a method by which information from disaster survivors could be shared across various federal agencies. Typically known as a "universal application," this improvement would allow survivors to complete one application for use by FEMA, HUD, and the Small Business Administration. As recently stated in a letter to Congressional leadership over the signature of seven bipartisan governors, including my own, combining the universal application "with this seamless interagency data sharing would enable significantly better communication and coordination, as well as faster disbursement of funds and improved oversight and accountability."

In the aftermath of a disaster, the last thing that a disaster survivor needs is to spend significant time navigating federal bureaucracy. Reforming this process signals our commitment at all levels of government to the needs of disaster survivors nationwide in their most critical moments.

Collaboration at the Federal, State, and Local Levels

The cacophony of federal grants programs is confusing to even the most experienced emergency manager. When created in 1978, the charge to FEMA was to coordinate the federal government's role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters. Over time, the number of FEMA-specific programs grew and the agency is challenged to help states and locals cross-cut the labyrinth of the federal bureaucracy.

For example, states and communities have access to a variety of programs across the federal government, many of which maintain the overarching goal of helping grantees become more resilient and better prepared for future disasters. The specific authorities and purposes of such programs usually vary, however, and FEMA may not have authority to allow grantees to co-mingle funds or shift the priorities of specific grant dollars.

In the case of CDBG–DR, FEMA's Predisaster Mitigation Program, and their new Building Resilient Infrastructure and Communities (BRIC) program, FEMA and HUD could and should do the following:

- Work across the federal interagency and with Congress to obtain the necessary authorities to allow grantees to blend projects with support from other mitigation programs available within FEMA and across the federal government.
- Allow for collaboration, convergence, and promotion of projects that enhance the level of protection of people and property across various programs regardless of the funding sources and legal requirements.

- Anticipate future conditions by broadening allowable project types which meet hazard impacts.

ENSURING THE PUBLIC SHARES THE RISK

Governments cannot be solely responsible for managing the response to and recovery from a disaster. Many programs already exist which allows the public to share in this endeavor, but the political and practical will to make necessary changes and drive for success must come from all of us. In order to gauge our success, we must continually review and reform programs such as the National Flood Insurance Program (NFIP).

Just as we reviewed policies and programs after Hurricanes Katrina, Sandy, and the 2017 disaster season, so too must we review the programs and policies that we use today. The measure of success related to disaster response and recovery lies in the overarching programs which help guide our policies.

Much attention has been paid to the NFIP over the last several years, and rightly so. Reforms have been implemented that are designed to stabilize the program, but the desired outcome remains elusive. In the meantime, however, we as a nation are still grossly under-insured against the threat posed by flooding, our most prevalent hazard. Time after time we watch as our communities flood, only to hear from residents that they did not have the appropriate coverage. In the absence of insurance, they rely upon a patchwork of their own fiscal ability, the generosity of the charitable organizations, and federal and state aid that is not designed to make them whole. Such situations delay the recovery of a community and threaten its very existence. We as a nation must redouble our efforts to design a system that helps people evaluate their individual risk and plan accordingly while simultaneously reducing our collective risk.

The lack of appropriate coverage is not limited to flood; too few Americans truly understand their vulnerability to earthquakes and landslides. The Cascadia Subduction Zone (CSZ) "megathrust" fault is a long dipping fault that stretches from Northern Vancouver Island to Cape Mendocino, California. This area creates the largest earthquakes in the world and previously produced magnitude 9.0 or greater earthquakes. This will undoubtedly occur again in the future. New research using land deposits found at the bottom of the ocean points to a one in three chance of a major earthquake in the Pacific Northwest in the next 50 years. Recovering from a large-scale earthquake in this area would be complicated tremendously by the lack of appropriate insurance coverage and would result in tremendous costs to government at all levels.

CONCLUSION

On behalf of the state emergency managers, thank you again for holding this hearing and drawing attention to the needs of the emergency management community. In North Carolina, we are acutely aware of the need to build upon the momentum of last year's Disaster Recovery Reform Act to further improve disaster recovery efforts and ensure we support our communities in their time of need. As you consider the topics of this hearing, please remember specifically that federal programs such as CDBG–DR are always capable of improvement, but make real differences in the lives of those impacted by disasters when properly coordinated with other disaster programs at the federal, state, and local levels.

Mrs. FLETCHER. Thank you, Mr. Sprayberry. Mr. Gil-Enseñat. I think you need to turn on your microphone. Just push that.

Mr. GIL-ENSEÑAT. Sorry for that. I appreciate that.

Mr. GIL-ENSEÑAT. Thank you, Mrs. Chairman, Mrs. Chairman Fletcher, and Mr. Graves, and on behalf of Governor Wanda Vázquez and Mr. Ottmar Chávez, who is the head of the Puerto Rico Recovery, Reconstruction, and Resiliency Center, from now on COR3, and myself, I would like to thank you for the opportunity to appear here before you today.

I would also like to thank Governor Vázquez for the trust she has placed in all of us and our team, and especially for the outstanding leadership she has put on for our recovery forward.

So, last but not least, I would like to recognize the coordinated effort of my coworkers at the Puerto Rico Department of Housing,

the COR3, and the Government of Puerto Rico in general. Also, our partners in HUD and FEMA who have worked tirelessly for all the Puerto Ricans.

As you are aware, in September 2017, devastating landfall of Hurricanes Irma and Maria caused unprecedented damage to Puerto Rico housing stock, the economy, and our infrastructure, destroying the landscape of the islands for decades to come. So, from this devastation and due to the great work of this Congress and Resident Commissioner González-Colón, who I once again thank for all her work, funds were appropriated, granting Puerto Rico the resources it needed to recover itself from the devastation and to follow a path to the economic development it deserved. Our Governor's vision for a successful recovery relies on the synergies that the COR3 and the Puerto Rico Department of Housing can create working alongside each other in this complicated process.

As primary prosecutor and attorney general, Governor Vázquez has committed all to the most transparent recovery in the Nation and to ensure that American taxpayers' dollars are properly used and compliant with every rule and regulation. Puerto Rico's primary focus is to work alongside FEMA to responsibly manage the permanent reconstruction work and the stream of Federal funding while the Department of Housing is a grantee, a main point of contact for HUD, and manage the CDBG–DR funding.

First, I will address the progress in the CDBG–DR programs and as you are aware, HUD is the Federal oversight agency of these dollars, and Congress has provided almost $20 billion in CDBG–DR funding. Nonetheless, since the September 2017 appropriation, Congress made $1.5 billion available to Puerto Rico in February 2018. Unfortunately, we have only begun access to that initial $1.5 billion, and so far, we are waiting for almost 2 years after these critical funds have been appropriated.

Importantly, to this day, we have obligated almost $1 billion, and the response to our housing program has been predictively massive. We soon had applicants work through their eligibility process to exceed our initial $2.2 billion budget, and the notion that we are spending $1.5 billion slowly is simply inaccurate.

Specifically, we are still waiting for the grant agreement for $8.2 billion of critical funding, and we are also waiting for the $8.3 billion mitigation notice, as well as the $1.9 billion for electrical grid purposes. Again, Congress has appropriated these dollars, but so far, the administration has been slow to provide the funding.

Nonetheless, our priorities for these are actually that we have to execute that grant agreement of $8.2 billion that was previously announced in our action plan. We have to initiate the program design for the $8.3 billion of mitigation, understanding that the development of that mitigation needs assessment, and the CDBG mitigation action plan requires public participation and it takes time.

And number three, we have to continue the close partnership with fellow partners and increase our expenditure ratio to ensure the lines of communication remain open and collaborative.

Now, on behalf of Governor Vázquez and Ottmar Chávez, the FEMA—in Puerto Rico, it has been like that. From the $42.8 billion that were appropriated, only $20 billion has been obligated and $14.1 billion disbursed in all the jurisdictions. From that, $8.4

billion has been obligated in Puerto Rico, and $6.2 billion has been disbursed for PA and IA.

Nonetheless, since Governor Vázquez came into office, we have been able to lift OMB form 270 in 45 days, and the small projects that are under $123,000, we have been looking for mechanisms to expedite these things.

At the same time, we are awaiting communication from FEMA on the second version of the recovery policy implementation of section 20601 of the BBA Act of 2018. This section will allow the section 406 of the PA procedures to work easily through the mainstreams of recovery.

From that scene, from the five sectors that we have developed into our priorities, three priorities are to:

Identify and then mitigate areas of risk for the appropriate management and compliance of Federal funds.

We have a priority to identify bottlenecks in this process.

The third priority is to identify solutions to enable much delayed recovery and a meaningful beginning, starting with the rollout of the reorganization programs. We have made significant progress in these past 60 days, and from those three priorities that we developed. Nonetheless, since Harvey in 2017, permanent work or PWs of 15,221 have been made in all jurisdictions. Only 161 have been made in Puerto Rico.

Let me say, Mrs. Chairman, that there are many challenges. Our Puerto Rican fellows, citizens, and U.S. citizens are optimistic. We are determined, and our island that is also your island in the Atlantic, gentlemen, is full of potential.

So, on behalf of the 3.2 million Puerto Ricans who live on the island, I would like to thank you for this opportunity. Thanks.

[Mr. Gil-Enseñat's prepared statement follows:]

Prepared Statement of Hon. Fernando Gil-Enseñat, Secretary of the Department of Housing, Commonwealth of Puerto Rico

Chairman DeFazio, Ranking Member Graves, Chairwoman Titus, and Ranking Member Meadows, thank you for the opportunity to speak before you today.

I come to you not only as the Secretary of the Puerto Rico Department of Housing (PRDOH), but as one of the 3.2 million American citizens who have suffered one of the greatest natural disasters in United States history.

In September of 2017, the devastating landfall of Hurricanes Irma and Marϕa caused unprecedented damage to Puerto Rico's housing stock, the economy, and our infrastructure; destroying the landscape of the Island for decades to come. From this devastation, and due in large part to the work of this Congress, Puerto Rico has been promised the resources it needs to recover and thrive. As the Secretary of the Puerto Rico Department of Housing, along with Ottmar Chavez, the director of the Central Office of Recovery, Reconstruction and Resilience, known as COR3, my partner in recovery, it is our job to manage this recovery and ensure the resources appropriated by this Congress are used to rebuild our communities.

The Puerto Rico Department of Housing, PRDOH, is the agency appointed by the government of Puerto Rico as the grantee for administration of the Community Development Block Grant–Disaster Recovery (CDBG–DR) funds. COR3's primary focus is on the FEMA and other streams of funding. Because of the very different and distinct regulatory requirements involved with CDBG–DR and FEMA dollars, the responsibility for the administration of these funds has been divided. Having said that, Mr. Chavez and I work very closely to coordinate our efforts. I think my fellow panelist Mr. Sprayberry can attest to how distinct these monies are and how difficult they are to spend. So, again, on behalf of Mr. Chavez and myself, thank you so much for the invitation to attend today. I am pleased to come before you to discuss our joint efforts.

First, let me address our progress with CDBG–DR funding. As you are aware, the U.S. Department of Housing and Urban Development (HUD) is the federal oversight agency for these funds, which are intended to provide financial assistance to address unmet needs that arise and are not covered by other sources of financial aid. Through the Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law September 8, 2017 (Pub. L. 115–56), Congress made available $1.5 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization, followed by the second tranche of $8.2 billion announced through Federal Register 83 FR 40314, $8.3 billion for mitigation and approximately $1.9 billion for the electrical grid. Only the initial $1.5 billion has been released to Puerto Rico. I will speak to you today regarding the progress of the CDBG–DR program, in conjunction with the Federal Emergency Management Agency (FEMA) activities overseen by COR3.

Since execution of the Grant Agreement with HUD for the first $1.5 billion a little more than one year ago [1], the PRDOH has:

- Created a division with the sole purpose of managing the CDBG–DR grant, with eighty-five (85) employees on board and more under hire;
- Developed detailed policies, standard operating procedures, and workflows, including HUD-approved procurement policies;
- Developed automated systems for applicant intake and eligibility using highly specialized software and mobile applications, allowing us to receive almost 20,539 homeowner housing applications to date;
- Put into place an electronic accounting system with enhanced internal controls, built on the same platform that is used by many other jurisdictions, as well as HUD;
- Launched the first cohort of programs, including: The Home Repair, Reconstruction, or Relocation Program (R3), Title Clearance Program, Housing Counseling Program, Low-Income Housing Tax Credit (LIHTC) Program, Municipal Recovery Planning Program (MRP), and the Whole Community Resilience Program (WCR);
- Started disbursements and obligated and procured over one billion dollars in critical recovery efforts, putting us on pace to be fully obligated to our current funds in the near future.

The PRDOH dedicates itself to delivering unparalleled service to our communities, and our employees have been working hard to meet the goal set, respond to our fellow citizens, and provide them with the assistance they need and be the government agency they deserve.

Now, on behalf of Ottmar Chavez, let me discuss the progress we are making with regard to FEMA and other funding. While the total of FEMA's commitment to Puerto Rico has been an issue of debate, the President continues to use a number of $91B. We certainly take him at his word and appreciate his commitment of those dollars. The federal government has obligated $16,36B to date (not inclusive of CDBG). Of that $6,291,349,836 has been disbursed in PA and IA dollars to assist in Puerto Rico's recovery. In addition, Congress and the Administration have provided, and clarified, additional authorities for FEMA to more effectively fund our recovery. Both the Additional Supplemental Appropriations for Disaster Relief Act, H.R. 2157, P.L. 116–20, as well as the Bipartisan Budget Act (BBA) of 2018, P.L. 115–123, provide for the administration of much needed relief and enable a more thorough recovery for Puerto Rico.

Let me pause here to thank the incredible professionals at FEMA. They have worked closely with us from day one. And let me add a special thank you to the current FEMA leadership on the island: Mr. Alex Amparo and Nick Russo. To expedite the current pace of recovery, the COR3 has prioritized strengthening Puerto Rico's working relationship with FEMA and these gentlemen have been incredibly fair parties to deal with. They certainly see things from the FEMA perspective which we don't always agree with, but they are outstanding professionals who we enjoy working with. In fact, in the first 45 days of Governor Vμzquez Garced's administration, we have seen the progress that can be made by collaborating closely with our federal partners. With the help and support of Congress and FEMA, we have lifted the Manual Drawdown Process (OMB's Standard Form 270) requirement

[1] Although the grant agreement was executed on September 20, 2018, access to the first portion of the line of credit in DRGR for the $1.5 billion CDBG–DR Action Plan was granted by HUD on January 30, 2019, with 80% of the housing funds held in restricted balance until released by HUD on February 4, 2019.

for the second time and received approval to begin work on small projects using traditional Public Assistance rules.

- *Removal of 270*: Since taking office in August, the Administration has taken necessary steps to implement fiscal controls, accounting procedures, and project administration procedures at the recipient and sub-recipient levels. These measures demonstrate that the Government of Puerto Rico's (GPR) new leaders are ready, willing, and able to assume the responsibility and access to the Federal grant funds, including the execution of all phases of the GPR's grants management process. As a result, FEMA has communicated that they will formally remove the Manual Drawdown Process, releasing important projects from additional administrative burdens.
- *Small Projects*: For the first two years of recovery, FEMA made no distinction in the project development process between small projects and large projects, further delaying recovery progress under Section 428 Public Assistance (PA) Alternative Procedures. Pending official communication from FEMA, Version 2 of FEMA Recovery Policy FP 104–009–5, *Implementing Section 20601 of the 2018 Bipartisan Budget Act*, will allow us to begin permanent work on small projects under Section 406 standard PA procedures. Small projects (defined by the FEMA Public Assistance Program Policy Guide as projects with an estimated cost of less than $123,000) are not required to meet the same application requirements before approval for reimbursement, reducing the initial administrative burdens and allowing projects to start sooner. This revision to FEMA's Recovery Policy will allow Puerto Rico to begin work on 5,000 small projects that were previously stagnated.

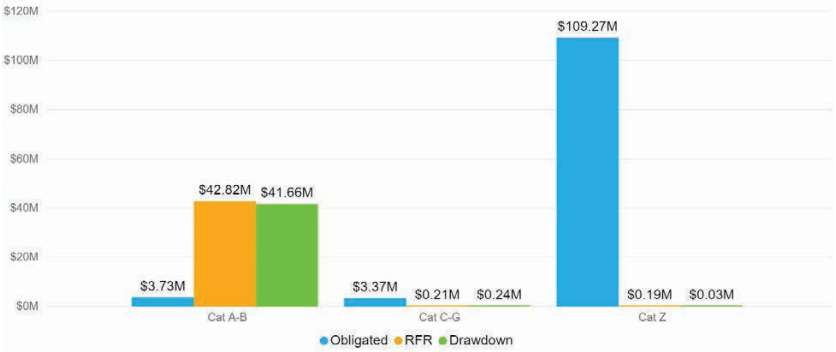
As we look to build on these successes, we recognize that the Island's past remains a weight on our recovery. Long before the 2017 Hurricanes, Puerto Rico was struggling from decades of fiscal mismanagement, economic distress, and demographic challenges, all of which resulted in fiscal and economic crisis. With over $72 billion in public debts and $50 billion in unfunded pension liabilities, any hope for restoring financial stability and providing a future for the people of Puerto Rico requires that disaster recovery be inextricably tied to recovering the financial stability of our Island. While FEMA has committed to provide the funds required to rebuild infrastructure and facilities, sustaining recovery and establishing an economic future for our Island requires that we are ultimately able to access bond markets and secure investment in our future. Additionally, the release of the remainder of CDBG–DR funds will be critical to ensuring that recovery can take place in a holistic manner with limited breaks in service.

One of the first acts of the new administration was to direct the development of a 45-day plan for recovery on the Island, focused on three priorities:

- *Priority 1*: Identify and mitigate areas of risk for the responsible management of federal funds. We remain keenly aware that the cornerstone of a successful recovery process is in the careful disbursement of federal funding. The Government of Puerto Rico is determined to be a good steward of the investment that the Federal Government and our fellow United States citizens have made to rebuild our Island.
- *Priority 2*: Identify bottlenecks in the process. Understanding where and why the many thousands of projects are stalled will allow us to develop a strategy to more efficiently move them through the various stages required to begin the actual work of rebuilding the Island.
- *Priority 3*: Identify solutions to enable our much-delayed recovery to meaningfully begin—starting with the rollout of a Grid-Modernization plan recognizing the centrality of a reliable and resilient power grid as the foundation of our recovery and economic future.

We have made significant progress in these past 45-days on these three priorities. COR3 has successfully led efforts to process projects through FEMA's workflow, resulting in $3.73M in obligated funding, with an additional $42.82M requested, and $41.66M drawn-down towards Categories A–B ("Emergency Work"). Critical to "building back better," we have focused on driving progress in Categories C–G ("Permanent Work"), and in response FEMA has obligated $3.37M and COR3 has requested an additional $0.21M, and drawn down $0.24M. Figure 1 is a graphical representation of the funds obligated, requested, and drawn down by project category. For reference, since Hurricane Maria struck in September 2017, a total of $3,68B have been drawn down for emergency work and $38.73M have been drawn down for permanent work.

Figure 1: Funds obligated, requested [Request for Reimbursement (RFR)], and drawn down by project category since 08/05/2019



The progress we have achieved is, in large part, the result of our attention to Priority 2—identifying and removing bottlenecks in the project workflow. Priority 2 has positioned COR3 to accelerate the movement of projects through the project workflow. It has been a data-driven and data-enabled approach. By focusing on resolving bottlenecks, COR3 has successfully initiated 407 new projects, 665 Damage Description and Dimensions (DDD), 285 Project Worksheets (PW), and 44 Fixed Cost Estimates (FCE) in only 45 days. Figure 2 demonstrates the progress made in 45 days compared to the cumulative amount from the baseline of when the recovery efforts began. Moving projects through the project workflow will continue to be a top priority for Puerto Rico.

Figure 2: Progress towards Priority 2 (moving projects through the project workflow)

Process Step	Baseline As of: 08/14/2019	Current-State As of: 09/23/2019	Our Progress Current-State—Baseline
Total Projects	8,947	9,354	+ 407
Damage, Descriptions, and Dimensions (DDD)	1,362	2,027	+ 665
Statement of Work (SOW)	417	702	+ 285
Fixed Cost Estimates (FCE)	105	149	+ 44

There are some bottlenecks, however, that are beyond the control of Puerto Rico, and even local FEMA personnel. Since the critical passage of the Disaster Recovery Reform Act, very little guidance has been published by FEMA for its implementation. This tremendous roadblock continues to delay the cost estimates across the Island.

Despite this delay, Puerto Rico's three strategic priorities support the objectives of the Recovery Plan, as demonstrated through progress in our five priority sectors: Water, Energy, Transportation, Education, and Health and Social. Services. Four [4] of these five [5] sectors, Water, Energy, Education, and Health and Social Services, are appropriately considered critical services both by the GPR and the Federal Government. Although Transportation is not defined as a critical service by the Federal Government, the GPR has established it to be the fifth priority of recovery. In the first month and a half of this Administration, COR3 has continued to execute on the Recovery Plan with these five priority sectors at the forefront.

In the past 45 days alone, the Island has seen promising progress towards recovery, but many obstacles remain. As part of Priority 3 we have identified solutions that we have proposed to the FEMA Administrator in a recent letter. The extension of FCE deadlines are still under review by FEMA, introducing uncertainty in advancing our recovery. Given that industry standards have not yet been determined by FEMA, the ability to move forward on FCEs remains at a standstill and, as such, a blanket extension approved by FEMA before the October 11, 2019 deadline is a crucial and time-sensitive need.

To work towards this resolution, Puerto Rico will continue to work in close coordination with our federal partners. Our recent visit to Washington, D.C. was instrumental in securing the removal of the 270 requirement and the approval to move forward with small projects, and with a continued spirit of collaboration and mutual support we can similarly overcome the hurdles that still lie ahead.

FEMA has informed us that a new FEMA-State Agreement (FSA) must be negotiated as a result of the transition of leadership on the Island and the circumstances which led to it. To that end, we have requested that FEMA identify a federal representative to work with the Governor's Appointed Representative and COR3 to amend the FSA. In developing the new FSA, COR3 and FEMA's representative can chart a path forward to find a productive solution to the implementation of Section 428, the FCE challenge, and any other roadblocks we may encounter as we progress down the road to recovery together. We are also hopeful that the FEMA Administrator will have approved our recent requests and we can incorporate those approvals into this new FSA.

In order to provide adequate time and space for negotiating this new FSA, we are requesting that FEMA provide a blanket extension to the FCE deadline of six months. Key to our discussion will be identifying a way forward regarding the utilization of Section 428 Alternative Procedures. We recognize that application of Section 428 will be necessary in many areas of our recovery. However, Section 428 remains a pilot program without an established and consistent regulatory framework and the process has been slowed by unforeseen difficulties with the large-scale rollout of a still maturing policy. Further, despite the combined efforts of COR3 and FEMA, permanent repairs have been stalled under the constraints of this pilot program. The use of Section 428 Alternative Procedures does enable the undertaking of essential capital-intensive recovery projects that would not be attainable under traditional PA, such as the reconstruction of schools, rebuilding safer hospitals and medical centers, and the modernization of the electrical grid. However, to move forward with vital recovery efforts, COR3 and FEMA must work together to adjust the blanket state-wide use of Section 428 Alternative Procedures and allow more projects to move forward using the standard Section 406 PA process so that long awaited permanent recovery work can begin.

The FEMA recovery projects and the CDBG–DR activities go hand-in-hand. My priorities for the CDBG–DR program include:

- *Priority 1*: Executing the grant agreement for the $8.2 billion announced through Federal Register 83 FR 40314. The activities for this allocation have already been prescribed in the CDBG–DR Action Plan for Disaster Recovery amendment approved by HUD on February 28, 2019. Puerto Rico cannot initiate program activities for which funds are not available, so continued delay of these funds hinders the provision of critical recovery programs which are poised for implementation.
- *Priority 2*: Initiate program design related to the $8.3 billion for mitigation. Understanding that developing a mitigation needs assessment and CDBG–DR Mitigation Action Plan take time and require public participation, we need to build our mitigation approach within the context of the regulatory guidance and allowable activities for those funds. This will enable us to build a compliant, well-grounded approach to address pressing mitigation and resilience needs. Unfortunately, this work is further delayed by the fact that HUD has not yet completed their work on this notice more than 20 months after the Congress appropriated these funds.
- *Priority 3*: Continue our close partnership with federal partners to increase our expenditure ratio and ensure our lines of communication remain open and collaborative. We have and will continue to work closely with HUD and other oversight agencies to ensure compliance with regulations while we remain focused on delivering much-needed recovery programs in a timely fashion.

Despite our many challenges, Puerto Rico is optimistic, determined, and full of potential. On behalf of the American citizens who make Puerto Rico their home, I once again thank you for your support. I look forward to our continued engagement on these important issues and will provide another update to you through the Congressional Report Puerto Rico provides every six months to Congress.

Mrs. FLETCHER. Thank you very much.

Mr. GIL-ENSEÑAT. Thank you for having me.

Mrs. FLETCHER. Ms. Wiley.

Ms. WILEY. Thank you for this opportunity to be here today and share with you all some of the difficulties of disaster recovery in rural America when we as a Nation take a blanket approach to how we respond to disasters.

Flooding such as what we are experiencing along the Missouri River is historic and totally out of the box. Not all the disasters are

the same, and we should be flexible in our responses to them as well. Putting arbitrary dates on a long-term flood actually jeopardizes a community's recovery from the disaster.

We are still experiencing flood waters in some areas through northwest Missouri, and it is impossible to put an ending date on a disaster that has not ended. March 16th was the first water rescue date, and the last was September 30th. However, FEMA's event dates for our disaster do not reflect this. It is the same flood, and we should be helping people with recovery, not trying to penny pinch by adding end dates to a flood that has not ended.

How we approach mitigation also needs to change. U.S. Highway 136 was devastated by the flood of 2011, and so was U.S. Highway 159. Both have been under water several times, and repairs have been made twice on U.S. 159 just this year. It is currently under water again. This is a continuous cycle of destruction, repair, destruction, repair.

These U.S. highways are vital roadways to our communities and incurred damage in the same areas in 1993, 2011, and now in 2019. Why are we not leveraging mitigation programs to rebuild these roads with proper underflow and elevations that will prevent repetitive damage?

We need FEMA to provide field staff that are empowered to help us find solutions and implement them. Simply placing a fact sheet on a website does not cut it. If we do not change how we respond to disasters such as long-term flooding, we will continue to watch taxpayer dollars wash away.

Another example. The Corps of Engineers has spent approximately $22 million to temporarily repair two inlet breaches. While these breaches were very large, they could be measured in yards, not miles. The cost to build a whole new levee system in the area north of U.S. 136 is $35 million according to the estimates I have received from our levee sponsors.

Let me say this again: $22 million for a few hundred yards on a temporary repair, or $35 million on 7 miles that would strengthen the resilience of our county's critical transportation routes. Our levee sponsors and the Corps of Engineers both agree that setting the levee back and building a whole new system could be cheaper than repairs and would also protect lives and properties in Atchison County.

For this to occur, it will take partnerships from various agencies at the Federal, State, and local level to sort out the details, such as financing the purchase of ground to construct the new levee system. What I am saying is if we use common sense, we can actually protect lives, property, and save taxpayer money.

As a flood plains administrator, it is my job to ensure that the citizens of our county are adhering to local flood plains ordinance. If their home is damaged greater than 50 percent, they cannot just go in, make the repairs back to what it was before the flood, and wait for the next flood to hit. As homeowners, they must mitigate according to NFIP rules, and yet, as public agencies, we do not adhere to this tried and true methodology of mitigation. I have to tell our citizens to do as we say and not as we do.

Public agencies are wasting taxpayer money by building back as it was and waiting for the next round of floodwaters to inundate.

We do not allow our citizens to do this with their personal properties. Why are we, as Government agencies, not holding ourselves to the same standards.

Again, I want to thank you all for this opportunity to be here today, and I will be happy to answer your questions as openly and honestly as I can.

[Ms. Wiley's prepared statement follows:]

Prepared Statement of Rhonda Wiley, Emergency Management Director, 911 Director, and Flood Plain Administrator, Atchison County, Missouri

WHAT OCCURRED:

March 15, 2019 the Missouri River Flood that had been affecting Iowa and Nebraska made it to Northwest Missouri. The first levee to begin to over top in Holt County followed shortly by other levees in both Atchison and Holt Counties. The Missouri River Flood of 2011 had so many of us thinking we had experienced the worst, and nothing would ever compare to that flood. We were wrong. 2011 was a practice run for what we are now experiencing in 2019. The flood of 2011 lasted around 90 days before waters receded and recovery could begin in full force. It took years to rebuild from that flood. Today we are into month 7 of this flood ... 228 days of response to a flood ... 228 days of communities wanting to recover, trying to find the new normal, waiting for highways to be rebuilt, rejoicing when water recedes for a couple weeks in areas we were unable to access, only experience the pain of loosing it again when the river again takes those areas back. A disaster than spans over multiple states, such as this disaster, and lasts for weeks, months, even quite possibly over a year, must be responded to differently than other natural disasters. A historic disaster requires a historic recovery.

I am not here to debate the how's and why's of flooding. That is not my job. My role in this disaster is response and recovery. I am here to portray the challenges of recovery when the disaster is ongoing. Disasters normally hit an area, cause damage, then flooding moves down stream, tornadoes dissipate, fires burn out, winter blizzards and ice storms are replaced with spring flowers and warmer temperatures. These flood waters are not receding. We have 14 breaks in Atchison County Federal Levees. Those levees protect 166 homes, 1295 agricultural buildings, 14 businesses, and 74,314 acres of farm ground, that produce corn, soybeans, and beef cattle. They also protect infrastructure which includes 121.3 miles of county roadways, 8 state highways and 3 US Highways as well as Interstate 29. Again, this is in Atchison County. Holt county levees are considered non-federal (supported 80% federal funding and 20% local funding). They incurred 27 breaks which meant their levee system too is totally destroyed by this historic event. Those levees protected 406 homes, 95,000 acres of farmland, 30 businesses, 115 miles of county roads, 6 State Highways, as well as Interstate 29.

Both communities have suffered economic impact never before known. The loss of revenue due to the closure of I–29 when it was destroyed by water, (just north of the Missouri/Iowa border), was devastating to small businesses. I–29 was closed from March 15th to May 8th, and then again May 29th to June 18th. The months it took to rebuild and then open the interstate caused loss of revenue to local businesses, which in turn caused layoffs and loss of sales tax to already hurting small rural county governments and cities. Population for Atchison County is roughly 5000 persons (550 square miles). Holt County is roughly 4500 persons (470 square miles). This corner of Missouri is a perfect example of rural America. Sparsely populated area, that produces large numbers of our Nation's supply of yellow corn, soybeans and white corn (food grade for products such as corn chips). We even produce popcorn! We are truly the beating heart of the heartland.

IMPACT:

Individual Assistance was granted to residents who experienced flooding after April 29th. Those who were affected from March 15th to April 29th only received assistance if they still had water in their homes on or after April 29th. This has been detrimental to our small rural communities. Individual assistance is granted on the basis of number of homes destroyed or majorly damaged. When the flood actually started on March 15th, not enough homes were majorly damaged or destroyed for these communities to qualify for Individual Assistance. On and After April 29th

Missouri suffered more floods and was struck by tornadoes and therefore anyonewho still had water in their homes on April 29th or after qualified. Those who did not have waterin their home, (even though they had not been able to move back in due to flood waters), did not qualify.

I'd like to share an example of a community who "mitigated" themselves out of individual assistance and now may never recover from this flood. Craig, MO. Population 248 (census data 2010) small town with a booming mom and pop café, convenience store, post office, bank, a school, a couple churches, an ethanol plant, seed and fertilizer company and of course a grain elevator. In 2011 they were able to construct a dirt levee derived from fields around the town and protect it. This spring when the threat of a flood came, they once again mitigated by constructing a dirt levee around their town. The City of Craig could not afford such emergency measures, so the local farmers and agricultural workers came with tractors, trucks, back hoes and track hoes, bulldozers and their own fuel and time. They constructed the levee and give this community hope that they will once again survive another historical flood. The temporary levee gave way and homes were majorly damaged and the entire town was flooded. As soon as waters began to recede Craig began to clean up and organize their recovery. They began hauling away the corn stalks stacked four feet high in some areas, tearing out the sheet rock of their homes and business and putting things back as best they could. Most homeowners weren't able to go back to their homes because of the amount of destruction. Their homes had water under, around, or in their basements for weeks. The local school relocated 14 miles south of Craig to a church that was willing to become a school for grades K–12 Monday–Friday until the school building could be cleaned, repaired, and safe again. River of Hope Fellowship was Craig RIII School District from mid-March through mid-May. Now let's fast forward to the 3rd week of May. Once again the forecast for the Missouri River was increasing and also once again the Citizens of Craig, Mo decided to beef up their levy around their town in order to protect it from further damage . . . to mitigate . . . to do for themselves . . . to reduce further damage.

When the flood waters began to inundate again, the levees held, and the town was able to successfully mitigate further damage from occurring. Even though this town had not recovered by May, they wanted to protect what they had left. By doing this, their citizens now are suffering through this disaster with little to no outside assistance. They were told they had to be under water on April 29th to qualify for individual assistance. It didn't matter they were not living in their homes because their homes were not repaired from the first inundation of the flood, all that mattered was the dates. Anything before April 29th did not qualify. My point is this. You cannot apply rules from one disaster to the next and expect it to cover the impact. Historical flooding does not inundate and then just go away a couple days later. This historical flood of 2019 is now on day 228, tomorrow will 229, next March 15th will be a year and we expect to still be experiencing historic flooding. Should Craig tear down their levee so that their citizens can be impacted by flood waters again in hopes that they will receive assistance to recover? No, that's not what rural communities do. Craig will rebuild, Watson will rebuild, Big Lake, Fortescue, Forrest City, all these small towns will find a new normal and somehow survive. But it isn't easy, they don't expect it to be. They aren't afraid of the hard work that comes with recovery, they just don't understand the whys of why won't FEMA help us like they help other areas? Why are there two separate dates for the same flood that started in March and is seemingly never ending. As an emergency manager, flood plains administrator it is so very difficult for me to explain why people that are flooded from a hurricane or flash flood receive help and yet our communities are damaged from a historical flood that is ongoing and they are receiving little to no assistance. Believe it or not, because of the date issues, FEMA has now asked some residence to refund what was given to them because they mistakenly gave them assistance and they do not qualify due to the April 29 date discrepancy.

Unfortunately, the program guidelines established for Individual Assistance, which is vital to the recovery of our small communities has been denied to many of the residence who are trying to rebuild after the flood. Again, we are sparsely populated, so very few numbers but yet in rural America every number does count. When your population is 5000 or 4500 and you have 50–100 persons that cannot recover and must relocate due to their economic situation, this is a huge economic impact on small rural communities that are already suffering from population loss with every census! Over 60 miles of devastation from the Iowa State Line (Atchison County) to southern portion of Holt County. If a disaster affects a 5-mile area of a densely populated urban area they qualify for Individual Assistance because of the number of homes that have been majorly damaged or destroyed. In rural America, communities suffer through their losses alone, with little to no assistance for recovery because they choose to live a quiet life in small agricultural communities. Agri-

cultural communities are the "meat and potatoes" (and corn chips) of our nation. Without sparely populated areas, there would be no space that supports and produces our nations supply of corn, soybeans, and popcorn. When a few of our citizens have to relocate because of a flood disaster that seemingly won't end, the economic recovery of our communities is greatly affected. Atchison County had 166 homes impacted by this flood. Holt County had 406 homes. How we as a nation respond to disasters should be determined by the impact of the disaster and the area, not by a general blanket set of rules applied to every disaster in every area. Rural and Urban communities are not the same and require different responses in order to economically recovery after a disaster.

Another economic impact that has greatly affected Atchison and Holt Counties is the loss of US Highways 159 and 136. Both of these highways provide travel to and from Nebraska/Kansas. Our communities as well as Nebraska and Kansas Communities rely on these roadways to travel to and from their jobs. Because both roadways have been damaged in the flood and have been closed for months, the persons who work across the river in Nebraska and Kansas have incurred huge economic impact to their lives. In order to get to and from work they now have to drive 2.5–3 hours where before they were driving 20–30 minutes. Some families have picked up and relocated across the river. Some families are living separately because one parent works on the Missouri side of the river and the other parent works on the Nebraska/Kansas side of the river. They now have house payments/rent in two different states and their families are torn by this flood both emotionally and financially, yet they have never had flood waters in their homes. They have suffered enormous loss and will receive no assistance, yet the impact has been as difficult for them as it has to those who had four feet of water in their homes. They cannot recover until the roads open and then it could be years before they are able to recover financially. Some of these families have left our communities permanently and this will also add to the economic impact on our little corner in rural America.

We have 24 businesses in Atchison County that have had direct economic impact from the flood. Some are recovering, some are not. Some will never recover and have closed their doors forever. A business along the I–29 corridor suffered economic injury for weeks while it was closed. A few businesses also suffered due to the closures of Highways 136 and 159. They had several employees living across in Nebraska and Kansas and they were unable to continue their employment. These small businesses are very important to local public entities who rely on sales tax to stay afloat. For example, both Atchison and Holt counties rely on a half cent sales tax to run their 911 Public Safety Answering Point. There is no Wal-Mart in either county. Without these small businesses along the I–29 corridor these counties could not survive economically.

Another impact that has greatly affected not only us here in Northwest Missouri but also the nation as a whole is the Burlington Northern Santa Fe Railway (BNSF). The Federal and Non-Federal levees protect the railroad tracks. The BNSF system travels through our flood plains and carries interstate commerce all over our great nation. Such commerce includes coal to both the east coast and to the west coast, is my understanding, and the BNSF Railroad has been rebuilding, repairing, moving, raising, and working to reestablish their route since shortly after the floodwaters began rising. They have literally been determined to fix it come hell or highwater. The contractor has pushed water only to watch it wash out in another location. They have reconstructed it higher and higher trying to get their trains back on the track. We need the railroad in our area. They transport our grain products to the nation. We want those trains back on the tracks taking care of commerce throughout our nation. However, we also need them to abide by rules laid out that protect, prevent, and mitigate damage to life and properties within the flood plains. An individual is not allowed to construct a new piece of property without a flood plain permit. They are also not allowed to repair damages to a structure that has been greater than 50% damaged in a disaster. When you have a railroad building a railroad track higher and stronger and they do not include proper under flow this creates a levee that causes water to hold at higher levels. Higher levels cause homes and businesses that have never before seen flood water to now flood. When the water backs up to the tracks or beyond and is trapped on the outside water is then pushed over on the properties of private citizens. This poses a huge risk to properties and life safety. BNSF Railway should have to at least make an attempt to be a good neighbor. They should follow local ordinances and federal guidelines laid out by the National Flood Insurance Program (NFIP) just like other individuals and businesses have to. In order to have good neighbors you must be a good neighbor. BNSF needs to be a good neighbor and ensure their railway is built up with proper under flow as to not cause damage to their neighbors in ALL flooded counties in

multiple states that their railway spans throughout the flood plains of the United States.

MOVING FORWARD:

Missouri Counties have had such great support from our State and Federal Partners. Both have been supportive in our response and recovery. Where the gap lies is in the fact that this disaster is very different from other disasters and the recovery process must be adjusted to fit the disaster. March 16th was our first water rescue this year due to flooding and the last water rescue thus far was September 30th. Six and a half months of periodic water rescues in areas that are normally fields of corn and soybeans is a perfect example of the challenges of recovery when we are stuck in response mode. With disasters, recovery should begin when response ends. That is how it is supposed to be right? We plan for a disaster, we mitigate in order to prevent losses that can be prevented, then we respond when a disaster hits, and finally we build back. We pick up, clean up, and build back. This normal process is not occurring in Missouri and in some parts of Iowa and Nebraska where flooding isn't going away. We are continuing to receive waves of inundation over and over again. The threat of flooding is continuing because of high river levels and because of the amount of destruction to the levee systems from north of Omaha, Nebraska and reaching as far south as northern Andrew County in Missouri. These levee systems have been utterly destroyed which is historic. The levee system was built in the 50's and although there have been a few compromises over the years, nothing compares to the 14 breaks in Atchison County and the 27 breaks in Holt County. All levees in Atchison are Federal Levees which means the local (tax supported) levee districts maintain them. However, they must follow the rules laid out by the Corp of Engineers (COE) and the COE pays 100% of the major repairs when a federal disaster has been declared due to flooding. Holt County levees are in the 80/20 program which is a cost sharing program with the COE when a federal declaration has been declared. In Atchison County the COE contracted with a company that has hired local skilled farmers and skilled farm workers to run the heavy equipment. They have constructed temporary sand levees in the two northern inlet breaches of the L550 levee. Hiring local skilled workers was a win-win for both the contractor and also the local communities whose farmers could not plant due to the flood waters. Because these repairs are constructed of the sand washed into the area fields and with some rock, they are considered temporary and may or may not hold. These levee repairs thus far have amounted to around $22 million. We are greatly appreciative of the COE's quick response to close these major inlets and stop enough of the flow of the river in our county to begin repairs on US Highway 136. US Highway 159 has been under water several times. Repairs were made to re-open only to be inundated once more by floodwaters and the repairs to once again be made. Repairs have been made twice on US 159 (which provides access to a bridge to Nebraska). Now it is currently under water again and when those water recede repairs will no doubt be made again. This is a continuous cycle of destruction/repair/destruction/repair. Why are we not mitigating? US 136 is scheduled to be opened on Friday the 18th. It has had huge holes repaired, shoulder drop offs up to five feet deep, bridge repairs, and road resurfacing. Why are we not mitigating? Building it back better? Building it back with proper under flow and elevations that will prevent flooding from destroying it again? I can tell you why. In order for the repairs to be covered by federal disaster dollars it has to be repaired back to how it was before the flood. If the Missouri Department of Transportation were to mitigate this segment of highway from Rock Port to the Missouri River from further damage, there would be no federal support. Therefore, we continue to build it back just as we did in 2011. We will continue to build it back and watch as the flood waters wash it away again probably next year. If we do not change how we respond to disasters such as flooding along the Missouri River and others, we will continue to watch taxpayer dollars wash away. The COE has spent approximately $22 million to temporarily repair two inlet breaches. While these breeches were very large, they could be measured in yards, not miles. The cost to build a whole new levee system north of US 136 is $35 million according to estimates I've received from our levee sponsors. Our levee sponsors and the COE both agree that setting the levee's back and building a whole new system could actually be cheaper than repairs and would also better protect the lives and properties in Atchison County. They are working together to decide if and when this can happen. For this to occur it will take partnerships from various agencies coming together to sort out the details which must include finances for purchasing the ground to construct the new levee system. What I am saying is if we use common sense and mitigate, we can actually protect lives, property, AND save taxpayer money. As a floodplains administrator it is my job to

see to it the citizens of our county are adhering to our local flood plains ordinance which requires anyone whose home is substantially damaged by a flood to either elevate (two feet above base flood elevation or higher), pick up their home and move it out of the flood plains, OR tear it down. If their home is damaged greater than 50%, they cannot just go in, make the repairs back to what it was before the flood and wait for the next flood to hit. As homeowners they MUST mitigate to protect from further damage. And yet as public agencies we do not adhere to this tried and true methodology of mitigation. As the Atchison County Flood Plains Administrator, I have to tell our citizens to do as we say not as we do. Public agencies are wasting taxpayer money by building back as it was and waiting for the next round of flood water inundation. We do not allow our citizens to do this with their personal properties, WHY are we as government agencies not holding ourselves to the same standards?

I want to thank you for this opportunity to be here today in order to share. I will be happy to answer your questions as best I can.

Mrs. FLETCHER. Thank you.

Mr. May?

Mr. MAY. Good afternoon, Representative Fletcher, Representative González-Colón, Ranking Member Graves, and other members of the committee. I appreciate this opportunity to share some of the struggles that are facing vulnerable American communities who are still struggling to recover from disasters.

My name is Reese May, and I'm the chief strategy and innovation officer for SBP. The last years I've had the privilege of helping to build and lead an organization that's focused on the cessation of unnecessary human suffering wherever disasters occur. My organization is a nonprofit disaster preparedness and recovery group with the mission of reducing the time between disaster and recovery. We achieve that mission in a variety of ways. We prepare communities ahead of disasters, we build homes for survivors who are unable to afford market-rate contractors, we share our best practices and resources with other organizations who serve the same, we advise State and local community leaders on the most efficient and effective practices in long-term recovery, and we advocate for Federal policy changes that can positively impact recoveries around the country.

Underlying all this work is a deep desire to prevent needless human suffering and fortify survivors against their breaking point. This notion is central to our work. We all have a breaking point. It's different for every individual. And after a disaster, the survivor's breaking point is driven by three critical factors.

First is time, simply how long does it take for a survivor to make a full recovery. Second is predictability, do survivors have a clear path forward, or are they staring into an abyss of uncertainty. Third is access to resources, can survivors access the resources they need, public or private, to make a full recovery and to survive while doing so.

Beyond the breaking point, individuals lose their ability to focus on work, care for their families, be present for their lives. Families simply lose hope. Over the last 8 years in communities across the country, I've personally seen this hopelessness manifest as domestic violence, drug and alcohol abuse.

I've seen hardworking Americans who achieved the dream of home ownership lose it all because they were unable to suffer the delay and unpredictability that is seemingly built into America's system for disaster recovery. Impacted Americans on SBP's waiting

list have died in wait for Federal assistance that simply didn't make it in time.

At this point, I've spent as much time working on U.S. disaster recovery as I spent as a United States Marine. I am not certain of many things, but one is this. The successful reform of our Nation's framework for disaster recovery is more important to America and to Americans than anything I did on either of my tours in Iraq. The written testimony I've submitted shares much more about our organization and the human stories that animate our work each day.

I'd be happy to answer any questions that you may have. However, in my remaining time, I'd like to make three specific recommendations about how we can improve disaster recovery in America.

First, as Mr. Sprayberry mentioned, we can create a single application for Federal assistance. Presently, disaster survivors must fill out a FEMA application where they're sometimes denied and referred to SBA for a loan that they may or may not be eligible for. Few understand that one must apply for the loan and be rejected in order to receive additional assistance from FEMA.

Many families are dejected after denials and simply give up, potentially affecting their eligibility for HUD assistance that will arrive years later. The solution is to create a single application for Federal assistance such that homeowners apply once and can be qualified for all forms of assistance.

Second, FEMA must approve its damage assessment methods. Presently, FEMA's primary means of assessing damage to homes is to send individual inspectors to houses one at a time with paper and pen or tablet devices to adjust damages. This method is slow, inconsistent, often inaccurate, and it's subject to human error and human bias.

Meanwhile, the insurance industry and other private actors use drones, satellite imagery, traditional flyovers, and predictive analytics to adjust and pay claims far more quickly.

In Florida, after Hurricane Michael, SBP conducted analysis using FEMA Individual Assistance data and aerial imagery obtained from a third-party source to compare individual awards to the level of actual home damages that we could see in the images. Local officials in one community convinced FEMA to reassess seven homes. Five of those received additional assistance of more than $3,000 on appeal, and one increased from $1,100 to $34,000. Of the 2,400 properties we reviewed, we believe that another 200 Floridians are in a similar position. Imagine the impact of this technology at scale in disaster-impacted areas across the country.

And, finally, though I will run over my time, we must form public and private partnerships to accelerate recovery efforts. As it stands, though, I tend to agree with Representative Graves. HUD CDBG–DR assistance is the greatest potential source of funds for low- and moderate-income families who need to make a full or long-term recovery. But these funds are neither prompt, nor predictable.

Congress appropriates, then HUD publishes a Federal Register outlining the rules for use. State and local governments write action plans and submit to HUD for review and eventual approval. Only then are disbursements made to State and local governments

who begin a procurement and contracting process to hire contract teams who take still more time to ramp up and achieve scale.

The end result is that programs often take 6 years or more to reach the majority of applicants, leaving aside those eligible applicants who fall through the cracks or those who simply walk away from the program because they can't deal with any more delay or despair.

I'd ask this committee to think of your constituents, families who are current on their mortgage, they pay their taxes, they didn't live in a flood zone, and so weren't required to have flood insurance now need to fund by themselves a $35,000 or more home repair and suffer a 6-year delay being reimbursed by the Federal Government. These are the families that SBP helps every day. They're eligible for assistance, and they desperately need it. They simply cannot wait.

I believe that we can build something like the Recovery Acceleration Fund, a public-private partnership where charitable funds and social impact capital can be used to rebuild homes for qualified applicants quickly and for less cost after disasters. Those funds can be reimbursed later when HUD funds eventually make it to communities.

If you pair this with Opportunity Zones, the possibilities are truly endless. These are a few of the ideas that we believe could create more resources and make recovery faster and more predictable, ensuring that fewer Americans are pushed beyond their breaking point. These improvements could bring recovery outcomes in line with American values and prevent significant human suffering in the process.

I appreciate the opportunity to be here today and to share some of these ideas with you. Thank you.

[Mr. May's prepared statement follows:]

Prepared Statement of Reese C. May, Chief Strategy and Innovation Officer, St. Bernard Project

Good Morning. I would like to thank Chairwoman Titus, Ranking Member Meadows and other members of the committee for the opportunity to testify today and to share some of the challenges that Americans face when recovering from disasters. My name is Reese May, and I am the Chief Strategy and Innovation Officer for SBP.

Today I will break my testimony in to three main parts. First, I will provide background and historical information about our organization and the abject human suffering that first inspired and continues to drive our work. Secondly, I will share a brief overview of SBP's expansion over the last thirteen years. The conditions we've witnessed will give context to the bright spots and areas for improvement I will share in the third section.

I've spent as much time working in US disaster recovery as I spent as a US Marine. I am often thanked for my military service, but I know well that the reform of disaster recovery in America is far more important to America and to Americans than either of my tours in Iraq. America's system for disaster recovery is slow and unpredictable and routinely fails to meet the challenges of devastated communities and survivors with no hope. Indeed, disaster survivors have died while still on waiting lists for housing assistance that simply failed to reach them in time. I appreciate this opportunity to share these experiences with you on behalf of those still waiting in communities around the country.

PART I—HISTORY AND BACKGROUND

SBP is a nonprofit disaster preparedness and recovery organization with the mission of reducing the time between disaster and recovery. We serve low-to-moderate income homeowners who are at-risk or have recently been impacted by natural disasters. We achieve this mission via five strategic interventions that I will explain in a few moments. But first, I'd like to start with our genesis and our mission.

SBP began six months after Hurricane Katrina when our founders, Zack Rosenburg and Liz McCartney, a DC-based criminal defense lawyer and educator, visited New Orleans to volunteer and were shocked by the lack of recovery progress. Homes were not yet being rebuilt at scale and families were losing hope. There were few resources and almost no organization and, as a result, disaster survivors were experiencing unnecessary suffering and being pushed beyond their breaking point.

Survivors like Mr. Andre, a proud American WWII veteran who owned his home before Katrina. For months he lived out of the back of his Ford Ranger pickup truck, eating community meals served from a tent in St. Bernard Parish. He applied repeatedly for assistance quietly, driving each morning and night to a remote government lot to ask for a FEMA trailer. He repeated the process every day for months and was repeatedly denied assistance. Eventually he broke down to his fellow survivors over dinner at the food tent—ashamed that he needed help, that he could not continue on his own. Eventually, eight months after the storm, Mr. Andre got a FEMA trailer which was delivered to his property without a key. He still had no truly secure place to lay his head or keep his belongings. Nightmares like this one play out in disaster-impacted communities all over the country causing needless human suffering and pushing survivors beyond their breaking point.

This notion of the breaking point is central to SBP's work. While different for every individual, we all have one. After disasters, an individual's breaking point is determined by three critical factors:

Time—the amount of time it takes to make a full recovery. Predictability—does a survivor have a clear path to recovery or are they staring into an abyss of uncertainty? Access to Resources—Are survivors able to access the resources they need to fully recover and to survive while they do so?

Imagine for a moment constituents in your district: hardworking families who achieved the American dream of home ownership until a tornado, flood, or hurricane erase it all in an instant. It's not hard to imagine, it's happened in almost all of your home states within the last two years. For some of you, it is happening right now. How many of your most vulnerable families could survive a two year wait for HUD funds? How many could handle the unpredictability of applying separately to three different federal agencies for assistance, only to apply again to state and local programs years later? How many families in your district, who pay their taxes, who are current on their mortgage, could self-fund a $35,000+ flood repair because they didn't live in a mandatory flood zone and so were not required to have flood insurance? These are the families SBP serves. When disaster recovery is protracted and unpredictable, and when families are unable to access resources, they are at increased risk of being pushed beyond their breaking point.

Beyond the breaking point we lose hope. We lose our ability to be productive members of our community. We lose the ability to focus on our work and care for our families. In communities across the country I have seen this hopelessness manifest in the form of domestic violence, drug and alcohol abuse, and worse. SBP's mission is to reduce the time between disaster and recovery because in doing so we can prevent needless human suffering and fortify our fellow Americans against their breaking point.

In New Orleans in 2006 SBP began rebuilding homes one or two at a time. We partnered with local and national businesses, schools and churches to bring additional resources and volunteers. We later partnered Toyota to help make our building model more efficient and to great effect. We reduced our construction time by 48%, cutting in half the amount of time it took us to return families to their homes. To keep costs low and reach even more families we partnered with AmeriCorps to enlist service-minded individuals to help recruit and lead volunteers on construction sites conducting high-quality, low cost home repairs for families unable to afford market rate contractors. I began with SBP as an AmeriCorps member in New Orleans. After completing two tours in Iraq as a U.S. Marine, disaster recovery became my new mission.

PART II—EXPANSION AND INTERVENTIONS

In 2011, after an EF–5 tornado devastated Joplin, MO, community leaders contacted SBP to ask if we could share what we had learned. A partnership was formed and SBP began work in Joplin. In late 2012, Hurricane Sandy impacted New York

and New Jersey and SBP began partnership and direct service operations in New York City and along the Jersey shore. We continued our expansion to South Carolina, Texas, Florida, Puerto Rico and other impacted communities to help begin rebuilding more quickly and to mitigate human suffering however possible.

Our operational expansion was not only geographic. It did not take long to recognize that while each disaster and community are unique; the ways that disasters affect communities are often the same. If we really wanted to speed the time between disaster and recovery, and fortify humanity against the breaking point, we would need to do more than rebuild homes and so we crafted our five strategic interventions aimed at increasing the efficacy of the disaster recovery "industry".

Today we *build* homes quickly, efficiently, and affordably using volunteer labor and Toyota Production System-inspired workflows and processes. We *share* our model and our resources with other organizations to increase the capacity of partners and raise the capacity of other groups. We help communities and individuals *prepare* for disasters through a variety of trainings and guides. We *advise* state and local disaster leaders on the most effective tactics, techniques, and procedures for administering federally funded long-term recovery programs. Finally we *advocate* for changes to federal policy and regulation that will positively impact the lived experience of millions of disaster impacted Americans each year. These strategic interventions are aimed at reducing time, increasing predictability, and making resources more widely and easily accessible thereby ensuring that fewer Americans are pushed beyond their breaking point

PART III—SUCCESSES AND CHALLENGES

My first person experience in more than a dozen communities has given me a clear look at long-term recovery efforts around the country. I have had the great privilege to meet some of the most thoughtful and deeply dedicated government employees from FEMA, HUD, SBA, and others as well as hundreds of servant-leaders in state and local governments who rise to the needs of their community. I have met thousands of volunteers who cannot be categorized in any way other than profoundly American. They do not seek to help survivors of any specific political party, race, or religion. They simply give freely of themselves, their time, their energy, their expertise, and their dollars to help their fellow citizens in need. I say the following in the spirit of continuous improvement: America's system for disaster recovery does not currently match the immediacy, the heart, or the will of our citizen volunteers.

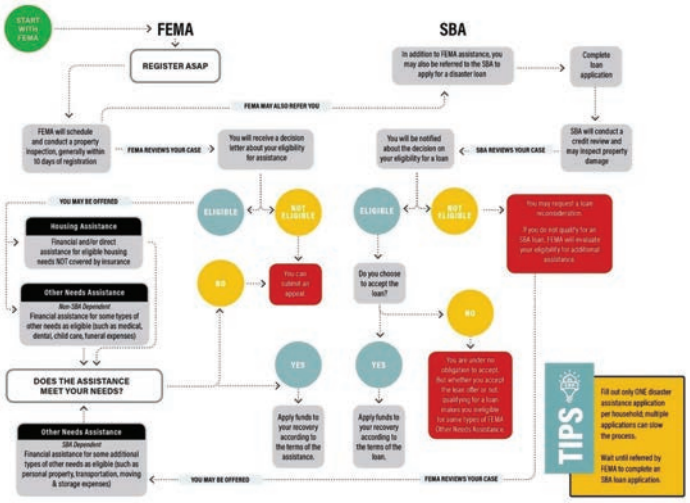
For an example of typical delay and lack of predictability consider long-term recovery CDBG–DR funds that flow from HUD to impacted communities. When disasters occur, Congress must first appropriate funds, then HUD must issue a federal register outlining the regulations for the use of those funds, then state and local governments must produce action plans, then HUD must approve these plans, and only then are disbursements made to state and local governments. The state and local governments then begin long and complicated procurement and contracting procedures to hire contract teams that take still more time to scale up and reach capacity. The result is that it routinely takes two years for substantial long-term recovery assistance to reach the first eligible families. It can take six years or more to reach the majority of eligible applicants and, all too often, not all eligible applicants are served as many fall through the cracks of local programs. Others self select out before receiving assistance because they are unable to deal with the uncertainty and delay. America built the transatlantic railroad in six years but somehow we struggle to deliver long term housing assistance to our most vulnerable citizens whose lives have been upended by natural disasters.

But change is not impossible. Indeed, the changes made by the Disaster Recovery Reform Act with leadership from this committee and from FEMA are a promising start. FEMA and Puerto Rico's forward thinking and creative approach to STEP programs and difficult ownership verification are bright spots that show how innovation can drive better outcomes and results for survivors, taxpayers, and government at every level. South Carolina's HUD-funded disaster recovery office has led one of the most efficient and productive housing recoveries in the last twenty years. CDBG–DR funds made it to citizens in month thirteen and services have been provided effectively, efficiently, and predictably throughout. It is rightly held up as a model for other state and local governments to replicate.

Today, I'd like to offer three recommendations that could further improve disaster recovery and prevent more Americans from passing their breaking point.

Single Application for Disaster Assistance

Disaster survivors are often required to complete duplicative applications with multiple federal, state, and local agencies, many of which require identical information that is often already in the hands of other government agencies. A survivor is expected to know that they must apply to FEMA and that they can appeal FEMA's initial decision if they disagree. Survivors are expected to know that if FEMA refers them to SBA the attendant loan application is something they need to fill out regardless of their ability to repay—because denial from SBA may make them eligible for additional assistance from FEMA and is an important factor in determining an individual's eligibility for long term assistance from HUD. They'll also need to apply again to a state or local program years later when HUD funds arrive. I've been looking at this process for years and I still don't understand the logic. Think of the proud, hard working citizens, in your district. Folks who identify as givers and are loath to ask for help. How can we expect them to navigate this labyrinth in their most difficult days? A single application for assistance can simplify this process help reduce the burden of application for those most in need.



FEMA Damage Assessment and Technology

Following large-scale disasters FEMA currently deploys teams of individual inspectors to assess damage to homes one at a time using paper and pen or tablet devices. After Hurricane Michael in Florida, SBP worked with FEMA Individual Assistance Data and aerial imagery provided by the National Insurance Crime Bureau to compare individual assistance awards amounts to visible destruction in the images. Based on a very small sample of that data in one community, local officials asked and FEMA reinspected seven properties where all but one received additional assistance and one award went from $1100 to $34,000. Imagine the impact of this at scale. When actual damages are underestimated, families are deprived of much needed assistance, and required to navigate the complicated appeals processes I've described in the flowchart and paragraph above. Meanwhile, private sector actors are deploying modern drone, AI and other technologies to develop more accurate and timely damage assessments. FEMA should pilot the use of this technology and analysis with private industry, NGOs, and state and local governments to improve the speed, accuracy, and consistency of its damage assessment capabilities.

Recovery Acceleration Fund

Across the Hurricane Harvey impacted areas in Texas, thousands of homes have already been rebuilt by nongovernmental organizations and volunteers while HUD

funds are just beginning to reach survivors through state and local government programs. According to the Texas General Land Office's latest report construction has been completed on fewer than 200 homes more than two years after Hurricane Harvey made landfall though more than 13,000 have applied for assistance. The real limiting factor here is available, usable funding.

Under today's post-disaster federal funding model, non-FEMA federally authorized funds take at least 24 months to reach affected communities. However, eligibility for these funds is knowable as soon as HUD publishes the federal register. HUD and state governments should work together with NGOs and investors to create a marketplace where private and social impact capital can be deployed to quickly repair homes for qualified low to moderate-income survivors. Private funds can be reimbursed with CDBG–DR funds when they ultimately reach the affected community. This 'reimbursement' pathway is common in state and local action plans for survivors who can self-fund repairs, but no such mechanism exists for low to moderate-income families using private or charitable assistance.

Such a mechanism would effectively transfer delay and suffering from vulnerable families to investors' balance sheets. Families like Ms. Benjamin in Houston, TX who is 81 years young and disabled. Her daughter and granddaughter live with her in the family house. Before Harvey, with a household income just under 80% of the area median income, they had enough income to get them by and they were living a happy, normal life. After Harvey, they have struggled to recover. She used FEMA funds and savings to make repairs but there is still more than $6,000 worth of work left to do. Though she is eligible for CDBG–DR assistance, her family—like so many others—cannot afford to wait any longer on local programs to deliver assistance. If the Recovery Acceleration Fund were implemented today nonprofit organizations could scale up their assistance efforts and more funding would be available immediately. Overall repair costs would be reduced because houses wouldn't sit untouched falling into further disrepair. Most importantly thousands of fewer American citizens would be pushed beyond their breaking point.

These ideas could drastically reduce the time between disaster and recovery preventing unnecessary suffering in the process. These improvements could also bring recovery outcomes in line with American values and the efforts of those leaders at every agency and level of government who selflessly serve impacted communities each day.

Thank you again for your time and for this opportunity.

Mrs. FLETCHER. Thank you, Mr. May. And thanks to all of you for your testimony this morning. I look forward to hearing your answers to the questions from the Members. And we're now going to move on to the Member questions. Each Member will be recognized for 5 minutes.

And I will start by recognizing myself. I appreciate that you all were here during the first panel and heard some of the questions, and I think this is a nice transition to talk about your experiences in dealing with so many different agencies.

I know, Mr. Sprayberry, that you addressed the challenge of dealing with so many agencies at once in facing all the other challenges during a disaster. And so I'm interested to hear more about your perspective on guiding your State through the FEMA recovery and then transitioning to the HUD process in the CDBG–DR funds. And if you could talk about I guess where you see room for improvement and whether that process is seamless as has been suggested, or whether we should be rethinking how we do that.

Mr. SPRAYBERRY. Thank you, Madam Chair, and I would just first say that the process is not seamless. And I will say that the new PA process that FEMA has rolled out has begun to mature. Our project worksheets are starting to move faster. We send them to Denton, Texas, where they have a consolidated resource center. That's working pretty well.

Individual Assistance is working pretty well, too. We are concerned about the STEP program being taken out of the inventory

because that allows families to stay in their own homes while they look forward to more permanent repairs. I will say that CDBG–DR has proven to be problematic for us. It was a challenge because we didn't have any experience since the early 2000s, and then at a much lower amount of funding.

Our first allocation was $236.5 million. We are now finally on pace, but the real problem is—I think is that, you know, it's not authorized. And you have to wait, you know, every time that there's an appropriation made in Congress, and then there's a press release which heightens the expectations of everybody in the State, we're going to be getting this money, and it's going to be quick. And then we wait. It goes silent until we get the Federal Register.

And I think what's happening with the folks up at HUD, you've got folks that are—I think Congressman Graves said earlier that it doesn't change that much, the Federal Register. So what they're doing is they're spending an inordinate amount of time writing these Federal Registers when they could just put them on out there and let's take a look at the rules for State action plans, too.

So we need to compress the timeframe. I don't think that we need to move it to another agency. I think HUD's the right place for it. There are a lot of other housing programs there that they can leverage, and I also think that if we think moving it to someplace like FEMA, who is still developing policies for the Disaster Recovery Reform Act, they're a year out from that and still haven't gotten all those policies out, which are laws, you know there are some issues there.

So a lot of room for improvements for CDBG–DR. What's helped us out is we created an office that can handle all that called North Carolina Office of Recovery and Resiliency.

Mrs. FLETCHER. Thank you, Mr. Sprayberry. And I think all of you can probably talk to this. Certainly, Mr. May, I think your comments touched on it as well as all of the witnesses. But as I mentioned in the last hearing, what I hear from my constituents who waited for 2 years for the publication of the rules following Hurricane Harvey and the 2018 appropriations is a real frustration for the individuals going through the recovery, dealing with all these different agencies, understanding the rules.

So what suggestions do you have on how we can turn this into a more sort of victim-centric focus? We talk a lot in healthcare about having patient-centered care. That is the center of the universe.

So do you have ideas or suggestions for us of things we can do to streamline that process both at the level for the agencies for the State and local authorities, but also for the individuals? I'd love to hear your thoughts on that in the time we have left.

Mr. MAY. One of the things that my organization does is encourage folks who are in risky areas to understand what may be required of them if they are affected. And so what we've heard from a lot of our clients is that the collection and documentation issues around proving home ownership and damage to their home is something that they often struggle with.

My organization has put together a ton of training and preparedness materials that can help homeowners understand what steps

they should take in advance of disasters to be better prepared and to more forcefully advocate for themselves through these various application processes after disasters occur.

Mrs. FLETCHER. Thank you.

Ms. Wiley, you want to weigh in?

Ms. WILEY. I agree with Mr. May. The application process is so extensive and our victims sometimes just get lost in this redtape. And if we could eliminate that and make a one-application process, as he spoke of, for all the Federal agencies in order to find what they actually qualify for, it would actually be a huge improvement, and I believe less people would be lost in the cracks.

Mrs. FLETCHER. Thank you very much. I have gone over my time, but I anticipate there will be a lot of other great questions, and for the next round of questions, I'd like to recognize Ranking Member Graves.

Mr. GRAVES OF MISSOURI. Thank you, Madam Chair. I mentioned in my opening statement the—and my questions for Ms. Wiley, I mentioned the resilience and the attitude that we have seen, you know, with people just picking themselves up and trying to move on as best they can. And if you could, can you talk to me or talk to the committee just a little bit about, you know, I guess if there is a win out of this, it's watching what people are capable of and what they've had to go through.

Ms. WILEY. Absolutely. Our biggest win is that nobody's died from this horrific flood. We have been able to get everybody out early through the evacuation process and in areas that have never evacuated before. People have always refused to evacuate. They've stayed there in previous floods. So this time we were able to get everybody out. And when nobody has died, to me that is the biggest win of all.

Another win would be our disaster recovery fairs. As you guys know, because of the difficulties associated with preliminary damage assessments, we are unable to bring in assistance such as the multiagency resource centers and disaster recovery centers because you can't do preliminary damage assessments if these areas are still under water. As Mr. May had mentioned in his testimonies about utilizing resources, modern technology such as drones would be very helpful.

But what we did with that, because we had so many individuals that needed assistance now, they had questions that needed answers, we spun up our long-term disaster recovery team and we called them the short-term disaster recovery team and put them to work. And we organized our own disaster recovery fairs and had bo-ads and co-ads and everybody show up just like they would at a multiagency resource center or for the disaster recovery centers, too. And it worked very well.

Our first one had over 200 families that showed up and serviced in Atchison County. Our second one we did was in Holt County because our long-term disaster recovery teams consist of two counties. And so our second one we had in Holt County, and it was also a win and we had over 100 families show up to that. In such small populated areas, those are huge wins.

Mr. GRAVES OF MISSOURI. Thank you, Madam Chair. I yield back.

Mrs. FLETCHER. Thank you. I'll now recognize Miss González-Colón.

Miss GONZÁLEZ-COLÓN. Thank you, Madam Chair. I want to thank also the ranking member, Mr. Graves, and the other Mr. Graves for helping in many of the issues regarding Puerto Rico during the last 2 years and the visit of Mr. Graves to Puerto Rico to discuss this issue. I want to thank all the witnesses for coming here, and I truly understand the hardships. We managed to get the Federal funds being approved by Congress, but sometimes the red-tape in some agencies and the bureaucracy just deflect the sense of urgency that our communities need to solve these issues.

And this is something that not just this committee, but also several other committees are discussing them. The reason I'm just right here right now, we were in the Natural Resources Committee having this kind of the same discussion with the fiscal situation on the island and the PROMESA board with several witnesses in different committees. So sorry about it being at the same time, but being the only Member representing Puerto Rico in Congress, representing 3.2 million American citizens—instead of having four Members and two Senators—makes a difference when issues regarding our island are discussed.

Having said that, I do have questions for Mr. Gil-Enseñat, who is our Secretary of Housing in Puerto Rico. And one of the main issues we've been seeing during the last 2 years, our Congress approved more Federal funding to Puerto Rico than any other administration ever before. Never before has Puerto Rico received so much funding from FEMA, from HUD and many other Federal agencies, and it was approved in the House, approved in the Senate, and the President signed all those bills. But sometimes you feel that the publication of the guidelines in the Federal Register is not being done in time.

Actually, the HUD administration admitted to Congress in several committees that they missed the deadline of October to actually make that publication available. If we don't have the publication available, you can't manage and propose a plan to use the CDBG–DR funds. So having said that, my main question will be to you is: What is needed—what is the delay and how can we overcome the delay for signing a public partnership agreement between HUD and the local Housing Department for the $8 billion in CDBG–DR funds?

Mr. GRAVES OF MISSOURI. Real quick, Madam Chair, I might point out, too, that the gentlelady represents Puerto Rico, which is no stranger to disasters.

Mr. GIL-ENSEÑAT. Thank you, Congresswoman González-Colón. But on our behalf and on the things that we can control at the State level or on the island level is that to put all the action plans in place, to put like every guideline in place and that like obviously hard to approve the same or not approve it. In that regard, HUD has approved two plans totaling $9.7 billion. The second part or the $8.2 billion plan that was approved were pending the grant agreement for it has been already almost 200 days or more since the approval of that plan, taking into consideration the first plan——

Miss GONZÁLEZ-COLÓN. What is the justification for the delay?

Mr. GIL-ENSEÑAT. In all honesty, we don't know. I mean it's something HUD hasn't provided like the grant agreement for us to sign——

Miss GONZÁLEZ-COLÓN. Do you have a timeline on when——

Mr. GIL-ENSEÑAT. We don't. They haven't expressed the same, and we actually don't know like specifics——

Miss GONZÁLEZ-COLÓN. So if you don't have that plan approved or signed by the HUD administration, what are the programs, what are the services that are put on hold on the island, one, two, three?

Mr. GIL-ENSEÑAT. Right now, we are serving like and we're taking applications from the housing program. And if we don't receive that funding, a lot of the people that have already been submitting their application, maybe they cannot be done because obviously we don't have the money for it. So that tranche of $8.2 billion and the signature is really important to continue our services.

Miss GONZÁLEZ-COLÓN. One of the issues is that the first tranche of funds from HUD was approved and disbursed to the island. It was $1.5 billion. So some people said that the Government of Puerto Rico has not spent that money yet, and that's the reason they're holding money. I mean you agree on that?

Mr. GIL-ENSEÑAT. Well, technically it's a misconception in the sense of we have already made an obligation of $1 billion almost. And in that regard, it takes time to spend it. Nonetheless, we have spent that—$1.3 billion, for example, on our STEP program where we manage—where basically repaired more than 108,000 homes.

And we have the capacity to, and I mean like we have augmented our—to more than 85 people plus the consultants that we have that they're all on a performance-based contract and must base on it. So giving that capacity to our people, and in that regard, I mean like it's just a matter of us putting the work that we're putting in, but we need the cooperation from HUD to basically do their part and give us the grant agreement.

Miss GONZÁLEZ-COLÓN. The September 4 deadline for this imbursement of mitigation funds under CDBG–DR program was missed several times by HUD. At the same time, how long will it take you to prepare and publish the required action plan once the guidelines are published? How long will it take?

Mr. GIL-ENSEÑAT. Well, they usually provide 90 days, and then they have like 40 days to revise the same and approve the same. So basically we're expecting a 90-day preparation time for it. And we're just codependent on the notice and basically the framework for us to prepare that action plan.

Miss GONZÁLEZ-COLÓN. I know my time has expired, but I want to say thank you to all the witnesses, because I do have several questions to all of you. I will submit them for the record as well. But in our case, having the funds being approved, not disbursed, has created the biggest hardship for many Puerto Ricans on the island and to the whole recovery process. I mean how can we expedite that, not just in the funds in Vivienda, HUD, the CDBG–DRs and how a Federal manager to HUD in Puerto Rico to Vivienda in Puerto Rico is going to work. That's some of the questions that will remain unanswered. Thank you. And I yield back.

Mrs. FLETCHER. Thank you. I'd now like to recognize Mr. Rouzer for 5 minutes.

Mr. ROUZER. Thank you, Madam Chairman. And great to see our witnesses here today. I appreciate you being here.

Dr. Sprayberry, you and I know each other real well. We've been through a number of storms together, and it seems like every year it's a new storm, a new day, which leads me to comment. I think you mentioned the press releases, and I've seen the press releases, of course, in Congress and have been part of some of those press releases when Congress appropriates money, and I can tell you that those of us who sign our names to those had no expectation whatsoever that it would take 3 years in some cases to get this money out the door and to the recipients.

Can you talk just briefly about how that hinders the recovery effort, particularly in years when you have successive storms. For example, you know, we had Florence in 2018, a year ago. We were looking at Dorian coming right on through and really socking us in the nose as well this year. Thankfully, it stayed off the coast.

And one of the thoughts I had, you know, you've got all those homes, all those people that are still out of their homes, dislocated, not enough contractors to go around and repair the roofs and just imagine what a category 5 is going to do to somebody that doesn't have their roof repaired completely because they can't find a contractor. Well, that storm comes through and it does that much more damage.

Can you talk about the residual effect, the compounding effect of the lack of disaster funding that you need?

Mr. SPRAYBERRY. Thank you for that question, sir. And good to see you as well. I would say that, as you know, when we first got the funding for Hurricane Matthew, we didn't have the capacity, and we had to build from scratch. And we have since remedied that with our NCORR office. I would tell you that the directives that I give the team at NCORR is that we stop work whenever the storm's actually happening. But as soon as the storm blows out, we continue to march.

And so the idea is that no matter if you have successive storms that are affecting additional households, we're continuing to be decisively engaged with the funding that we have for Hurricane Matthew. As you know, sir, we're still waiting for the mitigation funding. There's been an FR for that.

We intend to turn in our State action plan to HUD in December, and then we're still waiting for the $336.5 million for Florence and then whatever we're going to get in the disaster supplemental bill later on after that. What I'm telling you here, sir, is we've got a structure now that's—where we can drop the funding into the structure and it continues to move. We're not slowing down at all. We've got contractors on the ground. We're building.

As you know, we've added a couple of counties, Bladen and Columbus County, and so we have six most impacted and distressed from Matthew. We think we know which ones are going to be the mid-counties for Florence. So I would also like to say that we've got the opportunity working with our hazard mitigation section.

In the NCORR section, we're able to crosswalk all the different projects for all the homeowners and decide which buyout is best for

which program. And so we're able to reach and help more folks. We've got about 3,000 households right now that we're working with on buyouts, elevations, demolition rebuilds.

So we're able to leverage that and leverage those efficiencies between the two sections. And so that's kind of where we are right now. We have a chief resilience officer that's making sure that as we rebuild and recover, that everything has a core or resiliency as we don't want to rebuild the same old way and get hit the same old way.

Mr. ROUZER. In my remaining time here, the 40 seconds I have left, let me ask you this hypothetical. Suppose we did a block grant to the State, whether it's through HUD, through FEMA or whatever. What are three points of guidance that would be helpful to you? Forget about what we have now, because there's a bunch of us that are highly frustrated with the system we have now.

Give me—and you may want to think about it some and come back to me later—each of you. But give me three points of guidance that you would need in order to make that work. We block grant the money. You handle it. Obviously got to have a little accountability. What are three things that would help you?

Mr. SPRAYBERRY. So we'd like to have more flexibility on duplication of benefit. We'd like to have a universal application, and let me think about a third one, sir.

Mr. GIL-ENSEÑAT. A single point of inspection instead of doing multiple inspections for damage in the house. I mean like they run like probably two or three with different sets of regulations for it instead of being one inspection.

Mr. ROUZER. Thank you. Madam Chair, I yield back.

Mrs. FLETCHER. Thank you, Mr. Rouzer.

I have a quick followup question, and then I'm going to open it up in case any of the Members still present have any further questions.

But very briefly, Mr. May, in your testimony you mentioned the idea of a public-private partnership model to possibly accelerate disaster recovery efforts. Can you both explain how you think that could work and also whether there's anything preventing that from working now?

Mr. MAY. Thank you for that question. So the way we imagine it working is that you could take charitable funding from major foundations who have sort of mission obligation to give after major disasters. You could pair that with social impact capital and private funds that investors may contribute to a fund.

You would then qualify homeowners per the guidance that HUD uses to qualify families for CDBG–DR assistance in disasters for the last 30 years, so folks who own their home, they don't own other homes, they can't afford market-rate contractors, they want to stay in their community and make 80 to 120 percent of AMI or less. You then use this private funding to rebuild their homes more quickly.

We think this will certainly reduce human suffering in getting folks back into their houses more quickly, not staying in hotels for 30 days at a time and wondering if their temporary housing assistance will be reupped in the 11th hour.

But, secondly, we think it will be a reduction in total taxpayer expense. You don't have to look very far in North Carolina to find the dilapidation that occurs when homes aren't repaired quickly. And that's not just a knock on North Carolina, Mike. Look at Mississippi, Louisiana; Mrs. Fletcher, in your district. When homes aren't repaired quickly, it becomes more costly to repair them in the long term.

So presently to the second part of your question, do we think there's anything that prevents it now. The short answer is no. Perhaps a little regulatory clarification that would help us attract additional investment and that would sort of warm the marketplace for clients who may be hesitant or unwilling to engage in a lending relationship with a nonprofit organization like ours.

But presently, after disasters, those who can afford to self-fund their own repairs using their money or family money, there exists reimbursement pathways both in the city of Houston and through the General Land Office in Texas for those expenses to be reimbursed. The trick is when low- and moderate-income families who don't have liquidity need to obtain that funding from somewhere else, the reimbursement pathway doesn't work for them.

And so we think that with a bit of regulatory clarification and perhaps a few well-placed questions to HUD, we could clear that up and begin to do this at scale in disaster-impacted communities right now. Thank you.

Mrs. FLETCHER. Thank you, Mr. May.

Miss González-Colón, did you have an additional question?

Miss GONZÁLEZ-COLÓN. I definitely have additional questions. And that would be we do have a lot of vendors on the island that are—and this is for Mr. Gil-Enseñat. We do have a lot of vendors on the island that have been working in the recovery process. But if you can't pay them, some of them will not be available to finish major projects. So that's one of the concerns. The second would be in terms of HUD administration has consequently stated that they've got a good relationship—working relationship with you, but naming a Federal monitor, how that may affect or delay receiving the funds. Some municipalities are used to working with CDBG funds, regular CDBG funds in the past. Actually, they are certified to work with them. But at this time they're not certified to have direct—the receivers directly from HUD department about those funds. So my question at this time would be that announcement of the appointment of a Federal monitor to oversee the disbursement of funds, CDBG–DR, and Vivienda. Will that help? Will that delay the funds? What's the excuse for that?

Mr. GIL-ENSEÑAT. Congresswoman, in all honesty, we haven't seen any type of draft framework or type of regulation that we'll use for that monitor. We hope that it helps, but we don't know if it's more bureaucracy on it that will delay the funding. And until we know that, I cannot give you an honest answer about it.

Nonetheless, we are ready. We're able to basically comply with everything. We have a robust set of rules, guidelines, SOPs in order to handle these moneys. And I know for—in terms of the payments for municipality, COR3 has already paid almost $100 million in the last 18 months to those vendors, and I think at the end of the year, another $200 million will be done.

Nonetheless, if we go into what the permanent work has been delivered, we only see $34 million from that deliverance and basically from the $6.2 billion that have been paid in IA and PA. We're paying $300 million at the end of the year.

Miss GONZÁLEZ-COLÓN. What are the roadblocks for the lack of guidance from HUD in terms of for you to actually disburse the funds and invest those?

Mr. GIL-ENSEÑAT. Well, we go along the lines after the—obviously after the appropriations of those moneys and regulations have said it becomes a little bit arbitrary on behalf of HUD saying which can go and which cannot. I believe on the framework and our base law and a law that basically provides that framework for you to go on and speed up, and it will help us actually in the future also to—if we have off-the-shelf housing programs for every disaster—in every disaster we have obviously a housing problem. So we can have off-the-shelf programs that basically can regulate that. But since from disaster to disaster, the notice changes, the rules change. It's really complicated to pinpoint any specific into it.

Miss GONZÁLEZ-COLÓN. Just before yielding, you make a difference between the small projects and the big projects. We do share that vision with you. I mean having a lot more than 100,000 small projects going out directly when they are from $100,000 or less. How can we improve that? Can you make a recommendation? Maybe not now, but write an opinion to the committee on how to expedite those small projects to go out when they should not be complying with the same requirements of the big projects on the island.

Mr. GIL-ENSEÑAT. And that's basically what happened in Puerto Rico for more than a year after we had adopted the 428 process in which basically all the projects and the small projects of $123,000 or less being treated at the same level as $20 or $30 million projects. Obviously that creates a bottleneck. In the future, we have to basically let our authorized professionals also to do a damage assessment, to expedite those damage assessments, for FEMA actually to recognize them and basically honor them, and that will expedite the whole process on it.

Miss GONZÁLEZ-COLÓN. With that, I'll yield back.

Mrs. FLETCHER. Thank you.

Mr. Rouzer, you have an additional question?

Mr. ROUZER. Yes. I want to go back to my last question. The clock was running down and ran out of time there, and each of you lit up in your own way when I asked that. So I wanted to give you an opportunity to address it further if any of you had any additional comments. And basically that was this. If we do a block grant, whether it's through HUD or through FEMA, forget about what we have in place now, what are three points of guidance that would be really important to you. I got the notes of what a few of you said, but some of you seemed to have some additional thoughts, and I wanted to give you time.

Mr. MAY. Yes, sir. Thank you for an opportunity to comment. I would add and build upon the point I was making earlier, that I think—you know, Mr. Sprayberry mentioned flexibility around duplication of benefits. I think that matters. A simplified application that qualifies disaster survivors for every form of available assist-

ance is crucial. And building on my earlier point, the ability to repay self-funded repairs.

We have hardworking American families out there that do the right thing. They fix their homes right after disasters. They liquidate assets. They create cash in order to do this. And to the extent that they're eligible for the block funding that you have hypothetically put out there, I think an ability to repay those families who made the right decision or who found a way to materialize resources to make those repairs I think is crucial. Thank you.

Mr. GIL-ENSEÑAT. Well, I'll add like the inspection part of it, but also the flexibility in the expenditures, and the flexibility also in a preapproval or pregiven procurement policy into it. Seventy percent of Federal money is wasted on procurement. So we standardize that and we standardize for all the jurisdictions. That will take away basically 70 percent out of waste. So that, plus what Mr. Sprayberry said on unification of all the information and being able to gather that from it.

Mrs. FLETCHER. Anyone else?

Mr. ROUZER. Additional——

Mrs. FLETCHER. OK.

Mr. ROUZER. Mr. Sprayberry, you had——

Mr. SPRAYBERRY. Allow the feds to delegate certain approvals to the State as well so we can request certain things and there's some flexibility there.

Mr. ROUZER. Let me ask this as my final question. Through the process with the current system, list for me anything that—and for the committee as well—anything that you thought to yourself, you know, this really—other than what you've just outlined, anything that you thought, you know, this really does not make a whole lot of sense. Or we've done this one gazillion times, like when you go in the emergency room, and they have you fill out all this paperwork in this room, that room and that room, and you think, well, my gosh, I just filled this out, why do I have to do it again. List things of that nature so that I can learn more.

Mr. SPRAYBERRY. Well, sir, you know, as I mentioned, the Federal Registers come out. They don't—with the exception of the new one that we have for CDBG MIT, they don't change dramatically. I'm pretty sure they can figure out which counties are most impacted and distressed I mean like pretty quick because they have the data.

So what is—what's—what is the problem? Why does it take so long to have—I mean these Federal Registers, they take so long, and then, you know, and then we're given—it's like a slow dance or something. It takes a long time for them to get out. Then you do your State action plan, and it's back and forth.

And so that really just needs to—we need to compress the timeline. I mean it's—that's what's happening. That's why there's a gap in housing for folks that are getting the Individual Assistance. We know that CDBG–DR is the last grant for people, for disaster survivors, but being the last grant shouldn't mean 2 years down the road. It should be a lot quicker.

We know 18 months is what we have IA, Individual Assistance, for. So that's—getting that done, reducing requirements for State action plan.

We've talked about environmental assessments before. We use one environmental assessment for all Federal agencies that should really—they should hold to that and start implementing some of the plans.

I think that they should do that, and we can start—HUD is the place. I don't want to say that if we're going to still keep it with a Federal agency, but you're talking about something different which would be a block grant that would go direct to the State. Is that correct, sir?

Mr. ROUZER. That's—in my perfect world, that's how I would do it, yes, but I'm trying to understand the whole scope here. Thank you.

Mr. SPRAYBERRY. Right.

Mr. ROUZER. My time's expired.

Mr. SPRAYBERRY. Thank you, sir.

Mrs. FLETCHER. Thank you all. And now I will recognize Mr. Palmer for 5 minutes.

Mr. PALMER. Thank you, Madam Chairman.

Mr. Sprayberry, as of 2 years after Hurricane Matthew, and I think we're now right at 3 years after Hurricane Matthew, one of the issues there was that there were millions of dollars of relief funding that had not gotten to residents in North Carolina. Is that still the case?

Mr. SPRAYBERRY. Sir, we're now on pace. We've drawn down $27.3 million and have $142.8 million committed. So we've made some significant progress. It's not where we want to be. We want to have all that money out to disaster survivors.

Mr. PALMER. That's $27 million out of over $150 million?

Mr. SPRAYBERRY. $236.5 million, yes, sir.

Mr. PALMER. And how much do you still have to——

Mr. SPRAYBERRY. So I would say——

Mr. PALMER. I mean the simple math would be $27 million from $236 million—so it would be $209 million 3 years after a disaster. I don't know about my colleague from North Carolina, but I can't understand why 3 years after a disaster we're still sitting on over $200 million when there are people in desperate need for it.

Mr. SPRAYBERRY. That's a great point, sir. And I would tell you that when the money was awarded to us, we didn't have the capacity to basically execute the grant. We didn't have anybody that was trained and that knew how to do it. We changed that now with the standup of the new North Carolina Office of Recovery and Resiliency with 45 highly trained individuals and we're able to manage the grant more efficiently and get the money out the door to disaster survivors.

Mr. PALMER. You've had another storm since then, not nearly the impact with Matthew, but, again, you just told me you're sitting on $209 million. What's the timeline? I mean and I'd love to know what the holdup is, because if the money's under control of the State of North Carolina, I mean are there still Federal regulations that are tying your hands?

Mr. SPRAYBERRY. We're—no. I would say that we are working with all the projects to get them out and making sure that we're fully meeting all the eligibility criteria. We've been hit by Matthew, which was our storm of record, then by Florence, which is our new

storm of record to be followed by Michael and now Dorian. So a lot of different funding pots and a lot of money going out there.

We haven't received $168 million in mitigation yet. We haven't received the $336 million in Florence money. So we're still working with the Matthew money. And so we're totally focused on that and totally focused on not only just assisting with reconstructions and rehabilitations, but also expanding our portfolio of affordable housing.

Mr. PALMER. Has any of that money been spent on anything other than relief for Hurricane Matthew?

Mr. SPRAYBERRY. It's Hurricane Matthew only, sir.

Mr. PALMER. OK. But you're waiting on funding for these other hurricanes, Florence, Michael, and Dorian, and are—this is—Madam Chairman, this is something that really bothers me, is that we fund these projects, the money doesn't get spent, another storm hits, we appropriate more money, and we don't know yet what's been done to mitigate and provide relief from the previous storms. And it sounds like we're piling money on top of money.

I think this might be something we want to take a deeper dive into a little bit later on. I'm not satisfied with the answers that I'm getting. I mean 3 years after a storm, and there's still over $200 million that hasn't been spent and there's requests for more money. And this is not just a North Carolina problem. This is going on in other places as well. On that, Madam Chairman, I'll yield back.

Mrs. FLETCHER. Thank you. It's now time to close the hearing. And so I want to take a minute to thank each of the witnesses for coming and testifying today. Your testimony has been incredibly helpful to us as we work on the issues that we've been discussing. So it's very informative and helpful. I thank you.

I ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing and unanimous consent that the record remain open for 15 days for additional comments and information submitted by Members or witnesses to be included in the record of today's hearing. Without objection, so ordered.

If no other Members have anything to add, the subcommittee stands adjourned.

[Whereupon, at 12:47 p.m., the subcommittee was adjourned.]

Submissions for the Record

Aerial Images of Missouri Bottom near Rock Port, Submitted by Rhonda Wiley, Emergency Management Director, 911 Director, and Flood Plain Administrator, Atchison County, Missouri

APPENDIX

QUESTIONS FROM HON. PETER A. DEFAZIO TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Incident Workforce Challenges

Question 1. While there have been significant enhancements to delivery of the public assistance program, I am worried that FEMA is a catastrophe away from a catastrophe, based on your testimony and that of Mr. Currie.

You also say that "every day is earthquake season," which is a belief that you and I share.

The district I represent in southwest Oregon will be impacted by a seismic event along the Cascadia Subduction Zone, a likely catastrophic event that will impact the greater Pacific Northwest.

Your recent Incident Workforce Management Review indicates that the Agency needs more than 17,000 personnel to successfully manage and execute the current pace of recovery work along with potential future disasters.

What is the current staffing level of FEMA's Incident Workforce? I realize that filling this staffing gap is not unique to this Administration, but what is the Agency currently doing to recruit more Americans to these roles?

ANSWER. As of December 5, the Federal Emergency Management Agency (FEMA) has 13,692 personnel assigned with primary Incident Management (IM) titles, including Reservists and other full-time disaster personnel, as well as additional staff from FEMA's headquarters and regional offices. Of these, more than 5,300 personnel are deployed managing 65 open disaster and emergency declarations across 26 field offices, spanning Saipan to the Caribbean. Beyond these deployed personnel, 4,100 staff are listed as available for future deployment in FEMA's Deployment Tracking System for immediate activation when required. The remaining members of the IM workforce are unavailable for deployments (due to participation in training requirements, scheduled leave or unavailability, or steady-state work requirements). In the event of a catastrophic incident, FEMA would also work to make unavailable staff ready for deployments (by cancelling training, removing unavailability restrictions, etc.), to mobilize FEMA's additional internal surge workforce, and activate the U.S. Department of Homeland Security (DHS) Surge Capacity Force (SCF) to deploy in support of the IM workforce.

FEMA maintains a large and diverse workforce of IM staff capable of fulfilling critical roles in a disaster or emergency. FEMA is always seeking talented individuals eager to help people before, during, and after disasters for intermittent and full-time career opportunities and we are currently hiring. Due to FEMA's dedicated hiring efforts, FEMA has grown the nationally-available IM Workforce by 70% since May 2015, adding more than 1,000 net personnel each year (accounting for attrition.)

FEMA is taking all available steps to accelerate this growth to match the unprecedented level of disaster activity over the past three years. Each month, FEMA's recruitment branch meets with highly interested prospective candidates at career fairs and hiring events to promote career opportunities. FEMA also continues to expedite and streamline the hiring, orientation and training process for IM staff, onboarding and training new staff every two weeks.

Housing Disaster Survivors

Question 2. As you know, several recent major disasters have resulted in the loss of a great many homes. This is a challenging situation for survivors, communities, and federal agencies.

What steps can FEMA take to ensure that disaster survivor housing needs continue to be met, particularly in areas where traditional post disaster housing options

like trailers are not feasible, especially in light of the Agency's announcement last week that it is eliminating the STEP program?

ANSWER. FEMA continually strives to address the growing needs and complexities of post-disaster housing and provide effective housing resources to survivors. In coordination with state, territorial, and tribal (STTs) governments, FEMA continually assesses the needs of disaster survivors and works to develop cost-effective solutions.

When the President declares a disaster that is designated for Individual Assistance, a Federal Coordinating Officer or Regional Administrator may request a Sheltering and Housing Field Team to support developing a Sheltering & Housing Strategy. An effective Sheltering Strategy describes how FEMA will support the STTs and voluntary agencies to deploy a streamlined needs-based suite of housing solutions and case management services to promote timely and effective housing-related outcomes. FEMA will continue to review alternative housing solutions through the private sector or other means, to assess the feasibility of options at FEMA's disposal.

Through the Individuals and Households Program, FEMA may provide either Financial or Direct Housing Assistance to applicants with a disaster-caused housing need. The Disaster Recovery Reform Act (DRRA) amended section 408(f) of the Stafford Act authorizing FEMA to issue grants to STTs to administer Direct Housing Assistance.

FEMA may provide Financial Housing Assistance through funds paid directly to eligible individuals and households. Financial Housing Assistance may include the following types of assistance:

- *Lodging Expense Reimbursement*—Financial assistance to reimburse for hotels, motels, or other short-term lodging while an applicant is displaced from his or her primary residence.
- *Rental Assistance*—Financial assistance to rent alternate housing accommodations while an applicant is displaced from his or her primary residence.
- *Repair*—Financial assistance to repair an owner-occupied primary residence, utilities, and residential infrastructure, including privately-owned access routes (i.e., driveways, roads, or bridges) to a safe and sanitary living or functioning condition.
- *Replacement*—Financial assistance to help replace an owner-occupied primary residence when the residence is destroyed.

FEMA may provide Direct Housing Assistance when applicants are unable to use Rental Assistance due to a lack of available housing resources and may include:

- *Multi-Family Lease and Repair*—This program allows FEMA to enter into lease agreements with owners of multi-family rental property located in disaster areas and make repairs or improvements to provide temporary housing to applicants.
- *Transportable Temporary Housing Unit*—A readily fabricated dwelling (i.e., a Recreational Vehicle or a Manufactured Housing Unit), purchased or leased by FEMA and provided to eligible applicants for use as temporary housing for a limited period of time.
- *Direct Lease*—Existing ready-for-occupancy residential property leased and, if necessary, modified or improved to provide a reasonable accommodation for an eligible applicant with a disability and others with access and functional needs for use as temporary housing for eligible applicants.
- *Permanent Housing Construction*—Home repair and/or construction services provided in insular areas outside the continental U.S. and in other locations where no alternative housing resources are available; and where types of housing assistance FEMA normally provides, such as Rental Assistance or other forms of direct assistance, are unavailable, infeasible, or not cost-effective.

In response to the authorities provided by Section 1211 of the DRRA, FEMA is developing a State-Administered Direct Housing Grant Guide (SADHGG). The SADHGG will provide guidance to STTs, and FEMA personnel, about the necessary capabilities, processes, and coordination requirements for requesting and receiving State-Administered Direct Housing Grant funds to administer a direct housing mission on FEMA's behalf.

- STTs are afforded an opportunity to play a greater role in their disaster recovery and achieve desired outcomes and solutions based on their communities' needs. STTs have better proximity to survivors and expertise on local post-disaster recovery resources, which allows each STT to understand the needs, context, and characteristics of their constituents while building capacity for future housing missions.

- STTs can integrate their existing housing programs and other federal resources (e.g., Disaster Case Management, Hazard Mitigation Grant Program, Community Development Block Grant Disaster Recovery) to bolster FEMA direct housing grant funding to efficiently meet the needs of disaster survivors and enhance response and recovery from future incidents.
- STTs may identify Alternative Temporary Housing Units other than the manufactured homes and recreational vehicle FEMA typically provides that are cost effective and have sufficient capacity to address post-disaster housing requirements in a timely manner.

Mitigation

Question 3. The latest National Institute for Building Sciences report found that overall, hazard mitigation saves $6 for every $1 invested. Organizations like GAO and the National Academies have noted that building disaster resilience is key to addressing the toll that increasing disaster losses take on the nation and the risks those losses represent to the Federal budget. Similarly, Goal 1 of FEMA's Strategic Plan calls for FEMA to play a role in helping the nation reduce its future disaster risk.

- What actions should FEMA prioritize to help the nation achieve greater disaster resilience?

ANSWER. There are several initiatives and efforts that FEMA has undertaken and continues to prioritize to help the nation achieve greater disaster resilience:

- The National Mitigation Framework (https://www.fema.gov/national-mitigation-framework) identifies actions that can be taken by FEMA as well as all levels of government—Federal, State, and local, other entities (private sector, private-non-profits), and individuals.
- The FEMA Strategic Plan (https://www.fema.gov/media-library-data/1533052524696-b5137201a4614ade5e0129ef01cbf661/strat_plan.pdf) provides an overview of initiatives FEMA continues to emphasize to in order to promote disaster resilience.
- The National Mitigation Investment Strategy (https://www.fema.gov/media-library/assets/documents/181812) considers and recommends actions reflecting input and involvement from, and benefits for, all national stakeholders involved in disaster resilience, including federal, state, tribal, territorial, local and private organizations, and the public.
- FEMA continues to work directly with state, local, territorial, and tribal governments (SLTT) and non-governmental partners to advocate for the adoption and enforcement of modern building and property codes. In addition to promoting adoption of higher codes and standards, FEMA makes use of certain disaster resistant standards a pre-condition of grant funding.
- Emphasizing the value of hazard mitigation planning and coordination with State and local land use, environmental, and economic development planning efforts. In large part, local land use planning, zoning, building codes and similar regulatory authorities vested with local governments, is what drives resilience and the ability to withstand natural hazard events. Where a given community builds, and how "strong" the building codes are, can have an enormous impact on overall disaster resilience.
- Continuing to provide assistance to SLTTs for mitigation projects. FEMA's three Hazard Mitigation Assistance (HMA) grant programs: (1) Pre-Disaster Mitigation (PDM); (2) Flood Mitigation Assistance (FMA); and (3) Hazard Mitigation Grant Program (HMGP) share a common mission of preventing loss of life and property damage from natural hazards and reducing the risks from future disasters. Over the 30-year period from 1989 to 2019, FEMA has provided approximately $15 billion in Hazard Mitigation Assistance grants nationwide. The bulk of this funding has been done under the HMGP, a post-disaster grant. With increasing emphasis on pre-disaster mitigation, it is expected that resilience efforts will be more effective overall.
- Transforming its existing pre-disaster mitigation program. FEMA will soon replace PDM with a new Building Resilient Infrastructure and Communities (BRIC) program (https://www.fema.gov/drra-bric) as a result of amendments to its authorities provided in the recent DRRA. BRIC will be funded with a 6 percent set aside from major disaster funding and provide a robust and vigorous means of mitigating the increased risk from natural hazards. One feature of the developing BRIC program is to help build local capability and capacity for a variety of mitigation activities such as mitigation planning and technical engineering expertise to develop mitigation projects.
- Providing SLTTs assistance to plan for and develop grant projects and applications. FEMA offers Advance Assistance under its HMGP to assist state and

local communities. The purpose of Advance Assistance is to provide States and federally-recognized tribes, or territories with resources to develop mitigation strategies and obtain data to prioritize, select, and develop complete grant applications in a timely and manner. This thoughtful and comprehensive approach will result in more resilient communities.

- Continuing efforts to promote the purchase of flood insurance. FEMA's role is to help people understand their risk and the available options to best manage those risks. Insurance is an effective tool to transfer risks away from disaster survivors and enable rapid recovery. Experience has shown repeatedly that individuals, communities, and businesses that manage risk through insurance recover faster and more fully after a disaster.

Q: What opportunities exist for federal agencies, especially those that routinely partner with or fund activities of states and localities to integrate disaster resilience into all their missions and initiatives—and not just post disaster recovery?

ANSWER:

- Promotion of Disaster Resistant Building Codes and Standards—FEMA continues to promote use of disaster resistant building codes and standards at every opportunity (https://www.fema.gov/building-code-resources). FEMA has issued policies in recent years on utilization of disaster resistant building codes and standards for FEMA funded activities both pre and post disaster. Such policies will likely be refined and expanded in the future.
- BRIC—BRIC is expanding the concepts of pre-disaster mitigation by prioritizing the building of resilient infrastructure to make communities better prepared to withstand the next disaster, ahead of the disaster occurring and increasing community capacity. It will encourage states to identify their most pressing hazards and develop innovative solutions for building a culture of preparedness at all levels. Overall, this is part of a greater recognition that we must do more than just respond and recover from disasters, but rather focus on mitigation given the reality of more frequent and severe disasters.
- Requiring use of Disaster Resistant Building Codes and Standards as a precondition to receiving federal funding. All FEMA HMA grants (both pre and post disaster grants) require the use of disaster resistant codes and standards as a condition of funding for certain project types. FEMA will investigate the feasibility of expanding implementation of using codes and standards not only for buildings but a variety of infrastructure and mitigation projects that directly reduce risk to Community Lifelines.

Q: What actions should FEMA (HUD, and Army Corps) take to help ensure that they and their nonfederal partners maximize disaster resilience opportunities when using federal funds to recover?

ANSWER:

- Use of higher codes and standards as a pre-condition to receiving federal funds for mitigation and recovery activities.
- Also, provisions in the recently enacted DRRA further require and promote the use of disaster resistant codes and standards:
  - Sec. 1235(b) Consensus Based Codes and Standards—As amended by Section 1235(b) of the DRRA, Stafford Act Section 406(e) requires FEMA to fund repair, restoration, reconstruction, or replacement in conformity with the latest published editions of relevant consensus-based codes, specifications, and standards that incorporate the latest hazard-resistant design and establish minimum acceptable criteria for the design, construction, and maintenance of residential structures and facilities that may be eligible for assistance under this Act for the purposes of protecting the health, safety, and general welfare of a facility's users against disasters.
- Emphasize and promote utilization of funding of mitigation activities in disaster recovery both under the HMGP (Sec. 404 of Stafford Act) and Public Assistance (Sec. 406 of Stafford Act).

FEMA, U.S. Department of Housing and Urban Development (HUD), and USACE continue to promote mitigation activities and partner on such activities where it makes sense and is appropriate to do so. While FEMA is one of the primary federal funding sources for hazard mitigation activities, there are several other federal agencies involved in various facets of mitigation. Most notably would be agencies such as HUD, USACE, U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service, U.S. Geological Service, the Environmental Protection Agency (EPA), National Oceanic and Atmospheric Administration (NOAA), U.S. Small Busi-

ness Administration (SBA) and other federal agencies. Federal regulations prohibit FEMA grant funds from being used on projects where another federal agency may have primary authority and funding for a mitigation activity, therefore projects where federal agencies combine funding streams are somewhat limited. There are instances however, where more than one federal agency may be involved with funding when they are done in such a way to avoid "duplication of programs." Probably the most common instance where different agency funding streams are combined is with FEMA's HMGP and HUD's Community Development Block Grant (CDBG) program where CDBG funds are often used by communities for their local match for mitigation grants.

Resource links are provided here with information on other federal agencies undertaking hazard mitigation activities. The first resource link provides a comprehensive list of federal agencies.

Federal Mitigation Programs, Activities, and Initiatives (FEMA and Earthquake Engineering Research Institute publication):
http://mitigation.eeri.org/files/resources-for-success/00028.pdf

Mitigation funding for water and wastewater utilities from FEMA, EPA, USDA, HUD, SBA:
https://www.epa.gov/fedfunds/hazard-mitigation-assistance-programs-available-water-and-wastewater-utilities

Seismic Mitigation funding through FEMA and various non-profits:
https://www.fema.gov/earthquake-grants

USACE—Flood Mitigation Programs:
https://www.iwr.usace.army.mil/Missions/Flood-Risk-Management/Flood-Risk-Management-Program/

Federal Disaster Assistance—Response & Recovery—Congressional Research Service, 06/2018 (non-mitigation programs):
https://fas.org/sgp/crs/homesec/RL31734.pdf

QUESTIONS FROM HON. DINA TITUS TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Puerto Rico and U.S. Virgin Islands Recovery

Question 1. According to earlier FEMA guidance, FEMA and the government of Puerto Rico have a deadline of October 2019 for completing fixed-cost estimates for Public Assistance program projects. However, FEMA recently acknowledged that significant work remains to complete these fixed-cost estimates and authorized all parties to continue developing alternative procedures projects while it works to establish a new deadline.

What effect will this extension have on recovery projects in Puerto Rico? What steps can FEMA, Puerto Rico, or others take to ensure that recovery projects in Puerto Rico are funded and completed as quickly as possible?

ANSWER. The original October 2019 deadline did not anticipate the time needed to finalize cost adjustment factors for Puerto Rico nor the implementation of new authorities provided by the 2018 Bipartisan Budget Act (BBA). In September 2019, FEMA finalized the 3-Zone City Cost Index (CCI) to better reflect labor, equipment, and material unit costs in urban, rural, and island areas in Puerto Rico. In addition, FEMA authorized adjustments to the Cost Estimating Format in September 2019. In October 2019, FEMA finalized the Future Price Forecast (FPF) multipliers, which will be used until the FPF curve is developed. FEMA expects RAND to finalize the FPF curve in early 2020. The FPF curve is intended to reflect cost escalation over time in Puerto Rico. FEMA continues to work with COR3 to identify additional costs not considered in the authorized cost adjustments but believes cost estimates now more accurately reflect market conditions in Puerto Rico.

In September 2019, FEMA also published an updated version of the policy which implements Section 20601 of BBA through the Public Assistance Program (FEMA Recovery Policy FP–104–009–5 V2). The updated policy reflects changes to the law and allows BBA-eligible projects to be developed.

Since the National Delivery Model was implemented in Puerto Rico in June 2019, FEMA and COR3 have worked together to improve grant development. This includes more consistent document requirements and other information needed to develop Public Assistance (PA) Grants, the use of the Grants Manager/Grants Portal to develop and track projects, and training for FEMA, COR3, and Applicants.

FEMA, the Commonwealth, and Applicants are actively working to achieve mutually agreed upon quarterly milestones for project development (scope of work, cost estimate development and fixed cost estimate (FCE) agreement). Once FCE agree-

ments are made, the Commonwealth and Applicants are fully responsible for implementing and executing the restoration and construction projects in accordance with the FEMA approved scope of work and project conditions.

Question 2. Puerto Rico is using alternative procedures (also known as "Section 428") for all large, permanent work projects under the Public Assistance program. "Alternative procedures" requires FEMA and Puerto Rico to agree on a fixed-cost estimate for Public Assistance projects. If actual project costs exceed the fixed-cost estimate, Puerto Rico will need to pay the difference in costs. On the other hand, if costs are less than fixed-cost estimate, Puerto Rico can use the extra funds for allowable costs, such as cost-effective hazard mitigation.

- What steps is FEMA taking to work with Puerto Rico to develop realistic fixed-cost estimates?

ANSWER. In September 2019, FEMA published a second version of the Public Assistance Alternative Procedures (PAAP) Section 428 Guide for Permanent Work for DR–4339–PR, which guides the development of fixed-cost estimates. The guidance was updated to incorporate changes associated with the implementation of the National Public Assistance Delivery Model, reflected updated roles for collaboration among applicants, the Recipient and FEMA in project development, and specified that cost information provided by applicants may be considered in the development of fixed-cost estimates. The guide continues to require the third-party independent expert panel validation of any project over the $5 million (Federal cost share) and maintains the ability for the Recipient or applicants to request independent expert panel validation for any 428 project.

The Public Assistance National Delivery Model framework provides for a genuinely collaborative effort, rooted in a foundation of professional partnerships in the field, the Consolidated Resource Center, and at the leadership level. Collaboration requires the personnel responsible for project formulation to work together in full transparency with Grants Manager and Grants Portal, leverage the technical specialty of each individual involved throughout project formulation, and make substantial effort to reach agreement on a fixed-cost estimate.

Pursuant to PAAP Section 428 for Puerto Rico, FEMA and COR3 established the 4339DR–PR Center of Excellence to develop cost estimating methodologies and identify appropriate FEMA Cost Estimating Format (CEF) factors for construction work in Puerto Rico. In July 2019, the Center of Excellence published its recommendations for cost adjustments specifically for DR–4339.

The Center of Excellence recommended adjustments to baseline construction costs which FEMA considered when it authorized the development of a 3-Zone CCI and an FPF curve in July 2019. FEMA commissioned Gordian, which owns and updates RS Means, to develop the 3-zone CCI to better reflect labor, equipment, and material unit costs in urban, rural, and island areas in Puerto Rico. FEMA commissioned RAND to develop the FPF curve to reflect cost escalation over time in Puerto Rico.

While the CCI and FPF curve were being developed, FEMA-directed unit costs to be based on RS Means 2019 CCI for San Juan and authorized the use of specific cost multipliers for labor, equipment, and material for Puerto Rico as recommended by the Center of Excellence. In late September 2019, the 3-Zone CCI was finalized by Gordian. In October 2019, RAND finalized FPF multipliers, which will be used until the FPF curve is developed. FEMA expects RAND to finalize the FPF curve in early 2020.

In September 2019, FEMA approved several adjustments to the CEF as recommended by the Center of Excellence and the inclusion of sales, use, and municipal taxes once COR3 provided additional information on the application of those taxes. In December 2019, COR3 submitted the requested data and FEMA approved the inclusion of sales, use, and municipal taxes on all projects. FEMA continues to work with COR3 to identify additional costs not considered in the authorized cost adjustments.

Q: What risks, if any, does FEMA anticipate with rising costs due to shortages of labor and supplies in Puerto Rico?

Q: Given that Public Assistance projects take many years (2 to 10 years, or longer) to complete, what steps is FEMA taking to account for escalating costs?

ANSWER. Pursuant to PAAP Section 428 for Puerto Rico, FEMA and COR3 established the 4339DR–PR Center of Excellence to develop cost estimating methodologies and identify appropriate FEMA CEF factors for construction work in Puerto Rico. In July 2019, the Center of Excellence published its recommendations for cost adjustments specifically for DR–4339.

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Q: Given that alternative procedures are being used for all large, permanent work projects in Puerto Rico, how is FEMA handling the volume of work required to agree on fixed-cost estimates for so many projects? Are there things that FEMA could do to expedite agreement on fixed-cost estimates?

ANSWER. In June 2019, FEMA stood up the Consolidated Resource Center (CRC) Atlantic as a temporary resource to facilitate project and fixed cost estimate development. The Public Assistance National Delivery Model framework provides for a genuinely collaborative effort, rooted in a foundation of professional partnerships in the field, the CRC, and at the leadership level. It is critical to an efficient and effective project formulation operation. Collaboration requires the personnel responsible for project formulation to work together in full transparency within Grants Manager and Grants Portal to maintain open communication and leverage the technical specialty of each individual involved throughout project formulation and make substantial effort to reach agreement on a fixed-cost estimate.

Additionally, the Commonwealth and Applicants have access to management cost funding which covers the cost of developing and administering PA grants.

Q: Per Sec. 428(e)(1)(F), applicants may have their own professionally licensed engineers—mutually approved by the Administrator—prepare cost estimates for consideration. During a recent staff visit to Puerto Rico, it was presented that FEMA was developing all cost estimates for 428-related work absent significant input or utilization of professionally licensed engineers in Puerto Rico. Can you please address why the Administrator has not approved use by the Commonwealth of these local professionally licensed engineers?

ANSWER. FEMA published the *Public Assistance Alternative Procedures (Section 428) Guide for Permanent Work, FEMA–4339–DR–PR*, in April 2018 with input from the Commonwealth of Puerto Rico. This guidance did not allow for Applicant-provided estimates. FEMA published Version 2 of the *Public Assistance Alternative Procedures (Section 428) Guide for Permanent Work, FEMA–4339–DR–PR*, on September 13, 2019, and added language to align with the Disaster Recovery Reform Act (DRRA) of 2018. This guidance update was necessary to make several changes to improve the process in Puerto Rico, including the incorporation of the Consolidated Resource Center and its role in streamlining project development. As part of the update, FEMA added the following language: "the CRC may consider cost information provided by Applicants in the development of cost estimates." This may include use of information that an Applicant provides that is prepared by a licensed engineer. Both Version 1 and 2 of this guidance emphasize that the project formulation process is highly collaborative between FEMA, the Recipient, and Subrecipients, and that FEMA will consider local engineering expertise to inform project formulation.

Question 3. For the Public Assistance program in Puerto Rico and the U.S. Virgin Islands, the Bipartisan Budget Act of 2018 authorized FEMA to provide assistance to fund the replacement or restoration of disaster-damaged infrastructure that provides critical services—such as power, medical care and education—to industry standards without regard to pre-disaster condition. Puerto Rican officials have stated that FEMA's interpretation of the Act is too narrow, and noted that FEMA is not fully leveraging flexibilities to rebuild in a resilient way. FEMA officials in Puerto Rico have stated that flexibilities must comply with Public Assistance program requirements.

- What is your view regarding the right balance between leveraging flexibilities provided by the Act with requirements of the Public Assistance program? Are there additional flexibilities under the Act that FEMA could better leverage in order to protect federal recovery funds invested in Puerto Rico and the U.S. Virgin Islands?

ANSWER. FEMA has implemented its authorities under the BBA in a manner intended to provide maximum flexibility to Puerto Rico and the U.S. Virgin Islands (USVI) while still maintaining compliance with other Stafford Act authorities.

FEMA is leveraging authorities provided by section 20601 of the BBA as well as FEMA's other Stafford Act authorities, including alternative procedures and hazard mitigation funding provided under sections 404 and 406, to attain increased flexibility and resiliency for the repair and reconstruction of eligible facilities in Puerto Rico and the U.S. Virgin Islands.

Q: We also understand that there have been difficulties in obtaining clarification on exactly how "industry standards" should be implemented in the Puerto Rico and the U.S. Virgin Islands. Please describe how FEMA plans to implement such "industry standards" for relevant projects.

ANSWER. All currently proposed industry standards for Puerto Rico and USVI have been approved.

For eligible facilities that provide the specifically identified critical services (power, water, sewer, wastewater treatment, communications, education, emergency medical care, emergency services or an administrative or support building essential to the provision of the critical service—see Table 1 of the Public Assistance Program and Policy Guide), FEMA will provide assistance to restore a disaster-damaged facility or system to a FEMA approved industry standard without regard to pre-disaster condition. Eligible work will also include the restoration of components not damaged by the disaster when the restoration is necessary to fully effectuate the restoration of a disaster-damaged component so it functions to the associated (and approved) industry standard.

For example, if a lighting system within an educational facility is disaster-damaged and eligible for replacement, the scope of work will be developed to include occupancy sensor controls in accordance to the approved industry standard of 2018 IECC, Section C405.2 Lighting Controls (Mandatory) C405.2.1 Occupant Sensor Controls.

FEMA Management and Workforce Issues

Question 4. GAO previously reported that low employee morale has been a longstanding issue at FEMA. Most recently, the best places to work in government survey ranked FEMA 316 out of 415 agency subcomponents across government.

- In your view, why is morale at FEMA low? Has the agency taken any action to identify the trends or root causes of this problem?
- What steps do you plan to take to address this issue?

ANSWER. Employee morale, as measured through Federal Employee Viewpoint Survey (FEVS), continues a steady improvement trend over the last 5 years.

FEMA's 2018–2022 Strategic Plan directly addresses Employee Engagement by making all three key FEVS index scores performance measures. The plan calls for 2 percentage point increases in each year for each index for a total of 10 percentage points over the life of the plan. FEMA is on target in the Global Satisfaction and New Intelligence Quotient indices. While we exceeded our 2019 Employee Engagement Index improvement (increased 2.4 percentage points), we are 1 percentage point behind expectation overall.

FEMA established an Employee Engagement team within our Office of the Component Chief Human Capital Officer to assist leaders in analyzing FEVS results and developing and implementing organizational action plans. These are specialist staff with the technical expertise and background to help FEMA leaders get past the raw numbers of the FEVS results and identify root causes for more effective action planning. Under Office of Management and Budget Cross Agency Goal #3, our Employee Engagement team has partnered with numerous program offices to developing plans, actions, and measures of performance. Of the programs who worked with our Employee Engagement team, 92% saw improvements in their Employee Engagement Index scores in the 2019 FEVS.

Question 5. When the 2017 and 2018 disasters hit, FEMA was already grappling with personnel shortages in key areas and numerous past GAO reviews have identified longstanding challenges in FEMA's workforce assessment, management, and training. The 2017 and 2018 disasters stretched the existing workforce thin and FEMA staff were already responding to hundreds of other open federal disasters nationwide.

- In your view, what are the root causes of FEMA's workforce challenges? Are there key job types or areas of expertise that are particularly problematic for FEMA?

ANSWER. Having a well-trained, motivated workforce that can deploy to disasters and work alongside state, local, tribal and territorial partners is key to improving our nation's ability to prepare for and recover from disasters. With record low unemployment and rising wages, it can be difficult to recruit and retain talented workers—particularly in the leadership positions requiring technical, supervisory, and

programmatic expertise—for intermittent positions needed for variable disaster activity. Additionally, FEMA's work can involve physically austere and operationally challenging conditions, but the Agency has been able to steadily hire in the last few years.

The intermittent, variable, and austere nature of FEMA's disaster missions creates challenges in hiring and retaining talented staff, particularly in the technical, supervisory, and programmatic areas FEMA needs most: engineers, architects, IT personnel, and data analysts, as well as managers and specialists with expertise in the delivery of FEMA's full portfolio of Stafford Act Missions.

Q: What steps, if any, do you plan to take to address these challenges? Are there actions that Congress needs to take to help you address these challenges?

ANSWER. FEMA has established an Agency Program Management Office that is leading enterprise improvements to all aspects of FEMA's human capital and training operations. FEMA is taking coordinated steps to strengthen every element of the human capital pipeline from expanding recruitment, reducing time to hire, cadre management, and ultimately retention. FEMA has established this Office in part to accelerate FEMA's progress in hiring and qualification to achieve FEMA's incident management (IM) force structure targets, needed to posture the Agency to manage the Nation's risk.

FEMA is consistently assessing options to address its total force workforce challenges and will work with OMB and the Congress to identify appropriate resource needs for both Stafford Act employees and general service personnel.

Q: In the short term, how does FEMA plan to adequately staff additional catastrophic disasters, should they happen this year, while continuing to manage active recoveries in other disaster locations?

ANSWER. FEMA is taking a data-driven approach to hiring with established hiring targets to meet our annual workforce strength requirements to achieve an end strength of 17,670 IM staff in 2024.

Understanding that disasters happen at any time and that it will take several years to reach the 17,670 target, FEMA has designed its disaster workforce to scale to meet the needs of multiple incidents. In addition to FEMA's primary IM workforce, FEMA is postured to quickly mobilize additional staff from all its internal offices to an event as well as to initiate rapid onboarding of local hires from the impacted area, bringing survivors into temporary roles to support their communities directly. In the event of a catastrophic incident, FEMA would also work to make unavailable staff ready for deployments (by cancelling training, removing unavailability restrictions, etc.), to mobilize FEMA's additional internal surge workforce, and activate the DHS SCF to deploy in support of the IM workforce.

In 2017, FEMA mobilized over 4,000 personnel from other DHS Components (e.g. the U.S. Transportation Security Administration, U.S. Customs and Border Protection, and U.S. Citizenship and Immigration Services) and Other Federal Agencies (e.g. the National Aeronautics and Space Administration, and U.S. Departments of Commerce and Transportation) to support survivors and communities in the delivery of Stafford Act assistance. FEMA currently has over 9,000 SCF personnel rostered in its Deployment Tracking System from these agencies, who can be called upon as needed. Given historic disaster activity over the past several years, FEMA has put the SCF on alert in both 2018 and 2019 to ensure a ready posture should FEMA need to call upon them and has component points of contact working during steady state to identify potential volunteers and ready their Agencies' support if needed.

FEMA can also continue to augment the current workforce through additional trainings, working with Emergency Support Function partners, and utilizing technical assistance contracts to provide additional capabilities to support disaster response and recovery operations. By utilizing additional short-term staffing capability while simultaneously working to grow the IM workforce over the long term to fill vacancies, FEMA can ensure a ready workforce that is able to help people before, during, and after disasters.

Question 6. In 2012, the agency implemented the FEMA Qualification System (FQS) to track and measure the knowledge and skills of its disaster workforce. Specifically, FQS guidance states that the purpose of the system is to (1) ensure consistency in training, skill identification, and deployable assets for positions across the agency and (2) ensure that FEMA personnel are ready and able to fulfill their responsibilities immediately, competently, and professionally.

- How well has the system met these goals since its implementation?

ANSWER. Attaining the proficiency of "Qualified" within the FEMA Qualification System (FQS) is based on completion of a set of cadre-determined requirements for

each incident management position. These requirements are contained in position task books (PTBs) that include formalized training and tasks that must be mastered and successfully performed for an evaluator. The system meets its original purpose every day by providing a clear set of requirements and a process each IM employee can follow to satisfy those requirements. Each IM employee knows what is expected and can use the PTB as a benchmark to steadily improve their individual capabilities.

FQS strives to continually improve the system, hone the requirements, and improve its processes. FQS is currently engaged in a multi-year effort to revise all of the FQS Required Training courses to increase experiential learning opportunities, ensure all training objectives align to tasks in the PTB, improve and standardize on-the-job training through the Coach and Evaluator program, and provide an objective recommendation for qualification through a Qualification Review Board for leadership positions to ensure rigor and accuracy of qualification across cadres.

Q: What are the key challenges FEMA has faced in implementing FQS and what actions could be taken to address them?

ANSWER. The key challenges to the implementation of FQS are related to the time required to learn and master FEMA-specific disaster-field work and the Agency's ability to hire and retain IM employees.

All PTBs contain tasks that can only be completed when a trainee is deployed to a disaster. This limits FEMA's ability to finalize an employee's qualification to times when the trainees are performing disaster work. During 2018, FQS revised all of the approximately 250 IM PTBs. This revision focused on clarifying tasks to be more specific and observable, reduced the repetitive and unnecessary tasks, and reduced the stringency of where the tasks can be evaluated. Our goal is to reduce the disaster dependency as much as possible by allowing task endorsement during experiential training environments, exercises, and even during equivalent steady state work. These improved PTBs will be easier to understand, quicker to complete, and less disaster dependent.

A major impact on FEMA's incident workforce qualification rate is made by the Agency's hiring and retention challenges. All trainees will need time while deployed to master and demonstrate PTB tasks. FEMA's Office of Response and Recovery (ORR) leadership pointed to a nine-month period where FEMA's IM force strength increased by 9.4% while the incident workforce qualification rate remained the same. The Agency is currently below its force structure goals, so the concern for the incident workforce qualification rate will continue for the foreseeable future as FEMA continues to engage in vigorous hiring efforts. Personnel who are new to FEMA's incident workforce will require time to master the processes and procedures involved in assisting disaster survivors.

Over 50% of FEMA's IM workforce is made up of on-call Reservist employees who are paid only when deployed. The temporary and intermittent nature of this work contributes to retention problems and delays qualification since progress can only be made when deployed. ORR's Field Operations Directorate has recently undergone a comprehensive incident workforce review that resulted in a new recommended force structure for each IM position. The new force structure is specific to the different employee types. While the new force structure goals will have a positive impact on FEMA's ability to respond to disasters, it may impede qualification rates as new employees are brought on board. Actions and recent improvements (discussed above currently) underway are a collective and collaborative effort to meet FEMA's incident workforce qualification goals.

Question 7. What initiatives does FEMA have in place or planned to hire and retain a skilled incident management workforce, particularly individuals with technical skills such as engineers and site inspectors?

- How, if at all, does the need to recruit and retain employees who work intermittently or are term-limited—such as reservists and COREs—present unique challenges?
- What actions could be taken to address these challenges?

ANSWER. FEMA has launched the Harness Project, to develop and implement an integrated, streamlined human capital framework, and processes for FEMA to meet its critical workforce needs. The project focuses on expanding FEMA's ability to recruit and retain top talent. One of the Harness project focuses on recruitment. FEMA is implementing strategies to increase our recruitment and hiring efforts that will address needs and gaps in the incident management workforce. We are establishing partnerships with engineering schools and job corps, to create training and developmental programs that will connect and prepare trained, skilled, and qualified employees for incident management and technical positions at FEMA.

One of the biggest challenges we face with managing an intermittent (Reservist) workforce is the uncertainty and unpredictability of disasters and deployments. Recruitment is challenging because we are not able to provide employees with traditional expectations regarding work—scheduling, steady income, and benefits. In these times of historic unemployment, recruitment into Reservist positions is even more challenging. For reservists that may only deploy a few times a year, many find themselves having to supplement their income with other full-time employment when they are not deployed. Our hiring authority does not offer USERRA-type job protections for deployed employees; as such, FEMA Reservists with outside employment have no job protections from their outside employer. If their full-time employer is unable to support an unknown, extended period of leave, employees are faced with quitting their full-time jobs to deploy, declining deployments, or resigning from FEMA.

Enacting Federal job protections for FEMA's intermittent workforce would provide FEMA reservists with a higher level of job security, flexibility, and would increase FEMA's ability to recruit and retain a talented, diverse, and skilled employees.

Better Assisting Older and Disabled Disaster Survivor Populations

Question 8. A May 2019 GAO report recommended that FEMA develop a training on incorporating the needs of individuals with disabilities into emergency planning. What is the status of the Agency's reaction this recommendation?

ANSWER. FEMA concurred with this recommendation and is in the process of updating and enhancing an existing training course, E/L 0197—INTEGRATING ACCESS AND FUNCTIONAL NEEDS INTO EMERGENCY PLANNING (E/L 0197), to better assist community partners to: (1) understand the needs of individuals with disabilities, and (2) incorporate strategies for whole community inclusiveness into emergency planning. The anticipated date of completion is August 2020 for delivery of the course at the Emergency Management Institute (EMI) and in the field.

The new enhanced course is titled INTEGRATING PEOPLE WITH DISABILITIES INTO EMERGENCY PLANNING. Working in coordination with the EMI, significant progress has been made in the development of E/L 0197 by FEMA's Office of Disability Integration and Coordination. This progress includes a comprehensive market analysis, submission of the updated Uniform Training Needs Assessment and procurement of a contract vendor for course design.

The new enhanced course is designed be delivered in a comprehensive multi-day, instructor led, exercise-based format to allow state, local, tribal, territorial, public and private sector partners to evaluate the inclusiveness and effectiveness of existing emergency operations plans in a no-fault environment. It is anticipated that the course will be deliverable in the field by FEMA's Regional Disability Integration Specialists for consistency and to expand existing outreach and leverage economies of scope and scale for cost-effectiveness.

On June 17, 2019, FEMA provided documentation to the Government Accountability Office (GAO) in response to the recommendation. This recommendation has been closed as implemented by the GAO.

Question 9. A February 19, 2019 report from the FEMA National Advisory Council titled "Modernizing the Nation's Public Alert and Warning System" outlined several short- and long-term recommendations to improving the Integrated Public Alert and Warning System (IPAWS). Recommendation 8 from that report identified the importance of standardization of visual symbols and pictograms, transcripts, and captioning so that diverse populations receive and can better understand alerts.

What efforts has FEMA undertaken to advance this recommendation, and when will the system be fully capable to transmit messages for a more diverse audience?

ANSWER. The issue around Geographic Information System (GIS) and symbology are very different than pictograms, captioning and transcripts. For people with disabilities and those who have other language needs, pictograms, captioning and video are a very different way of delivery, oftentimes, as an attachment to information being sent over traditional communication lines. This will entail leveraging resources within government and external stakeholders in the continued development of accessibility for people with disabilities and those with limited English proficiency. Identifying those resources and encouraging the development of accessibility will take time and expertise from SME's in the field.

The Integrated Public Alert and Warning System (IPAWS) Stakeholder Engagement team worked with the National Alliance for Public Safety GIS Foundation to update and maintain a list of 49 symbols for alerts and warnings. The IPAWS Program Management Office strongly believes that all people, to include those without an understanding of the English language and those with access and functional needs, should be able to understand alerts and warnings. The IPAWS team has taken the lead on development of a comprehensive standard set of symbols, picto-

grams, transcripts, and captioning services to better communicate with diverse populations. The IPAWS system can support the transmission of symbols via links and attachments as well as through a coordinated and standardized symbology set. End devices can extract the symbol from a link, attachment, or use the standard set to present the appropriate symbol to the public. Ongoing coordination is required to ensure more end devices can process and present the symbols as well as to educate public safety practitioners on the symbol set and its use for relaying information quickly and across multiple languages.

Recommendation 8 leverages this existing work, as we plan to actively engage Federal State Tribal Territorial Local regulatory agencies, jurisdictional entities, and standards making bodies to meet the needs of diverse populations. These milestones should be integrated into development of a multi-media campaign (Recommendation #13: Identifying and Adopting Current and Future Technologies) which includes guidance to Alert Origination Software providers, collaboration with standards development organizations, text to speech, and symbology.

This recommendation paves the way for a FEMA led effort; however, lack of funding and staffing prevents full implementation. Coordinated development of a set of alert and warning symbols will require coordination across multiple government and non-government organizations (NGO), both nationally and internationally. Once developed, these symbols would be incorporated into national and international standards and specifications for consumer communications devices and networks, public education programs, emergency management training curriculums, and alert and warning plans, tests, training and exercises . This recommendation is a long term-goal as IPAWS Program does not currently have the resources to fulfill this recommendation.

Question 10. Are there any statutory changes that would enhance FEMA's ability to respond to the specific needs of older adults or people with disabilities prior to, during, or following a disaster?

ANSWER. No. At this time, we do not believe that additional statutory changes are required to respond to the specific needs of older adults or people with disabilities prior to, during, or following disasters.

Response

Question 11. The 2017 and 2018 disasters showed that FEMA does not have the resources and capacity to respond to multiple catastrophic disasters simultaneously, particularly given that it is currently involved in over 600 open federal disasters. What steps are being taken now to ensure that FEMA and the federal government could respond to another year like 2017 or another catastrophic scenario with what remains of this hurricane season or in the next year or two?

ANSWER. The 2017 and 2018 disasters certainly challenged FEMA and its Federal partners' capacity to support multiple concurrent disasters with limited resources. FEMA developed the concept of community lifelines as a means to better communicate across government and non-governmental partners using a common, plain language vernacular focused on stabilizing the most critical services in a community to alleviate the immediate threats to life and property. Lifelines were designed, and have proven to be an effective means, to help inform challenging resource allocation decisions the Nation will face in a catastrophic scenario. The National Response Framework, 4th Edition was released in October, establishing the lifelines construct within national-level policy.

The challenges faced in 2017–2018 strained our capacity but did not overwhelm it. FEMA continues to maintain and increase its response capabilities to improve its readiness for catastrophic incidents based on lessons learned and aims to improve the efficiency and effectiveness of the agency. For example, FEMA is updating and recapitalizing necessary equipment, improving its training and hiring capabilities, and reassessing its logistical needs, including its stockpiles and storage capabilities. Specifically, FEMA is replacing the aging equipment caches for its 28 Urban Search and Rescue Task Forces, increasing its fleet of Mobile Emergency Operations Vehicles, and recapitalizing aging land mobile radios. FEMA is also conducting a long-term nation-state planning effort, which looks at considerations beyond FEMA's traditional catastrophic planning scenarios to include more robust considerations of Homeland Security authorities and responsibilities related to direct domestic impacts upon US citizens or interests impacted by potential nation-state threats. These plans incorporate the critical mission areas of population protection, national mobilization, and consequence management, including authorities that have been largely dormant since the end of the Cold War and which can potentially be leveraged to increase the nation's readiness to respond to a truly catastrophic incident.

FEMA recently completed its Incident Management Workforce Review to review the staffing force structure to ensure FEMA can deploy the right people with the

right skills to the right place and at the right time to help survivors after a disaster. In addition to requirements generated over the last few hurricane seasons, FEMA reviewed the disaster workforce structure for potential future disaster activity the agency may face. To achieve FEMA's target force structure, FEMA has begun a multi-year recruitment and hiring process. While this process is ongoing, the agency will continue placing increased emphasis on training for existing employees to improve readiness and enhance the disaster survivor experience. Additionally, in accordance with the Post-Katrina Emergency Management Reform Act, FEMA has established and implemented the SCF, comprised of DHS component agencies and other federal agencies, to supplement disaster staffing requirements when responding to several concurrent incidents in the event they cause staffing shortfalls in critical mission areas.

FEMA has increased its inventory of critical commodities (food, water, tarps, generators) in the Continental United States (CONUS) and outside of the Continental United States (OCONUS) to levels that exceed up to seven times our prior capacity in 2017 and 2018. FEMA has also expanded the number of Incident Support Base/Federal Staging Area Teams ready to quickly deploy and establish staging areas to receive life-saving/life-sustaining commodities and supplies for disaster survivors. With the Defense Logistics Agency, FEMA developed 5-year contracts to provide emergency fuel and propane for all 50 states, the Caribbean, and Guam/Commonwealth of Northern Mariana Islands—a first for overseas coverage. FEMA awarded a contract for 352 new generators to replace high maintenance generators in the existing inventory to support CONUS and OCONUS disaster operations. Finally, FEMA replaced a small, constrained warehouse with a new, modern Distribution Center in Tracy, CA while increasing FEMA's storage capability four-fold over the previous facility.

Preparedness for catastrophic scenarios requires more than just building more capability within FEMA. It involves balancing risk by recognizing that FEMA will never be staffed to support the full set of requirements levied by a catastrophic disaster event. However, FEMA must ensure its response teams and assets, as well as those of its Federal partners and from the whole community, remain ready and can be rapidly mobilized during multiple concurrent incidents or a catastrophic incident.

Generally, response capabilities demobilize rapidly and are fully prepared to deploy to the next response requirement, and as such the referenced 600 open disasters do not impact the readiness of FEMA or interagency response assets. However, recovery capabilities remain actively engaged in all open disasters, and the open disasters reduce the number of available recovery personnel and resources available for future disasters.

Following the 2017 and 2018 disasters, FEMA has worked diligently with Federal interagency and voluntary agency partners to improve the agency's capacity to support the recovery needs of a number of concurrent disasters. FEMA's support of Recovery is guided by the National Disaster Recovery Framework (NDRF). The NDRF is a guide that enables effective recovery support to disaster-impacted SLTT jurisdictions. FEMA uses the NDRF and its coordinating structures to engage necessary and available department and agency capabilities to provide enhanced coordination and support SLTT recovery efforts when necessary. It also focuses on how best to restore, redevelop, and revitalize the health, social, economic, natural, and environmental fabric of the community and build a more resilient Nation. This support is needed when one or more incidents occur that exceed the capacity of state, tribal, or territorial resources. As part of readiness planning, FEMA completed the 2019 Federal Interagency Recovery Readiness Assessment, which assessed the Federal government's capability and capacity to provide disaster recovery and includes findings and improvements resulting from the 2017 Hurricane season to include:

- Federal Departments/Agencies (D/A) reported a greater percentage of its support can be delivered with limited challenges—as opposed to having major challenges or unable to deliver at all.
- Federal D/A reported that 78% of recovery support can be mobilized within 5–15 days upon request, and that among this support, 63% can be sustained for 180 days and 41% for 360 days or longer.
- The top constraint continues to be shortage of personnel. The major impact across the federal D/A is delay in delivering needed recovery support.

For additional readiness for future incidents, FEMA and federal interagency partners listed in the NDRF have launched a working group to identify potential solutions to address this gap in capacity.

FEMA has also worked diligently to increase its own capabilities. After the 2017 disasters, FEMA awarded the Individual Assistance Support Contract. Potential

vendors proposed innovative solutions to Catastrophic Disaster Scenarios which allowed the agency to select the contractor with the greatest capabilities to support multiple scenarios. FEMA is currently working with the contractors and other partners to develop tools and implementation strategies that will ensure a more comprehensive and efficient response to future recovery needs.

FEMA is also working to increase its capability to support states, tribes, territories, and local governments in mass care and sheltering operations. FEMA is co-leading a project with the American Red Cross to provide planning tools for states to coordinate mass care activities. This is scheduled to be a year-long project concluding in 2020 and involves a team of both FEMA, Red Cross, and State personnel who will provide guidance and tools to assist State Mass Care Coordinators in organizing the Mass Care Task Forces and other types of groups that are needed to address the Mass Care and Emergency Assistance issues that arise during catastrophic disasters.

FEMA also has significant efforts underway to increase the capacity of the PA Program. In April 2019, the Agency completed a Coordinated Workforce Review that resulted in a more than doubling of the size of the Public Assistance Cadre from 1,911 to 4,279. Over the course of this year, FEMA has selected 1,290 positions to meet this new Force Structure for the PA Cadre. This includes providing training as new staff on-board. Additionally, FEMA has partnered with the USACE Reemployed Annuitant Cadre and Tennessee Valley Authority Bicentennial Volunteers Incorporated and is currently entering a formal partnership with the U.S. Department of Labor's Job Corps program to continue to augment PA field operations. To further supplement these field operations, FEMA employs contract resources when PA Cadre assets are insufficient to meet requirements. A modification to the standing Technical Assistance Contracts was completed in September 2019, more than doubling the number of resources that must be available at any given time from 1,200 to 2,796.

Other activities aimed at enhancing PA field operations include a focus on mentoring and coaching for new staff including field leadership. Additional mentors are being hired and a formal professional development plan is being developed. The PA Program is also moving toward a risk-based approach to processing projects, devising innovative ways to save time on low risk projects and concentrating efforts on complex projects where skilled resources and use of flexible options will yield better results.

Hazard Mitigation and Disaster Resilience

Question 12. The rising number of natural disasters and increasing reliance on federal assistance is a key source of federal fiscal exposure. Since 2005, federal funding for disaster assistance is approaching half a trillion dollars (about $450 billion), most recently for catastrophic hurricanes, flooding, wildfires, and other losses in 2017 and 2018. Disaster costs are projected to increase as extreme weather events become more frequent and intense due to climate change—as observed and projected by the U.S. Global Change Research Program and the National Academies of Sciences, Engineering, and Medicine.

- What steps can FEMA take to help states, local governments, and citizens prepare for more frequent and intense weather events resulting from climate change?
- What role do you think hazard mitigation will have in addressing extreme weather events resulting from climate change?

ANSWER. For FEMA to continue to accomplish its mission of helping people before, during, and after disasters, the agency is taking steps to support communities in their adaptation efforts. Addressing future risks, such as those posed by extreme weather events regardless of their cause, is key to FEMA's mission. Wherever possible, FEMA brings data to bear and work in support of state, local and tribal needs and priorities. By addressing future risks, state, local, tribal and territorial governments are best prepared for future extreme weather events and are able to bounce back faster at the individual and community level. It is important to note that climate change is just one of many future risks FEMA plans for, but one that could significantly alter the types and magnitudes of hazards impacting communities and the emergency management professionals serving them. Accordingly, consistent with FEMA's focus on enabling disaster risk reduction, FEMA is supporting state, local, and tribal governments with efforts to prepare for the impacts of climate change through adaptation, which means planning for the changes that are occurring and expected to occur.

The Stafford Act sets the statutory framework from which FEMA manages its supplemental role in mitigation and help states and local communities address future risk. The Stafford Act stipulates that post-disaster mitigation activities must

"substantially reduce the risk of future damage." This law mandates that FEMA help address future risk and helps ensure federal taxpayer dollars are used responsibly given the possibility of changing conditions. Additionally, the Stafford Act requires actions by communities to address future risk by requiring state, local and tribal governments to develop plans for hazards, risks and vulnerabilities in their respective jurisdictions. State, local and tribal mitigation plans are required to include the "probability of future hazard events" occurring in a given jurisdiction. Also, the plans must contain a mitigation strategy that speaks to reducing or avoiding the long-term vulnerabilities the hazards pose. Without this future look, a community cannot adequately prepare to mitigate against future loss of life and property and reduce disaster suffering. The following outlines some of the ways in which FEMA drives resilience to disasters today and into the future:

- FEMA's three HMA grant programs: 1) PDM; 2) FMA; and 3) HMGP share a common mission of preventing loss of life and property damage from natural hazards and reducing the risks from future disasters. Two of the programs—PDM and FMA—are proactive programs aimed at building a community's resilience before disasters by reducing overall risk to the population and structures from future hazard events, while also reducing reliance on Federal funding in future disasters for response and recovery costs. The new pre-disaster mitigation program, BRIC, which will soon replace PDM, and is funded with a 6 percent set aside from major disaster funding, will provide a robust and vigorous means of mitigating the increased risk from natural hazards.
- Since 2013, FEMA's HMA grant programs allow for consideration of future risk in flood mitigation projects that include NOAA and USACE predicted sea level rise estimates regardless of the source of the sea level rise. The projected sea level rise may be added to the current flood elevations for the project area in addition to any required freeboard, which is a margin of safety built into flood mitigation projects.
- The HMA programs have provided over $86 million in funding for 230 applications for wildfire mitigation protecting more than 2,500 properties. The DRRA provisions, Sections 1204 and 1205, continue to focus on reducing risk from wildfire particularly in the Wildland Urban Interface (WUI), as higher temperatures and drier conditions render populations in the WUI vulnerable not only to increased risk from wildfire, but to post-fire effects like erosion and flooding. DRRA Section 1204 permanently established the HMGP Post Fire program (which allows for wildfire mitigation assistance derived from a Fire Management Assistance Grant (FMAG) rather than a major disaster declaration) and provides more access to mitigation funding in high fire risk areas with infrequent major disaster declarations. DRRA Section 1205 listed 14 activities for wildfire and wind mitigation to be allowed under the HMA programs. FEMA has implemented these provisions.
- FEMA released the State Mitigation Plan Review Guide ("Guide"). The Guide is FEMA's official policy on the natural hazard mitigation planning requirements from Title 44 Code of Federal Regulations Part 201, and federal regulations for state hazard mitigation plans, inclusive of the District of Columbia and five U.S. territories. The guide supports state, tribal, and local government mitigation planning to identify risks and vulnerabilities associated with natural disasters and establish a long-term strategy for protecting people and property in future hazards events. State mitigation plans are one of the conditions of eligibility for certain FEMA assistance, such as the Public Assistance Mitigation and Hazard Mitigation Grant Programs. States are required to update the state mitigation plan every five years.
    - This guide asks states to consider the probability of future hazard events, including changing future conditions, development patterns, and population demographics. The Guide clarifies that the probability of future hazard events must include considerations of changing future conditions, including the effects of long-term changes in weather patterns and climate on the identified hazards. States must continue to provide an overview of all-natural hazards that can affect the state, using maps where appropriate.

      To better reduce risk and enhance resilience, the Guide encourages states to take a holistic approach and include not only emergency management, but also the sectors of economic development, land use and development, housing, health and social services, infrastructure, and natural and cultural resources in their planning process and mitigation program, where practicable.

Q: What steps would you take to decrease the federal government's future fiscal exposure by reducing or eliminating long-term risks to people and property from natural disasters?

ANSWER. FEMA's partnership with SLTT Governments is priority when speaking in the realm of mitigation, resilience, and preparedness. Resilience is achieved through a variety of initiatives from across the public and private sectors and philanthropic entities that promote hazard mitigation. By making mitigation investments, communities help protect lives and property, and reduces risk and the costs of disasters. By working together, everyone can help keep the nation safe from harm and help it be resilient when struck by hazards, such as natural disasters, acts of terrorism, and pandemics.

FEMA is concentrating on building resilience. Disaster resilience is the backbone of emergency management and the foundation for FEMA's mission: helping people before, during, and after a disaster. A good way for us to prepare the nation for catastrophic events and reduce the personal and financial costs of disasters is through mitigation. Mitigation begins at the local level. We must incorporate mitigation into all aspects of local infrastructure—to include utilities, parks, economic, zoning, building codes, and planning development to minimize disruption when a disaster does occur.

FEMA continues efforts on its 2016 Building Codes Directive, which greatly increases the use and visibility of disaster-resistant building codes across the Agency. Communities that adopt and enforce today's disaster-resistant building codes will benefit from these policies, which affect PA, HMA, and many of FEMA's Federal Insurance and Mitigation Administration's programs.

Building codes are a key component of a resilient Nation. The Natural Hazard Mitigation Saves 2018 Interim Report authored by the National Institute of Building Sciences, demonstrates the financial benefits that building codes bring to increasing mitigation. The Institute's project team looked at the benefits of designing buildings to meet the 2018 International Residential Code and 2018 International Building Code—the model building codes developed by the International Code Council—versus the prior generation of codes represented by 1990-era design and National Flood Insurance Program requirements. The project team found a national benefit of $11 for every $1 invested.

In addition, 23 years of federal mitigation grants provided by FEMA, Economic Development Administration, and HUD have resulted in a national benefit of $6 for every $1 invested by these agencies in up-front mitigation cost https://cdn.ymaws.com/www.nibs.org/resource/resmgr/docs/MS__FederalGrants.pdf

FEMA has new tools now to incentivize mitigation projects and implementation of disaster-resistant codes. The DRRA Sections 1205, 1206, 1234 and 1235, together, advance pre-disaster and post-disaster federal assistance that support mitigation and building codes.

The National Mitigation Investment Strategy (Investment Strategy) proposes a single national strategy for the whole community to more effectively and efficiently advance the practice of mitigation investment in the United States—all to increase the nation's resilience to natural hazards and, ultimately, to build a culture of preparedness.

The Investment Strategy frames the initial steps needed to more effectively and efficiently advance the practice of mitigation investment nationwide. Effective mitigation investments can save lives and money.

The goals of the Investment Strategy are to:

Goal 1: Demonstrate How Mitigation Investments Reduce Risk;
Goal 2: Coordinate Mitigation Investments to Reduce Risk; and
Goal 3: Make Mitigation Investment Standard Practice.

FEMA is establishing new strategic public/private partnerships to help catalyze local mitigation investment, especially considering the known return on these investments.

The Investment Strategy seeks to increase the effectiveness of existing federal mitigation programs and incentivize greater State, local, tribal, territorial, and private sector action and contributions to long-term risk reduction.

Wildfires

Question 13. In recent years, California has experienced major catastrophic wildfires, which have received billions of dollars in federal assistance. According to the U.S. Global Change Research Program, warmer and drier conditions have led to a greater incidence of large forest fires, a trend which is expected to continue, while human settlement and expansion into wildland and forest areas continues.

- What specific challenges do fires pose when compared to other disasters and what steps is FEMA taking to address these challenges?

ANSWER. WUI fires have a long-term negative effect on the landscape, watershed, community economics and quality of life. Wildfires and the WUI, in particular, pose time constrained incidents where decisions on evacuation and response do not allow deliberate planning in the same manner as preparation for a hurricane landfall. WUI and wildland fire management are related mostly by where they interface; the suburban/urban environment. Federal lands management agencies are a larger factor in addressing fire mitigation, prevention, and response in the wildland. Preparedness for WUI fires require carefully designed evacuations with staged initiations. This is intended to minimize the evacuation congestion and distributes that evacuation throughout a community (within the WUI) where frequently there are single roads for ingress and egress of developments.

As with flooding, there are mitigation steps that can be undertaken to greatly reduce the hazard and extent of risks. These include vegetation management of the landscape to remove excess fuels, implementing fire adapted community standards that provide defensible space for residences and infrastructure, developing and enforcing current building and fire codes to minimize the impact of fire to structures, provide recognition of wildland fire within general plans and community planning documents, and finally optimizing response through enhanced training and equipment for responding in the WUI.

Unlike more common disasters (i.e. hurricanes, flooding, etc.) that slowly develop, wildfires can have a sudden onset and under right conditions, become fast moving through the available fuels.

FEMA commissioned a joint review with the DHS Science and Technology Directorate and USFA to assess operational requirements and conduct a capability analysis on recent wildland urban interface fires to leverage technology to assist in saving lives. The final report of findings was released July 2019 and identified various existing technologies, systems, and practices that minimize the impact of a WUI fire on a community. USFA is working to enhance outreach and coordination to the wildland fire community on data collection and accuracy through NFIRS. USFA will use its leadership role within Wildland Fire Leadership Council (WFLC) and National Wildfire Coordinating Group (NWCG) to encourage the Federal land trust agencies to report their wild fire responses in NFIRS creating a unified data set for all wild fire incidents in the United States.

Land management jurisdictions might fall within federal, state, private, and tribal lands. All fires are managed by the appropriate department/agency that controls that jurisdiction; however, fire does not know the boundaries and crosses these boundaries without discrimination.

Federal fires are managed by appropriate agency/department, such as the U.S. Departments of Interior and Agriculture and the U.S. Forest Service and these entities may enter into local and state agreements for assistance. FEMA is not a firefighting workforce and does not provide firefighting efforts. These efforts fall under the agency/department authorities. USFA does manage the Reimbursement for Costs of Firefighting on Federal Property program, which provides the pathway for state, local, tribal, and territorial fire service organizations to be reimbursed by the federal entity requiring assistance.

For non-federal fires or federal fires that cross over to state, private or tribal lands, FEMA stands ready to support through FMAG, Presidential Emergency Declarations, or Presidential Disaster Declarations for impacts occurring on non-federal lands (these are further described in second part of question).

Land management agencies/departments will often use controlled or prescribed burning to maintain a healthy forest, rangeland, or grassland. At times, these agencies/departments will take an accidental fire and try to manage it for ecological purposes. If not properly conducted and managed, these can quickly spread from controlled to uncontrolled wildfires.

FEMA–USFA maintains full time representation on the NWCG to provide input and guidance to the national practices governing controlled and/or prescribed burns for all lands.

Q: What role do you see for FEMA in responding to fires and promoting hazard mitigation against wildfire damage in the coming years?

ANSWER. USFA is leading a new America Burning study focused on the problem and solutions to the WUI. This important study is supported by Federal lands agencies, National Fire Service Organizations, and State, Tribal and local agencies. The study is modeled on the original America Burning Study commissioned by Congress that lead to the creation of USFA.

Also, the USFA has oversight of the National Fire Academy (NFA). The NFA provides training and education for State, local, tribal, and territorial fire and emergency medical services in the area of incident management, fire prevention and

mitigation, and community planning and risk reduction. An increased focus within the NFA will provide a national prospective of the WUI fire problem.

FEMA's USFA has a heavy focus on mitigation (building codes, technology, etc.) and prevention (public education) focusing first and primarily on wildfire life safety and not just wildfire damage.

The USFA specifically supports WUI fire prevention and preparedness through fire adaptive community education and prevention/mitigation resources, and:

- *Fire Management Assistance Grants*—these grants are provided to qualifying SLTT jurisdictions for fighting wildfires that could cause disaster level damage to a community/state. These grants cover expenses associated with fire suppression, emergency mitigation, and other expenses incurred by the jurisdiction.
  - These are approved at the FEMA Regional Administrator level.
- *Influence on Interagency Workgroups*—the following are interagency workgroups that FEMA and USFA have permanent membership that is tasked with establishing the guidance and practices for safe fireground operations and mitigation to ensure the support to state, local, tribal and territorial fire and emergency services that have authority within WUI communities.
  - NWCG: training and operations.
  - National Multiagency Coordination: prioritizing resources.
  - WFLC: implementing Cohesive Strategy
  - Fire Executive Council: governance of NWCG
  - Fire Management Board: governance of National Multi-Agency Coordinating Group
- *All Hazard Incident Management Team Development*—USFA manages the Type 3 Incident Management Team development program for all hazard incidents, which includes wildfire.
  - Technical assistance and program support are provided to SLTT jurisdictions at no charge.
  - FEMA is using developed teams from this program to enhance the federal response capacity and capability.
  - NWCG has adopted the development program for use in wildland specific Type 3 Incident Management Teams.

The USFA continues to work on prevention, education and training, and collaborate with federal fire research groups to proactively address the WUI fire challenges. USFA is working to develop and deliver professional development curriculum to prepare the Fire/EMS services to better advise local land use planning on the application of National Cohesive Wildland Fire Management Strategy and its three elements: (1) Resilient Landscapes, (2) Fire Adapted Communities, and (3) Safe and Effective Wildfire Response. USFA will also provide curriculum for Fire/Emergency Medical Services on application of WUI Fire codes in their fire prevention operations. The USFA is also working to identify additional WUI prevention and mitigation gaps and direct resources to address those area of interest.

FEMA will also use the authorities of Disaster Recovery Reform Act of 2018's Section 1234 (the "Building Resilient Infrastructure and Communities" program) to expand mitigation grants to assist communities in implementing the elements of the National Cohesive Wildland Fire Management Strategy.

FEMA also provides support through:

- *Emergency Declarations (Presidential)*—this declaration would provide the affected state with federal resources and funds to minimize the impact of the event, with FEMA managing the resource coordination. These are cost-share funds as established by the President.
  - Will include Regional and possible National Response Coordination.
  - Provides access to federal rescue, medical, and logistics teams.
- *Disaster Declarations (Presidential)*—this declaration would provide the affected state with enhanced federal resources and funds to minimize the impact of the event, with FEMA managing the resource coordination. This may also be cost-share funding, and includes additional support:
  - Will include National Response Coordination.
    - USFA will support Emergency Support Function #4—Firefighting and manages the Emergency Services Group Supervisor responsibilities.
  - Provides access to pre-staged federal rescue, medical, firefighting, law enforcement, hazardous materials, and logistics teams/resources.
  - May pay 75% of Emergency Management Assistance Compacts response costs to the state.
  - May include non-governmental organizational response, such as Red Cross, Salvation Army, faith-based groups, etc.

- May include other federal agencies/departments to respond under their own authorities.

- *Hazard Mitigation*:
  - USFA provides training and education addressing community risk and hazards through the NFA. These courses prepare community responders and their leadership to address the risk and hazards at a local level reducing the possibility that incidents will elevate to a state or national response level.
  - FEMA and USFA outreach products share importance of mitigation, preparation, and evacuation practices through various materials/systems.
    - Ready.Gov
    - USFA Website and Social Media
    - USFA WUI Toolkit
    - Support of other non-governmental organizations mitigation efforts, through services, grants, and other funding, such as Ready-Set-Go from International Association of Fire Chiefs and Firewise from National Fire Protection Association.
    - Wild Fire Leadership Council
    - Western Governors Association
  - FEMA Mitigation is expanding the scope of disaster preparedness and funding support to include wildfire to the all hazard classification.
    - Wildland Mitigation community programs
    - Curb-side chipping programs
    - Post-fire mitigation program

Long Term Recovery

Question 14. The Disaster Recovery Reform Act, which was enacted one year ago this month, makes federal assistance available to state and local governments for building code administration and enforcement. What steps has FEMA taken to implement this provision and what specific building code standards will be used?

ANSWER. FEMA is currently developing a policy to define the framework and requirements necessary for the implementation of Section 1206 of the DRRA through the PA Program.

The policy will allow PA to provide assistance to state, territorial, tribal, and local governments to effectively administer and enforce their adopted building codes and floodplain management ordinances. FEMA intends to issue a draft policy in early 2020 for public review and comment.

FEMA Federal Disaster Declaration Process

Question 15. FEMA is directed to appropriately weigh severe local impact when determining whether to recommend a major disaster declaration with the intention of ensuring a more level playing field for smaller communities when impacted by severe events. What is your view of the "appropriate" weight of severe local impact and how would you consider it when determining whether to recommend a major disaster declaration to the President?

ANSWER. Section 1232 of the DRRA directs the FEMA Administrator to "give greater consideration" to severe local impact and recent multiple disasters in making recommendations to the President regarding whether to declare a major disaster.

FEMA has always considered localized impacts in any evaluation of a disaster's effect at the county and local government levels. We are sensitive of issues that revolve around the specific needs of different communities, including those with a small population or unique circumstances.

In the provision of Individual Assistance, FEMA considers the following local dynamics: (1) the state's fiscal capacity and resource availability; (2) uninsured structural and personal property losses; (3) casualties; (4) disaster-related unemployment; (5) damage to public infrastructure (utilities, hospitals, schools); (6) number of insured individuals; and (7) impact on vulnerable populations.

In addition to the impacts to a community's infrastructure, FEMA recognizes the cumulative effect of recent disasters may affect the availability of SLTTT government, NGO, and private sector disaster recovery resources. We encourage states to provide information regarding the disaster history within the last 24-month period, particularly those occurring within the current fiscal cycle, including both Presidential (Public and Individual Assistance) and gubernatorial disaster declarations.

FEMA published revised Individual Assistance declarations factors on June 1, 2019. The revised factors and accompanying guidance specifically encourage states to provide information regarding these dynamics for FEMA's consideration.

In addition to the revised declaration factors and guidance, the Associate Administrator for Response and Recovery issued a memorandum to the Regional Administrators on May 1, 2019. They were asked to consider the high concentrations of damages to individuals; severe impacts to critical infrastructure, industry or business that provides a primary source of employment for the community; or other factors illustrative of particularly severe impact at the local level.

Additionally, the memorandum directed Regional Administrators to consider the cumulative effect of recent disasters, where such older disasters are probative of the local community's ability to respond to an event. The memorandum also directed Regional Administrators to provide sufficient detail on prior disasters to convey the degree to which those disasters are relevant when considering the recommendation of a major disaster declaration to the President.

FEMA bases its recommendation for a Major Disaster declaration on Preliminary Damage Assessment findings of teams comprised of FEMA and SBA personnel and local and state representatives. As part of its evaluation of requests, FEMA also considers severe local impact and recent multiple disasters in making recommendations to the President regarding whether to declare a major disaster as is outlined above.

Question 16. In 2012, GAO recommended that FEMA develop a methodology to better assess a jurisdiction's capability to respond to and recover from a disaster without federal assistance.[1] GAO reported that FEMA's existing state per capita indicator is outdated. The recently passed DRRA also requires that FEMA reevaluate this.

- Please explain the process FEMA plans to update its current approach to assessing federal disaster declaration requests.
- What challenges do you see in changing the current approach?

ANSWER. In response to the GAO's recommendation and the Congressional directives in Section 1239 of the DRRA of 2018, FEMA is currently reviewing the factors it considers when evaluating a request for a disaster declaration and has initiated the rulemaking process to update these factors.

Rulemaking is an extensive process with a number of requirements, including notice and comment period, the consideration of alternatives, and thorough economic analysis. The entire process could take more than a year, depending on size and complexity of the rule. The DRRA provision also requires FEMA to engage in meaningful consultation with relevant representatives of State, regional, local, and Indian tribal government stakeholders. FEMA will engage in this consultation during the comment period.

QUESTIONS FROM HON. SAM GRAVES TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Question 1. Mr. Byard, DRRA included a provision directing FEMA to give greater consideration for localized impact and areas hit by multiple disasters. How has this been implemented and how are these considerations given greater weight? How were these considerations given greater weight in FEMA's declaration recommendations for individual assistance for the flooding in Missouri included in the incident period ending April 16, 2019 (DR–4435)?

ANSWER. Section 1232 of the Disaster Recovery Reform Act directs the Federal Emergency Agency (FEMA) Administrator to "give greater consideration" to severe local impact and recent multiple disasters in making recommendations to the President regarding whether to declare a major disaster.

FEMA has always considered localized impacts in any evaluation of a disaster's effect at the county and local government levels. We are sensitive of issues that revolve around the specific needs of different communities, including those with a small population or unique circumstances.

In the provision of Individual Assistance, FEMA considers the following local dynamics: (1) the state's fiscal capacity and resource availability; (2) uninsured structural and personal property losses; (3) casualties; (4) disaster-related unemployment; (5) damage to public infrastructure (utilities, hospitals, schools); (6) number of insured individuals; and (7) impact on vulnerable populations.

In addition to the impacts to a community's infrastructure, FEMA recognizes the cumulative effect of recent disasters may affect the availability of state, tribal, local government, non-governmental organizations, and private sector disaster recovery

[1] Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recover on Its Own, GA0–12–838, Washington, D.C.: September 12. 2012.

resources. We encourage states to provide information regarding the disaster history within the last 24-month period, particularly those occurring within the current fiscal cycle, including both Presidential (Public and Individual Assistance) and gubernatorial disaster declarations.

FEMA published revised Individual Assistance declarations factors on June 1, 2019. The revised factors and accompanying guidance specifically encourage states to provide information regarding these dynamics for FEMA's consideration.

In addition to the revised declaration factors and guidance, the Associate Administrator for Response and Recovery issued a memorandum to the Regional Administrators on May 1, 2019. They were asked to consider the high concentrations of damages to individuals; severe impacts to critical infrastructure, industry or business that provides a primary source of employment for the community; or other factors illustrative of particularly severe impact at the local level.

Additionally, the memorandum directed Regional Administrators to consider the cumulative effect of recent disasters, where such older disasters are probative of the local community's ability to respond to an event. The memorandum also directed Regional Administrators to provide sufficient detail on prior disasters to convey the degree to which those disasters are relevant when considering the recommendation of a major disaster declaration to the President.

FEMA bases its recommendation for a Major Disaster declaration on Preliminary Damage Assessment findings of teams comprised of FEMA and U.S. Small Business Administration personnel and local and state representatives. As part of its evaluation of requests, FEMA also considers severe local impact and recent multiple disasters in making recommendations to the President regarding whether to declare a major disaster as is outlined above.

QUESTIONS FROM HON. MARK MEADOWS TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Question 1. Mr. Byard, given the large number of open disasters, it is critical for FEMA to maximize the use of flexibilities given to FEMA in legislation like the Sandy Recovery Improvement Act and the Disaster Recovery Reform Act. You highlight the importance of innovation in your testimony—we can't keep doing the same things the same way and expect different results. What is FEMA doing to use innovation to speed up the recovery process?

ANSWER. FEMA manages and coordinates government-wide disaster relief efforts and delivers assistance directly to disaster survivors and disaster damaged communities. FEMA strives to continuously improve on the methods used to deliver this disaster assistance. As such, FEMA is currently exploring the following innovative ways in which we may speed up the recovery process, including—

State-Administered Direct Housing

The Disaster Recovery Reform Act of 2018 (DRRA) amended Section 408(f) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) to authorize FEMA to issue grants to states, tribes, and territories (STTs) to administer Direct Temporary Housing Assistance and Permanent Housing Construction. FEMA's authority to issue State-Administered Direct Housing Grants under a pilot program expires October 5, 2020. After the pilot program deadline, FEMA may only issue State-Administered Direct Housing Grants after issuing final regulations.

In response to these new authorities, FEMA developed the State-Administered Direct Housing Grant Guide (SADHGG), which is currently under interagency review, to provide guidance to STTs on the processes, roles, and responsibilities for implementation of direct housing through a grant, following a Presidentially-declared major disaster declaration. Once the review is complete, FEMA will finalize the SADHGG and begin directly supporting STTs with developing disaster housing strategies and administrative plans, which are required to qualify for a State-Administered Direct Housing Grant.

Holistic Delivery of Individual Assistance

FEMA Mass Care is working with the American Red Cross on a new innovation called the Partner Hub. This online collaboration platform is set to be released in 2020 and will create a shared space for sheltering, feeding, and call center data. This platform will allow emergency managers and mass care specialists at multiple levels to see, map, analyze, and use data in ways not previously available.

FEMA is also conducting a 360 Review of the Individuals and Households Program (IHP). The review is a multi-year effort focused on reducing the complexity of IHP and improving the consistency of program delivery to the field and applicants. This effort is expected to produce a holistic set of policy options for a more

efficient, effective, and equitable program. This effort is scheduled to conclude in 2022 following a three-phase implementation effort.

FEMA Community Services is also working with internal and external partners to speed up the recovery process by making services available earlier to survivors and ensuring the STTs are better prepared before, during, and after disasters to assess, apply for, and implement a federally-funded award program. Methods to accomplish this include increasing socialization and training with Regional and STT stakeholders; exploring flexibility and scalability in the implementation of programs; enhancing operational readiness; building out an evolving toolkit of resources (including templates, guidance, and other job aids); and developing new trainings to better assist our partners in leveraging federal resources to meet the needs of all survivor communities.

In addition to internal efforts to support innovation, FEMA is partnering with academia to identify new and creative solutions to meet the post-disaster housing needs of disaster survivors. Notably, FEMA is working with Lincoln Labs and the Massachusetts Institute of Technology (MIT) to take a holistic view of the disaster housing process as well as explore cost effective and survivor-centric strategies. An example of work being conducted through this engagement includes on an initiative with the MIT Urban Risk Lab to develop the Shelter for Emergency and Expansion Design (SEED), a new model of temporary-to-permanent housing that allows rapid deployment to locations outside the continental U.S. using intermodal shipping. The SEED unit is intended to provide durable shelter, thus allowing survivors to return to their property and transition into temporary housing sooner, which supports expedited whole-community recovery. The SEED design also supports long-term permanent housing recovery with safe and durable expansion options customizable to the needs of each household.

To guide many of these efforts, FEMA is standing up a permanent Strategy and Innovations organization within the Individual Assistance Division that will enable outstanding survivor experience through continuous innovative, creative, and strategic program and service-delivery improvement.

Lastly, FEMA established a working group in March of 2019 to develop a vision and implementation strategy for the holistic delivery of Individual Assistance post-disaster services. The working group developed ideas based on input from stakeholders across Recovery and the Regions. These ideas are the beginning of a conversation that will continue over the coming years as the Agency works collectively to implement this vision.

These ideas are intended to re-orient FEMA's role in traditional recovery immediate relief functions while ensuring our Federal partners are also engaged in their housing and social service-related recovery roles. This multi-year effort will continue as part of FEMA's intent to continuously improve on the methods used to deliver disaster assistance to individuals and households.

Public Assistance Initiatives

Within FEMA's Public Assistance (PA) Program, the Agency has designed continuous improvement into processes to meet programmatic goals of timeliness, accuracy, efficiency, accessibility, and simplicity. Recovery is complex, and innovation in large and small ways is key to improving these processes. Some key examples of innovation in the PA Program include:

- Guidance, tools, and technology for State-Led Public Assistance, enabling recipients to drive and manage some or all aspects of their own recoveries.
- Implementation of the Grants Manager/Grants Portal, a technology system that enables workflow management, scheduling, and radical transparency and accountability for applicants, recipients, and FEMA staff into the status of all PA projects.
- Designing Risk-Based Program Delivery, tailoring processes to the size and scale of projects, applicants, and disasters. Examples of this include:
    - Small project self-certification, which allows applicants to certify that they have and will retain necessary information, rather than submitting it all and having FEMA do a complete validation. This process has been in place since Summer 2018 and has been used for over 5,000 projects on over 60 disasters. This will become the basis for the "PA–EZ" Project Worksheet form to simplify procedures and enable applicants to submit documentation without heavy engagement from FEMA. The process has significantly reduced requirements for applicants to submit documentation to FEMA and has reduced FEMA's review time by more than half.
    - Using sampling instead of validating every document or inspecting every site. This is now in effect in some stages of the PA process and the Agency is working to expand this further. Sampling reduces the amount of time

and effort necessary to validate damages and documentation and, therefore, shortens the overall time for projects to be processed by FEMA.
  - Pooling site inspectors at a central location and deploying them in time to complete scheduled work orders, which allows for sharing resources across disasters and reduces downtime.
  - Future efforts include remote customer service, which could mean leveraging remote program support in place of deployed Program Delivery Managers.
- Continuously improving programs and processes. Examples of continuous improvement in action include:
  - The Grants Manager/Grants Portal system is on an agile development cycle, meaning new functionality and improvements are pushed to the system monthly.
  - Grants Manager/Grants Portal development, as well as our overall processes, are driven largely by submissions to the PA Change Control Tool, which allows FEMA, state, and applicants to submit modifications, improvements, and innovative ideas.

Question 2. Mr. Byard, large, complicated projects may take time to work through in recovery; however, small, low-risk projects below the small projects threshold could be moved and completed faster, freeing up FEMA resources to focus on the large, complex projects. How is FEMA streamlining the small projects approval process?

ANSWER. FEMA's goal is to design risk-based approaches into our processes for implementing the PA Program. Currently, our processes are the same whether developing a small repair project or a large complex restoration project.

The goal is to identify where risks are lower with smaller projects, applicants, and disasters to enable FEMA, recipients, and subrecipients to spend time where PA will have the greatest impact. This includes simplifying processes for small, low-risk projects and applicants and designing scalable approaches to large projects, disasters, and applicants.

FEMA is also developing a revised Information Collection package that will define the information FEMA collects for projects representing various levels of risk. This will allow us to better integrate risk assessments into our processes. The first step FEMA has taken is small project self-certification, which allows applicants to certify that they have and will retain necessary information, rather than submitting it to FEMA to do a complete validation. This process has been in place since Summer 2018 and has been used for over 5,000 projects on over 60 disasters. The process has significantly reduced requirements for applicants to submit documentation to FEMA and has reduced FEMA's review time by more than half. This pilot will become the basis for the "PA–EZ" Project Worksheet form—akin to the "1099–EZ" tax form—to simplify procedures and enable applicants to submit documentation without heavy engagement from FEMA. Future efforts may include remote Customer Service, which could mean leveraging centralized or remote program support in place of deployed FEMA staff.

Question 3. Mr. Byard, FEMA has implemented a new Public Assistance Model intended to help address a number of issues including turnover in the field and clawbacks due to a lack of documentation, yet it seems FEMA may be applying the same process for all projects, including those under the small project threshold. Is that correct?

ANSWER. The process for the development of small and large projects under FEMA's PA Program is the same up to the point of obligation. Upon obligation, FEMA applies the simplified procedures to small projects (Section 422 of the Stafford Act). Beginning in the summer of 2018, FEMA began implementing a small project self-certification process, which allows applicants to certify that they have and will retain necessary information, rather than having to submit it to FEMA to do a complete validation. This process has been used for over 5,000 projects in over 60 disasters. Currently, the self-certification process is optional, but FEMA's intent is that this pilot will become the basis for the "PA–EZ" Project Worksheet form—akin to the "1099–EZ" tax form—to further simplify procedures for all small projects. The PA–EZ Project Worksheet and other improvements to PA's information collection package is expected to be submitted to the Office of Management and Budget (OMB) for approval in the spring of 2020 and will become standard practice upon OMB's approval.

Question 4. Mr. Byard, section 428 of the Stafford Act, enacted as part of the Sandy Recovery Improvement Act, was intended to provide States and territories significantly more flexibility in building back better and faster. Yet, 428 seems to

be looking more like the paper-intensive 406 process. How is FEMA ensuring 428 is being applied as intended?

ANSWER. FEMA implemented Section 428 Alternative Procedures for permanent work shortly after the passage of the Sandy Recovery Improvement Act in 2013. The policy guidance developed for Section 428 is based on accomplishing the goals of Alternative Procedures established in the law, including providing additional flexibility for Public Assistance Applicants in the recovery process and supporting rapid recovery after disasters.

FEMA has updated the guidance for Section 428 several times based on lessons learned in implementing this new authority, most recently with the publication of version 4 of the 428 Alternative Procedures for Permanent Work on August 29, 2019. This version establishes Alternative Procedures as the first option considered for all large permanent work projects in order to ensure the ability of Applicants to drive their own recovery. It standardizes a single process for the development and consideration of fixed cost estimates for all permanent work projects. Applicants will be able to agree to a fixed cost estimate or choose to pursue funding under the standard actual cost procedures. This approach maximizes Applicant awareness of the opportunities and benefits provided by the Alternative Procedures, which include, but are not limited to:

- Flexibility in meeting post-disaster recovery needs, as opposed to being limited to rebuilding back to what existed prior to the disaster.
- Ability to share funds across all Alternative Procedures Permanent Work Projects.
- Ability to retain and use excess funds to reduce risk and improve future disaster operations (subject to timely closeout).
- Eligibility for cost-effective hazard mitigation on replacement projects.

Question 5. Mr. Byard, as noted, the Department of Housing and Urban Development (HUD) was invited to the hearing but could not attend. Can you describe how FEMA works with HUD to ensure HUD's CDBG–DR assistance is coordinated with you and other federal assistance? Are there any legislative solutions that would help improve that coordination?

ANSWER. Community Development Block Grant Disaster Recovery (CDBG–DR) further supplements state/local capability for permanent housing recovery and the non-federal cost share for public infrastructure recovery and hazard mitigation. Through the Recovery Support Functions under the National Disaster Recovery Framework (NDRF), FEMA's Public Assistance and Individual Assistance programs and other Federal agencies have been coordinating with CDBG–DR to maximize benefits and avoid duplications.

As the coordinating agency of the Housing Recovery Support Function (RSF) under the NDRF, the U.S. Department of Housing and Urban Development (HUD) has the lead coordinating and facilitating the delivery of Federal resources to implement housing solutions that effectively support the needs of the whole community and contribute to its sustainability and resilience. Long-term recovery coordination between FEMA and HUD involves the use of CDBG–DR by state and local grantees for the non-federal cost share included in FEMA PA and Hazard Mitigation Grant Program (HMGP) grants. Recent CDBG–DR appropriations prevent HUD from prohibiting the use of CDBG–DR funds for "payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of activities assisted" as authorized by Section 105(a)(9) of the Housing and Community Development Act of 1974. This means that grantees are authorized to use CDBG–DR funds to satisfy the FEMA cost-share requirements under PA and HMGP, so long as the use of the funds otherwise meets all of the requirements on the use of the CDBG–DR funds.

As an example of coordination, HUD and FEMA recently developed a Memorandum of Understanding (MOU) on the flexible use of CDBG–DR funds for the non-federal cost share for PA and HMGP in Puerto Rico as a result of Hurricanes Irma and Maria. FEMA is currently working closely with HUD to implement this MOU.

Question 6. Mr. Byard, do you have the authority and tools to ensure programs like those under HUD are coordinated? If not, please explain the hurdles. If so, please explain the authority and tools.

ANSWER. HUD is an essential partner for FEMA under both the National Response Framework (NRF), where HUD supports sheltering and temporary housing under Emergency Support Function (ESF) #6; and NDRF, where HUD leads the Housing Recovery Support Function (RSF); and is a supporting agency for the Infrastructure Systems RSF, coordinated by the U.S. Army Corps of Engineers.

HUD and FEMA coordinate continuously during disaster response and recovery under both the NRF through ESF #6, and the NDRF through the Housing and Infrastructure Systems RSFs. This coordination takes place both in Joint Field Offices/Joint Recovery Offices and at headquarters, where HUD is a critical partner in the Emergency Support Function Leadership Group and the Recovery Support Function Leadership Group, both chaired by FEMA, which coordinate national response and recovery policy and participation in national planning, preparedness and exercises.

Question 7. Mr. Byard, the Disaster Recovery Reform Act further streamlined the process for assistance under 428 and removed the disincentive for alternative projects under 406. These changes are critical to building in more mitigation upfront. What is FEMA doing to make it easier for States and territories to take advantage of the alternative project flexibility?

ANSWER. When an applicant determines the public welfare would not be best served by restoring a disaster damaged facility or its function and uses the funds toward a different facility (or facilities) that benefits the same community, it is called an *alternate project* under the authority of Section 406 of the Stafford Act. FEMA caps Federal funding for alternate projects based on the eligible restoration costs of the disaster damaged facility. Prior to the Disaster Recovery Reform Act (DRRA), FEMA reduced Federal funding on alternate projects by 10 percent of the Federal share of the estimate to restore the original facility (25 percent for private nonprofit entities). Section 1207(a) of the DRRA amended Stafford Act Section 406(c), eliminating those reductions for alternate projects in major disasters and emergencies declared on or after August 1, 2017.

Section 428 of the Stafford Act authorized *Alternative Procedures*, which FEMA implements to promote resiliency through inclusion of hazard mitigation and increases effectiveness of assistance through increased flexibility and expanded use of funds. Mitigation is incorporated into 428 cost estimates via identification and incorporation of cost-effective mitigation measures (Section 406 mitigation). If funds for 406 hazard mitigation are included in a fixed cost subaward, the Subrecipient must complete the approved scope of work of the hazard mitigation in order to retain the mitigation funding. Section 428 also allows for retention of any realized excess funds to be applied to certain mitigation activities that reduce risk of future damage, including cost-effective hazard measures for undamaged facilities. The Applicant must submit a proposed scope of work for use of any excess funds, along with a project timeline to the Recipient. FEMA will evaluate the proposed use of excess funds for reasonableness to ensure prudent use of funds. FEMA will also evaluate the submitted project timeline and approve an appropriate deadline for project completion, not to exceed the overall disaster period of performance.

Question 8. Mr. Byard, the Stafford Act itself is fairly broad and flexible. But red-tape can often be found in FEMA's regulations, policies and guidance. We have an extraordinary number of disasters—what are you doing to proactively review your own policies and identify changes that will speed up recovery?

ANSWER. As part of Goal III of FEMA's 2018–2022 Strategic Plan to "Reduce the Complexity of FEMA," the Agency is implementing a number of initiatives to help streamline recovery. For example, in FEMA's PA Program, we are piloting a small project self-certification, which allows applicants to certify that they have and will retain necessary information, rather than submitting it to FEMA to do a complete validation. This process has been in place since Summer 2018 and has been used for over 5,000 projects on over 60 disasters. This pilot will become the basis for the "PA–EZ" Project Worksheet form—akin to the "1099–EZ" tax form—to simplify procedures and enable applicants to submit documentation without heavy engagement from FEMA. FEMA also released the *State-Led Public Assistance Guide* in February 2019 which allows recipients to have more control over disaster operations and use their existing relationships and knowledge of local conditions to provide better recovery outcomes and customer service to Applicants.

For Individual Assistance, FEMA has made several changes to help streamline recovery. In an effort to simplify the delivery of recovery programs by minimizing programmatic administration requirements, on July 28, 2018, FEMA delegated certain Individuals and Households Program (IHP) and Community Services Programs policy approvals to the Regional Administrator and the Federal Coordinating Officer. These changes were later solidified via the publication of the *Individual Assistance Program and Policy Guide*, which was published in March 2019. FEMA has also created the Sheltering and Housing Field Team in response to Hurricanes Florence and Michael. These teams integrate state, local, non-profit, FEMA, and other Federal Agency efforts to ensure a unified approach to disaster housing and sheltering.

Question 9. Mr. Byard, concerns have been raised that contractors that completed work for the emergency housing program—Sheltering and Temporary Essential Power (STEP)—in the US Virgin Islands have not yet been paid. This has impacted many small businesses unable to absorb the costs. Where is FEMA in resolving this issue?

ANSWER. After Hurricanes Irma and Maria caused extensive damage to housing in the U.S. Virgin Islands (USVI), FEMA approved USVI's request to utilize FEMA's Sheltering and Temporary Essential Power (STEP) Pilot Program. USVI tasked the Virgin Islands Housing Finance Authority (VIHFA, Applicant) with managing the STEP program. VIHFA entered into contracts for construction repair work, and FEMA developed PW 100 to fund the actual STEP construction costs.

- FEMA has obligated $249 million to PW 100, of which VIHFA has drawn down $201 million.
- A draft Determination Memo (DM) was provided to USVI in a meeting held November 22, 2019, identifying $55.87 million of ineligible construction related costs. FEMA formally issued the DM on December 2, 2019. FEMA will reconcile the ineligible drawn costs with eligible construction costs yet to be submitted and will allow no additional draw downs on PW 100 until costs have been reconciled.
- On December 5, 2019, USVI submitted additional documents for FEMA review. FEMA's Validate As You Go and STEP teams are working jointly on the review to ensure work and costs are eligible and reasonable.
- As noted above, VIHFA entered into contracts for construction repair work. Therefore, VIHFA, not FEMA, is responsible for paying their contractors. FEMA makes funding available through a federal grant. The federal government is not a party to these contracts and all contractual and administrative issues that arise out of VIHFA's procurement are its sole responsibility. The federal regulations make this very clear in 2 C.F.R. § 200.318(k).

Question 10. Mr. Byard, there has been a number of reforms and changes to policies as a result of the Sandy Recovery Improvement Act and DRRA. As FEMA headquarters pushes out new guidance and memos to your regions and field staff, how are you ensuring those changes are actually being implemented as intended on the ground?

ANSWER. The Public Assistance National Delivery Model framework provides for both consistency and continuous improvement as foundational elements of our program delivery processes. Successful implementation of Public Assistance requires partnership and collaboration between the recipient (state or territory), the applicant, and FEMA to work together in full transparency within the Grants Manager/Grants Portal technology system. It enables workflow management, scheduling, policy compliance, and full transparency and accountability for applicants, recipients, and FEMA staff into the status and formulation of all Public Assistance projects.

Further, any changes to the PA Program dictated by legislation are integrated into existing course curriculum, training, and outreach activities. In 2019, over 5,000 FEMA staff received title specific training to perform their jobs; approximately 1,152 State, local, territorial and tribal participants across 18 states received a two-day training on Grants Manager/Grants Portal; and over 15,000 people took one of FEMA's 28 Independent Study courses that cover a variety of issues on the PA Program policies and processes.

Question 11. Mr. Byard, as pointed out in testimony by other witnesses, the private insurance sector deploys modern technologies to develop more accurate and timely damage assessments. A small sampling of FEMA assessments following Hurricane Michael indicated that the private sector method was more accurate in assessing damage. Has FEMA explored testing new technologies to speed up the process, reduce staffing needs, and get more accurate assessments?

ANSWER. FEMA has actively utilized geospatial imagery in various manners to deliver recovery assistance including within the Individuals and Households Program. There are still some regulatory compliance concerns that FEMA will continue to assess before we can more fully implement use of imagery across various Individuals and Households Program assistance categories. Partnering further with State and Tribal recovery managers is also needed before more broad use of that type of technology is realized. We have implemented some stronger technology controls that have reduced the ability of identity thieves to place on-line applications; this should lead to reductions in the need for assessors to contact applicants when imagery is utilized. We continue to use technology to improve the speed of delivery for assessments, such as adopting data mechanisms to allow for proof of occupancy and ownership without always requiring the assessor to have the applicant provide that proof during the assessment.

QUESTIONS FROM HON. STACEY E. PLASKETT TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Question 1. FEMA's Public Assistance Program in the Virgin Islands has required the territory to submit paid contractor invoices prior to being able to request reimbursement of federal funds. However, due to the territory's severe, disaster-related economic downturn, the resulting cash-flow deficiencies have made it extremely difficult for the local government to advance the funds to pay contractors. This has led to work delays and contractor dissatisfaction that has jeopardized the speed of recovery.

According to the Cash Management Improvement Act, FEMA can currently pay local governments on the basis of invoices before locals have to pay vendors.

Why isn't FEMA using this authority to advance funding for recovery projects in the Virgin Islands?

ANSWER. Due to the devastating impacts of Hurricanes Irma and Maria, the USVI is on track to receive a significant level of federal disaster funding. The goal of this federal investment is to help the U.S. Virgin Islanders rebuild for a more resilient future. Throughout the ongoing recovery process, FEMA and the USVI have a shared responsibility to ensure strong stewardship of taxpayer dollars.

In 2019, in the course of FEMA's routine oversight for improper payments, FEMA examined a statistical sample of Public Assistance grant disbursements in the USVI. FEMA found potential improper payments in 89% of the dollars tested. This was primarily due to insufficient documentation to support the disbursements and for work that was not defined within the scope of work for the project. As a result of this finding, FEMA implemented manual drawdown restrictions for all Public Assistance and Hazard Mitigation Grant Program disbursements in the USVI as of October 1, 2019. For most states and territories, FEMA obligates the Federal share to the Recipient (state or territory) and the Recipient manages the drawdown process with its Subrecipients. Under the manual drawdown process, the USVI must submit requests for disbursement to FEMA along with documentation supporting the request.

FEMA would like to clarify that we do not require the USVI government to provide paid invoices prior to release of funds. We require submittal of invoices, but they do not need to be accompanied by Proof of Payment. While FEMA has determined these additional financial controls are necessary and prudent, we also remain committed to working with the USVI to ensure long-term recovery efforts underway continue to progress forward.

Question 2. How much funding is currently pending for the STEP program in the Virgin Islands, and what is the status of the Project Worksheets related to the STEP program in the Virgin Islands?

ANSWER. After Hurricanes Irma and Maria caused extensive damage to housing in the USVI, FEMA approved USVI's request to utilize FEMA's STEP Pilot Program. The purpose of STEP is to enable disaster survivors to shelter in their own homes through limited, emergency repairs. USVI tasked the VIHFA (Applicant) with managing the STEP program and contracted with Witt O'Brien's (WOB) to manage both the USVI's (Recipient) and Applicant's (Sub-recipient) disaster recovery tasks and also for project management associated with the STEP program run by VIHFA.

FEMA developed two project worksheets, PW 100 to fund the actual STEP repair construction costs, and PW 273 to fund costs associated with managing the STEP program.

PW 100

- The scope of work (SOW) for PW 100 is for construction labor and materials costs, including construction management and other construction-related soft costs, subject to a cost cap per house. FEMA has obligated $249 million, of which VIHFA has drawn down $201 million.
- A draft DM was provided to USVI in a meeting held November 22, 2019, identifying ineligible costs and amounts drawn down by VIHFA that would more appropriately be funded under PW 273. FEMA formally issued the DM on December 2, 2019. FEMA will reconcile the ineligible drawn costs with eligible construction costs yet to be submitted and will allow no additional draw downs on PW 100 until costs have been reconciled. FEMA will move the applicable drawn amounts from PW 100 to PW 273.
- USVI, WOB, the Applicant, and FEMA have had multiple meetings, conference calls and discussions on eligibility and process. There are $55.87 million of ineligible construction-related costs drawn under PW 100 that will need to be rec-

onciled with outstanding invoices prior to drawing any additional funds. On December 5, 2019, USVI submitted additional documents for FEMA review. FEMA's Validate As You Go and STEP Teams are working jointly on the review to ensure work and costs are eligible and reasonable.

PW 273

- The SOW for PW 273 is for project management, call center, case management, and STEP inspection costs, not subject to the cost cap. FEMA has obligated $35.5 million, of which VIHFA has drawn down $16.1 million.
- VIHFA submitted an amendment request for additional SOW totaling $766.5 million. FEMA has written a version allowing $268.4 million. This project has been awaiting Recipient Final Review in Grants Manager since November 8, 2019. USVI will review and provide comments to the project.
- Working meetings between USVI, the Applicant, and FEMA are scheduled to discuss documentation necessary to support PW 273 expenditures and costs.

Question 3. In part due to its experience in the Virgin Islands, FEMA has decided not to use the STEP Program during future disaster recovery efforts.

How does FEMA plan to address emergency sheltering needs in the event of future major disasters in communities that face challenges and circumstances like those in the Virgin Islands after hurricanes Irma and Maria?

ANSWER. FEMA still retains authority under Section 403 of the Stafford Act to provide an array of sheltering options to disaster survivors unable to return to their homes. These activities include:

- Support for state/local/tribal/territorial emergency sheltering efforts in short-term, congregate shelters.
- Activation of Transitional Sheltering Assistance by which survivors can be placed in non-congregate lodging options (e.g., hotels).
- Temporary home repairs offered via the U.S. Army Corps of Engineers "Blue Roof" program.

FEMA is continuing to assess options under its Section 403 authority to provide non-congregate, emergency sheltering assistance to survivors that allows them to safely return to those homes. Part of that assessment is to better leverage our whole community partners to include voluntary organizations, universities, charitable foundations, and other non-governmental resources to coordinate on service delivery, reduce duplication of efforts, and ensure holistic efforts are used to meet the full needs of disaster survivors.

Question 4. The lack of resources and qualified manpower to complete all fixed cost estimates for alternative procedures projects in the Virgin Islands by FEMA's deadline of March 20, 2020 is of great concern.

a. Is FEMA willing to devote more resources and personnel to site visits and the more expeditious completion of the work it deems necessary in the Virgin Islands?
b. Would FEMA be open to an extension of the March 20, 2020 deadline by at least 90 days?

ANSWER. The 428 Guide establishes a March 20, 2020, deadline for FEMA, USVI, and Public Assistance Applicants to reach agreement on a fixed-cost estimate for each large permanent work project elected by an Applicant to be developed under Section 428. FEMA is diligently working with the Recipient and Applicants to develop and reach agreement on fixed-cost estimates for all Section 428 projects.

If it is apparent that there will be a need for time extensions, FEMA and the Recipient will review time extension requests on a project-by-project basis, based on extenuating circumstances. Time extensions must be requested by the Applicant through the Recipient and approved by FEMA's Assistant Administrator for Recovery. Based on the 428 Guide, FEMA will not consider a blanket time extension for all potential alternative procedures projects.

Projects for which a fixed-cost agreement has not been signed by March 20, 2020, and for which a time extension has not been granted will be processed using standard procedures, and projects will be paid based on actual eligible costs.

Question 5. It has been over two years since hurricanes Irma and Maria. Would you clarify FEMA's position as to whether it is an agency devoted to long-term disaster recovery?

ANSWER. FEMA remains committed to Hurricane Irma and Maria disaster recovery efforts and continues to partner with federal, state, local, territorial, voluntary agency and private sector partners on housing solutions, infrastructure project development, and rebuilding in areas declared under a Presidentially-declared disaster declaration. The pace of long-term recovery is dependent on many factors, including, but not limited to, the scope and severity of damages, project complexity, pre-dis-

aster conditions, rebuilding and relocation decision-making and associated risks, as well as the application of building codes and standards.

FEMA's support of long-term recovery is guided by the NDRF, which enables effective recovery support to disaster-impacted States, Local, Tribal, and Territorial (SLTT) jurisdictions. FEMA uses the NDRF and its coordinating structures to engage necessary and available department and agency capabilities to provide enhanced coordination and support SLTT recovery efforts when necessary. It also focuses on how best to restore, redevelop and revitalize the health, social, economic, natural and environmental fabric of the community and build a more resilient Nation. This support is needed when one or more incidents occur that exceed the capacity of state, tribal, or territorial resources.

The Framework is consistent with the vision set forth in the Presidential Policy Directive (PPD)-8, National Preparedness, which directs FEMA to work with interagency partners to establish a recovery framework. The Recovery Support Function partners, including primary and supporting organizations, are represented in long-term recovery efforts for hurricanes Irma and Maria. This includes, but is not limited to, U.S. Departments of Health and Human Services, Small Business Administration, Agriculture, Energy, Commerce, Treasury, and HUD along with U.S. Army Corps of Engineers.

QUESTIONS FROM HON. DAVID ROUZER TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Question 1. Mr. Byard, I recently saw that FEMA has decided to terminate the STEP Program. Many of my constituents used this program in the aftermath of Hurricane Florence to help them stay in their homes instead of relocating while emergency repairs were made to make the home safe and habitable. Can you speak to the reasons for discontinuation? What would be a better strategy to achieve the intended result of the STEP program?

ANSWER. FEMA conducted an evaluation to determine if the STEP Pilot Program was meeting its stated objectives. The findings of this evaluation raised significant questions as to whether STEP was effectively and efficiently achieving its goals. In sum, the evaluation found that:

- Significant time to initiate and complete STEP repairs makes it difficult to determine the extent to which STEP saves lives, protects public health and safety, and protects property, as required by Section 403 of the Stafford Act;
- Time delays in completing repairs do not support minimization of disruption to communities by enabling sheltering in place;
- STEP has limited impact on congregate and other forms of non-congregate sheltering; and
- STEP involves significant costs for limited repairs as compared to other forms of FEMA assistance.

Further, survivors who received assistance under STEP were either sheltering elsewhere (e.g., other forms of FEMA assistance for sheltering, staying with family or friends, etc.) or remaining in a disaster-damaged home waiting on emergency repairs under STEP for months at a time. In either case, STEP did not provide an alternative emergency sheltering option. The evaluation also determined that STEP had little to no impact on the need for other forms of emergency sheltering. Congregate shelters in every case were closed before emergency repairs under STEP were completed, and there was no discernible impact on other FEMA sheltering or housing programs.

Based on these findings, FEMA determined that it cannot in good faith continue to deliver the STEP Pilot Program, particularly given the reality of the time and cost required, without the risk of exceeding the authority of Section 403. Consequently, FEMA discontinued the STEP Pilot Program as of October 16, 2019.

In terms of a better strategy to meet the stated objectives, FEMA continually evaluates its disaster assistance programs to determine their effectiveness and identify areas in need of improvement. In the case of STEP, it was intended to meet certain objectives and implemented as a pilot to determine if such a program was capable of doing so. Once the pilot was delivered in a sufficient number of events to make such a determination, it proved incapable of meeting the objectives. Nevertheless, FEMA still retains authority under Section 403 of the Stafford Act to provide an array of sheltering options to disaster survivors unable to return to their homes. These activities include:

- Support for state/local/tribal/territorial emergency sheltering efforts in short-term, congregate and in limited circumstances non-congregate shelters.

- Activation of the Transitional Sheltering Assistance program by which survivors can be placed in non-congregate lodging options (e.g. hotels).
- Temporary home repairs offered via the U.S. Army Corps of Engineers "Blue Roof" program.

FEMA is continuing to assess options under its Section 403 authority to provide non-congregate, emergency sheltering assistance to survivors that allows them to safely return to those homes. Part of that assessment is to better leverage our whole community partners to include voluntary organizations, universities, charitable foundations and other non-governmental resources to coordinate on service delivery, reduce duplication of efforts and ensure holistic efforts are used to meet the full needs of disaster survivors.

QUESTIONS FROM HON. DOUG LAMALFA TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Question 1. In August 2019, my staff toured Whiskeytown National Recreation Area and found several private inholdings within the recreation area that had been cleared and cleaned of debris. However, nearby federal buildings (less than 100 yards away) had not been given the same treatment. This was nearly 13 months after the Carr Fire. Is there a regulation that currently prevents FEMA from contracting or coordinating the clearing and cleanup of federal buildings near private buildings? If not, do you have any understanding of why a National Park System building would be left in a rubbish and burned state, while a nearby private building site was cleared and prepared for rebuilding?

ANSWER. Under the Stafford Act, FEMA does not have the authority to fund debris removal, or other restoration work, on lands or facilities owned and operated by other Federal agencies. FEMA would defer to the National Park Service and the U.S. Department of the Interior to respond to questions concerning disaster cleanup and repair work on National Park lands or facilities.

Question 2. Does FEMA currently have an operating standard for the definition of orphaned roads? These roads are privately-owned, but used publicly. They do not have any tolls, or access restrictions of any kind. There has been some concern in Butte County, California, where the Camp Fire burned in November 2018 that debris (specifically the standing, burnt trees) along these roads would not be cleared because orphaned roads were not considered part of the public infrastructure system. Further, the damage caused to these orphaned roads during the disaster recovery, by the massive amounts of debris-laden trucks, may not be eligible for road repair reimbursement if they are not correctly categorized as public infrastructure.

ANSWER. FEMA does not have a definition for orphaned roads; however, in our guidance we indicate private roads are not eligible for PA. The *Public Assistance Program and Policy Guide* (PAPPG), version 3.1, April 2018, in VII. Permanent Work Eligibility, H. Eligibility Considerations by Facility, 1. Roads and Bridges (Category C) on page 116, states "Private roads, including homeowners' association roads, are not eligible" for repair. The next version of the PAPPG, which will be published shortly, further clarifies: "Private roads are those that are not owned or operated by or otherwise the legal responsibility of a local, Tribal, State, or Federal entity (including orphan roads, roads in gated communities, homeowners' association roads, etc.)."

Question 3. Have GAO or FEMA completed any reports, recommendations, or provided any technical assistance for legislation relating to the use of disaster reimbursement to rebuild permanent structures, rather than temporary housing? Is either organization aware of any cost-benefit analyses on this subject?

ANSWER. The Agency is happy to provide technical drafting assistance upon request, in accordance with OMB Circular A–19. FEMA has not conducted an in-depth cost-benefit analysis on the use of disaster reimbursement to rebuild permanent structures, rather than temporary housing.

QUESTION FROM HON. GARRET GRAVES TO JEFFREY BYARD, ASSOCIATE ADMINISTRATOR, OFFICE OF RESPONSE AND RECOVERY, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Question 1. Prior to DRRA, the Stafford Act required that disaster assistance provided to an uninsured facility in a Special Flood Hazard Area must be reduced by either the value of the facility at the time of the disaster or the insurance proceeds that would have been payable under the NFIP. DRRA Section 1207(b) limited this penalty, which largely affected multi-structure campuses like schools and hospitals,

by applying this reduction to one building on a multi-structure campus rather than to each building individually. However, FEMA has yet to issue guidance. Without this guidance, parish schools and other public buildings in my district and South Louisiana cannot realize the actual reduction in their costs.

Can you comment on the status of implementation of Section 1207(b)?

ANSWER. Section 1207(b) of the Disaster Recovery Reform Act of 2018 (DRRA) amended Section 406(d)(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) regarding the reduction of Federal assistance applicable to insurable facilities located in a Special Flood Hazard Area identified for more than one year.

Amended Section 406(d)(1) states in relevant part: "This section shall not apply to more than one building of a multi-structure educational, law enforcement, correctional, fire, or medical campus." It further states that this provision applies only to any major disaster or emergency declared on or after January 1, 2016, through December 31, 2018. This directs FEMA to make only one flood insurance reduction in accordance with Section 406(d) of the Stafford Act per applicable campus even though there is more than one facility on the campus.

On August 27, 2019, the FEMA Assistant Administrator of Recovery issued a memorandum to the FEMA Regional Administrators providing guidance on the implementation of Section 1207(b) of the Disaster Recovery Reform Act of 2018. The memorandum is attached.

QUESTIONS FROM HON. DINA TITUS TO DENNIS ALVORD, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, ECONOMIC DEVELOPMENT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Question 1. Administering disaster recovery funds clearly requires EDA staff who are not only familiar with the capabilities and limitations of these disaster resources, but who are also in the field and accessible for disaster-impacted communities.

- How many staff does EDA currently have out in the field to help applicants through the grant process for these tranches of appropriations?

ANSWER. EDA has 36 permanent Economic Development Representatives (EDRs) positions spread across its six regional offices. Many EDRs are physically located in the state(s) they are assigned to. As of November 2019, 33 of the 36 EDR positions are filled. These EDRs are accessible to the disaster-impacted communities.

- Is this enough capacity, or do your plans call for additional staff?

ANSWER. EDA's disaster response plan identifies the need for additional temporary staff to increase its capacity to make grant awards and manage the additional disaster supplemental funding received. The plan calls for hiring an additional 65 temporary and term staff to provide this additional capacity. Included in the 65 additional positions are four EDRs, one of which has been filled and three are in the process of being filled.

- [If plans call for additional capacity] What obstacles exist for fully staffing your disaster recovery team before EDA gets underway with making grants out of the most recent disaster supplemental?

ANSWER. Like many federal agencies, EDA faces challenges in hiring additional staff. The U.S. Government Accountability Office testified in July 2019 (GAO–19–696T) that a range of problems and challenges with recruitment and hiring efforts exists in all federal agencies. The largest obstacle for EDA is timely on-boarding of temporary staff to assist with recovery coordination and grant-making. EDA will continue to work with the Department and its existing HR service providers to prioritize hiring for critically important disaster recovery positions.

Question 2. We heard from our second panel about some of the challenges local officials experience during the recovery process working with Federal agencies. We haven't heard of similar challenges in working with EDA—can you explain how EDA fits into the National Disaster Response Framework?

ANSWER. EDA, on behalf of the Department of Commerce, serves as the Coordinating Agency for the Economic Recovery Support Function (Economic RSF), which also includes assistance from primary and supporting agencies such as: U.S. Small Business Administration, U.S. Department of Agriculture, Federal Emergency Management Agency (FEMA), Department of Labor, Department of the Treasury, Environmental Protection Agency, Department of Housing and Urban Development (HUD), and other Department of Commerce bureaus. EDA's role in managing the Economic RSF is to facilitate coordination among these agencies who share a role in the provision of grants, loans, training, and other assistance to support economic recovery efforts in disaster-impacted communities, as well as to facilitate effective

integration and alignment with concurrent recovery assistance provided by the other five RSFs: Housing, Infrastructure Systems, Health and Social Services, Natural and Cultural Resources, and Community Planning and Capacity Building.

EDA meets regularly with FEMA's interagency RSF Leadership Group and has a dedicated headquarters-based National Disaster Recovery Framework (NDRF) Coordinator who collaborates with other RSF agency leads and FEMA to ensure a coordinated recovery effort. EDA also has an experienced and streamlined local presence through its Regional Offices, and staff from these offices can be deployed as Economic RSF Field Coordinators to provide on-the-ground recovery assistance at Joint Field Offices. In these disaster locations, whether under the NDRF, or acting pursuant to a supplemental disaster appropriation, EDA initiates conversations with federal agencies about issues of overlapping interest, including complementary funding streams and projects of mutual relevance. EDA invites other federal agencies to participate in EDA organized economic recovery workshops held in affected regions, helping communities navigate multiple federal resources more easily. EDA also helps ensure that interagency assistance reaches and aligns with state and local economic development priorities through early and active engagement with its established network of 392 Economic Development Districts (EDDs), 52 Tribal Partnership Planning organizations, 64 University Centers, institutions of higher education, and other partners. Drawing on its pre-existing relationships with regional and local economic development agencies and partners, we are often able to move rapidly to identify needs, priorities, and relevant resources that offer immediate and longer-term solutions to unanticipated economic disruption caused by natural disasters.

QUESTIONS FROM HON. MARK MEADOWS TO DENNIS ALVORD, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, ECONOMIC DEVELOPMENT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Question 1. Mr. Alvord, in the Disaster Recover Reform Act, Congress enacted language that clarified that EDA can take into account mitigation in evaluating projects. How has EDA incorporated this into its disaster grants?

ANSWER. EDA is keenly aware that regional economic prosperity is linked to an area's ability to prevent, mitigate, withstand, and quickly recover from major disruptions to its economic base and has built this priority into its disaster granting. In April 2018, EDA announced availability of $587 million for grants to eligible entities to address the impacts of 2017 major disasters. Applicants for funding are required to demonstrate how the proposed project will meet disaster recovery and resilience goals related to 2017 federally declared disasters. This 2018 Disaster Supplemental Notice of Funding Opportunity (NOFO) defines resilience as the ability of a community or region to anticipate, withstand, and bounce back from various disruptions to its economic base. Examples of resilience are broadening the industrial base with economic diversification initiatives, enhancing business retention and expansion programs, developing and constructing high-performance infrastructure to mitigate future risk and vulnerability, and comprehensive planning efforts that involve engagement from the community to define and implement a collective vision for economic recovery and resilience. The same emphasis on resilience was included in EDA's subsequent NOFO for the 2019 Disaster Supplemental. By including a resilience requirement in its 2018 and 2019 Disaster Supplemental NOFOs, EDA is encouraging regions and communities to consider ways to mitigate their vulnerabilities and risks and increase preparedness to future disasters.

EDA grantees are also required to align their grant activities with a Comprehensive Economic Development Strategy (CEDS). Since 2015 EDA has required the CEDS to incorporate the concept of economic resilience (which includes mitigating against risk from natural and man-made disasters). EDA suggests regions implement specific actions to bolster their long-term economic durability (steady-state initiatives) and share information and convene stakeholders to collaborate on key challenges (responsive initiatives). The CEDS Guidelines can be found at www.eda.gov/ceds.

Question 2. Mr. Alvord, how does EDA work with or coordinate with other federal partners such as FEMA and HUD?

ANSWER. EDA works with other federal partners in several ways to coordinate resources for disaster recovery.

First, as mentioned in response to Subcommittee Chair Titus, EDA, on behalf of the Department of Commerce, serves as the lead Coordinating Agency for federal interagency Economic RSF under the NDRF. In this capacity, EDA coordinates closely with FEMA in carrying out its economic recovery responsibilities and in

aligning related federal recovery resources. EDA solicits the participation of FEMA, HUD, and other interagency partners in the numerous economic recovery workshops it holds with regional and local economic development partners. As a member of FEMA's RSF Leadership Group, EDA provides input on interagency recovery guidance to set national preparedness targets, assesses readiness, prepares field staff for deployments, and otherwise offers expertise on effective policies, tools, and data to assist with economic recovery efforts. Through its Economic RSF role, EDA also regularly meets with other RSF lead agencies, such as HUD, to share information and coordinate resources, including frequent consultation on opportunities for regional and local stakeholders to leverage EDA disaster supplemental funding with Community Development Block Grant disaster recovery funds to advance complementary community and economic development projects in Puerto Rico, USVI, and other disaster impacted areas.

EDA has also worked closely with HUD and other federal agencies to promote federal resources for Opportunity Zones in disaster impacted areas and has partnered with HUD and other federal agencies to cross-promote federal resources, encourage alignment of regional plans, and otherwise coordinate federal assistance for distressed areas through EDA's leadership in Economic Development Integration.

Lastly, EDA has also worked closely with FEMA on a public facing website (https://recovery.fema.gov/) which tracks funding and outcomes from supplemental funding as a result of the 2017–2018 hurricane season and subsequent disasters.

Question 3. Mr. Alvord, what are some of the major challenges you see in distressed communities impacted by disasters?

ANSWER. As noted above, EDA's extensive network of 392 regional EDDs, 52 Tribal Partnership Planning organizations, 64 University Centers, institutions of higher education, and other partners greatly extends EDA's capacity to share information and facilitate coordination of interagency resources for economic recovery. While most of the country's distressed areas are served by these partners, some of the areas impacted by recent disasters, such as Puerto Rico, USVI, and parts of the western United States, do not have established EDDs or equivalent regional organizations with the capacity to drive long-term, strategic economic development plans and projects. In some cases, the organizations serving distressed communities have insufficient staff and organizational capacity to lead a robust, sustained recovery effort. They remain unfamiliar with existing federal resources or lack resources to plan, design or submit competitive applications and projects for consideration. These factors greatly delay or deter recovery and resiliency efforts in areas most in need of assistance.

EDA has made disaster grants to help build capacity of such organizations by funding Disaster Recovery Coordinators, feasibility studies and expertise, and local universities to deliver training and other capacity building assistance to local organizations and municipalities. EDA, through its leadership role in the Economic RSF, has coordinated interagency resources to leverage such capacity building. For example, EDA helped facilitate a historic Memorandum of Understanding between the University of Puerto Rico and the University of USVI to increase collaboration and to help facilitate long-term economic recovery and resiliency.

Question 4. Mr. Alvord, can you talk more about the benefits of how EDA is leveraging Opportunity Zones and, more specifically, in its disaster funding?

ANSWER. Since January 2018, EDA has invested nearly $347 million in 239 projects in or near Opportunity Zones across the United States, many of which have been awarded to Opportunity Zones that have also been stricken by natural disasters. In fact, in the same time period, EDA has invested over $184 million in 57 projects to support Opportunity Zones across the country that were eligible for and funded via the FY 2018 Disaster Supplemental appropriation. These included over $162 million in 44 projects located within an Opportunity Zone and over $21 million in 13 nearby or regional projects that are intended to benefit one or more Opportunity Zone.

In July 2018, EDA issued a NOFO that made Opportunity Zones eligible for funding from EDA, through its special needs category. While the vast majority of Opportunity Zones qualify under EDA's distress criteria, this designation captured and made eligible the remaining zones allowing EDA consideration of additional investments that may catalyze regional development impacts by leveraging additional private capital investment to create jobs while strengthening and diversifying regional economies.

In June of this year, EDA added Opportunity Zones as an Investment Priority, which increase the probability that we will fund more catalytic Opportunity Zone-related projects that will fuel greater public investment in these areas.

These two policy changes mean that regardless of EDA's economic distress criteria, if a grantee applies for funds for a project in one of the nation's more than 8,700 Opportunity Zones, EDA will automatically consider the application. This does not mean the application will get approved. The project will, however, receive full consideration.

Additionally, as part of the White House Opportunity and Revitalization Council (WHORC), Assistant Secretary of Commerce Dr. John Fleming is highlighting EDA's role in the initiative at Opportunity Zone roundtables, conferences, and other gatherings that bring together local elected officials, business leaders, community groups, and others across the country.

QUESTIONS FROM HON. STACEY E. PLASKETT TO DENNIS ALVORD, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, ECONOMIC DEVELOPMENT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Question 1. How much of the disaster supplemental appropriations to the Economic Development Administration (EDA) was allocated to its Philadelphia Region, which includes the Virgin Islands?

ANSWER. EDA allocated $191.2 million in Disaster Supplemental funding to the Philadelphia Regional Office (PRO) for grants to facilitate Puerto Rico and USVI's recovery from Hurricanes Irma and Maria and to fund other FY 2017 Presidentially declared disasters in the mainland states covered by PRO.

Question 2. How have those resources been used thus far for expenses related to the consequences of Hurricanes Irma and Maria in the Virgin Islands?

ANSWER. A permanent locally based EDR was onboarded for Puerto Rico and USVI in October of 2017, a hire that pre-dated the hurricanes. PRO temporarily deployed an Area Director and Economic Development Specialist based in Philadelphia to serve as the initial EDA disaster recovery coordination team in the USVI immediately following Hurricanes Irma and Maria, since the magnitude of the impacts were so widespread. The temporary team provided Joint Recovery Office coverage from December 2017 through March 2018 and were followed by two additional volunteer staff from Department of Commerce and EDA Washington, D.C. headquarters offices. Another EDA staff member was added and assigned to serve as the field coordinator in the USVI at the end of 2018 through the present. EDA staff was assisted by a local resident expert familiar with USVI agencies and partners who was onboarded through a contractual arrangement and is operating out of St Croix as a temporary disaster EDR for USVI this year. Disaster Supplemental salaries travel expenses helped to cover the costs of many of these staff positions and activities, not reimbursed by the FEMA mission assignments, to ensure around-the-clock, on-the-ground assistance to USVI for the last two years.

In addition to the resources noted above, EDA regional office staff, both Philadelphia and field-based, have contributed to the grant work completed by the office in response to the disaster events.

Question 3. How much of the overall total has been used for such expenses in the Virgin Islands?

ANSWER. As of November 20, 2019, EDA has made $57,862,787 in grant awards to USVI stakeholders and/or stakeholders serving the Virgin Islands. This covers eight awards to the following entities: two awards to the VI Port Authority ($20 million and $7 million), two awards to the University of VI ($14.1 million and $14.2 million), one award to the VI Economic Development Authority (VIEDA) ($1,276,001), one award to the VI Bureau of Economic Research ($304,000), one award to the International Economic Development Council ($400,000), and one award to the Government of Virgin Islands ($282,786).

In addition to the $191.2 million grant funding, EDA has allocated disaster supplemental Salaries & Expenses funding to PRO to pay the salaries and travel associated with providing services to impacted communities. This includes funding for an additional 10 temporary and term positions to increase PRO's capacity to award grants. As of November 2019, four of the ten positions have been filled and EDA is actively recruiting the other six positions. As of November 20, 2019, PRO has been allocated $842,152.00 dollars for salaries and expenses, of which $367,747.00 has been obligated.

Question 4. How much of the EDA's disaster supplemental funding remains for the Philadelphia Region?

ANSWER. As of November 20, 2019, $65,703,398 remain.

Question 5. Will EDA be considering the Virgin Islands for additional economic development projects? Please elaborate.

ANSWER. Yes, PRO will continue to consider proposals and applications from eligible applicants serving qualifying regional stakeholders, including in the USVI, until the funds are expended. EDA's selection process is competitive, and projects are considered on a rolling basis pursuant to the FY 2018 Disaster Supplemental NOFO.

QUESTIONS FROM HON. DAVID ROUZER TO DENNIS ALVORD, DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, ECONOMIC DEVELOPMENT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Question 1. Mr. Alvord, my home state of North Carolina has been battered by hurricanes these past few years. One town in particular, the town of Fair Bluff, suffered devastating flooding that has crippled the main street area there. It's my understanding that the town has applied for a grant through the Economic Adjustment Assistance Program to help them build a new business district on higher ground. Could you give an update on the application review process for the money allocated to EDA under the FY 19 Disaster Supplemental? When can Fair Bluff, NC, expect a decision on their application?

ANSWER. The application review process is defined in detail in the NOFO for FY19 Disaster Supplemental assistance at https://www.grants.gov/web/grants/view-opportunity.html?oppId=319126.

Specific to the Town of Fair Bluff, EDA's Atlanta Regional Office (ATRO) is in receipt of the Town of Fair Bluff's application seeking federal financial assistance in the amount of $4.8 million, matched by $1.2 million, for the purpose of constructing the Fair Bluff Small Business Center as an initial step in relocating the town's Central Business District to an area that is more resilient to flooding. The application was received October 2 and is currently under review. ATRO's EDR serving North Carolina has been providing technical assistance to the Town of Fair Bluff and will continue to do so as its application progresses to the ATRO's Investment Review Committee (IRC). It is expected that the Town of Fair Bluff will have EDA's decision on whether or not the application merits further consideration by the end of this calendar year. Depending on the outcome of the IRC, approval of the Grants Officer, and timeliness of receipt of any information and documentation needed, and funding availability, approval of the application for the purpose of award would be expected in the first or second quarter of 2020.

QUESTIONS FROM HON. PETER A. DEFAZIO TO CHRIS P. CURRIE, DIRECTOR, HOMELAND SECURITY AND JUSTICE, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Housing Disaster Survivors

Question 1. GAO previously reported on FEMA's efforts to coordinate mass care—which includes sheltering, feeding, and distributing emergency supplies. You found that some of these needs went unmet following the 2017 hurricanes as FEMA officials and mass care providers encountered challenges to providing care.

What steps can FEMA and the federal government take to ensure necessary mass care can get to the survivors that need it following a disaster?

ANSWER. In September 2019, we reported that the 2017 hurricane season presented unprecedented challenges for mass care service providers, and for survivors in Florida, Puerto Rico, Texas, and the U.S. Virgin Islands.[1] For example, among other things, we found that unmet needs in sheltering, feeding, and supply distribution should spur FEMA to consider the sufficiency of agreements for providing mass care services, especially with state and local governments. We also found that more targeted guidance could help states and localities develop more specific written agreements with voluntary organizations providing mass care services. To address these challenges and help ensure that mass care can get to survivors who need it, we made several recommendations to DHS.

For example, to better clarify what mass care services voluntary organizations can provide—especially for severe or overlapping hurricanes—we recommended that FEMA strengthen its guidance to state and local governments to emphasize the importance of clearly defining roles and responsibilities related to mass care when state and local governments develop written agreements with partner organizations. DHS concurred with this recommendation, stating that FEMA is establishing a working group that will help the agency strengthen such guidance.

[1] GAO, *Disaster Response: FEMA and the American Red Cross Need to Ensure Key Mass Care Organizations are Included in Coordination and Planning*, GAO–19–526 (Washington, D.C.: September 19, 2019).

In addition, we recommended that FEMA develop mechanisms for the agency and its partners to leverage local community groups, such as conducting regular outreach to communicate and share aggregate information with these groups. DHS concurred with this recommendation and detailed several approaches they use to connect with local resources. However, our findings indicate there is more work to be done in terms of sharing critical information about mass care needs and resources and we continue to encourage FEMA to develop additional mechanisms to enhance outreach to organizations that may not be aware of existing approaches.

Further, to ensure more accurate mass care capability assessments, we recommended that FEMA require grantees to solicit capabilities information from key mass care service-delivery providers in making capability estimates and identify these providers in their submissions. DHS did not concur with our proposed recommendation, stating that requiring grantees to include this information is not the most effective approach and would increase their burden. We modified our recommendation to address this concern and continue to believe that grantees should make an effort to include mass care providers in assessing capabilities.

Additional information on our findings and recommendations to DHS and FEMA, as well as the American Red Cross, regarding coordinating mass care is available at GAO–19–526. We will continue to monitor these agencies' efforts to address our recommendations.

QUESTIONS FROM HON. DINA TITUS TO CHRIS P. CURRIE, DIRECTOR, HOMELAND SECURITY AND JUSTICE, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

FEMA's Public Assistance Program

Question 1. Given the huge amount of Public Assistance funding that is and will be obligated for the recovery from the disasters of 2017 and 2018, FEMA implemented its redesigned Public Assistance program—also known as the National Delivery Model—in Texas, Florida and California.

- What experiences have shaped your views of the effectiveness of FEMA's Public Assistance program?
- To what extent do you think the national delivery model will address the longstanding challenges associated with Public Assistance? What, if any, additional changes are needed?

ANSWER. FEMA's Public Assistance program is critical in providing state, territorial, local, and tribal governments with funding to help repair and rebuild disaster-damaged public infrastructure. In recent years, we've reported on the complex, multistep nature of this program and highlighted both progress and challenges with its implementation across disasters.

First, in 2008, we reported that the Public Assistance program had a shortage of experienced and knowledgeable staff, relied on temporary rotating staff, and provided limited training to their workforce, which impaired program delivery and delayed recovery efforts after Hurricanes Katrina and Rita.[2] Specifically, we found that staff turnover, coupled with information sharing challenges, delayed projects when applicants had to provide the same information each time FEMA assigned new staff and that poorly trained staff provided incomplete and inaccurate information during their initial meetings with applicants or made inaccurate eligibility determinations, which also caused processing delays. We recommended that FEMA strengthen continuity among staff involved in administering the Public Assistance program by developing protocols to improve information and document sharing among FEMA staff. Despite FEMA's efforts to implement our recommendations, the DHS–OIG found continuing challenges after Hurricane Sandy with workforce levels, skills, and performance of reservists, who make up the majority of the Public Assistance program's workforce.[3] Regarding information sharing challenges, we also identified difficulties sharing documents among federal, state, and local participants in the Public Assistance program and difficulties tracking the status of projects. We recommended that FEMA improve information sharing by identifying and disseminating practices that facilitate more effective communication among federal, state, and local entities. In response, FEMA proceeded with the implementation of a grant tracking and management system. However, in subsequent years, we found weak-

[2] GAO, *Disaster Recovery: FEMA's Public Assistance Grant Program Experienced Challenges with Gulf Coast Rebuilding*, GAO–09–129 (Washington, D.C.: December 18, 2008).

[3] Department of Homeland Security, Office of Inspector General, *FEMA Can Enhance Readiness with Management of Its Disaster Incident Workforce*, OIG–16–127–D (Washington, D.C.: September 2, 2016).

nesses in how FEMA developed this system and the DHS–OIG found that information sharing problems similar to the ones identified in our 2008 report persisted.[4]

Second, in November 2017, we reported that FEMA redesigned its delivery model for providing grants under the Public Assistance program to help address past challenges with program implementation.[5] However, we found that FEMA had not fully assessed future workforce staffing needs and that opportunities existed to enhance the program's implementation and further promote opportunities for hazard mitigation. Among other things, we recommended that FEMA complete a workforce staffing assessment that identifies the appropriate number of staff needed at joint field offices, Consolidated Resource Centers, and its hazard mitigation cadre to implement the new delivery model nationwide.[6] DHS concurred with this recommendation and has taken steps to implement it, including by developing preliminary modeling and estimates for Public Assistance program staffing levels. Further, we recommended that FEMA implement procedures to standardize planning for addressing Public Assistance hazard mitigation efforts—for example, by requiring FEMA and state officials to develop a memorandum of understanding outlining how they will prioritize and address hazard mitigation following a disaster. FEMA concurred with this recommendation and has taken some actions to address it, including standing up a new hazard mitigation branch. In October 2019, FEMA provided additional information regarding this recommendation and GAO is currently assessing this information to ensure that hazard mitigation efforts are standardized and thoroughly integrated into FEMA's disaster recovery process. Additional information on our findings and recommendations to FEMA regarding its redesigned delivery model is available at GAO–18–30.

Third, in September 2018, we reported challenges with the Public Assistance program stemming from FEMA's response to the 2017 disasters.[7] Specifically, we found that FEMA's workforce allocations and plans were overwhelmed by the 2017 disaster response needs and that long-standing workforce challenges we had previously identified were exacerbated by the need to provide a concurrent response to the disasters. FEMA officials told us that their experience responding to four near-simultaneous disasters made them realize that they will need to continue to improve their workforce planning to be prepared to simultaneously support multiple disasters. For example, according to a senior FEMA official, the agency had already deployed the majority of its workforce to support the hurricanes when the wildfires began and so there was some delay in initially deploying an adequate number of staff to support the wildfires response. While FEMA took several actions to address its staffing shortfall, FEMA officials told us that they did not have enough people primarily due to the unanticipated demand created by the concurrent response to four major disasters. In addition, we reported that FEMA recruited a large number of employees to meet this unprecedented demand, but FEMA officials reported this influx of new employees added to challenges with conducting timely, program-specific training.

Fourth, in recent testimony statements, we reported that FEMA faced challenges in implementing the Public Assistance program—and specifically the Public Assistance alternative procedures program—in Puerto Rico and the USVI.[8] For example,

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[4] GAO, *Information Technology: FEMA Needs to Address Management Weaknesses to Improve Its Systems*, GAO–16–306 (Washington D.C.: April 5, 2016); Department of Homeland Security, Office of Inspector General, *FEMA's Process for Tracking Public Assistance Insurance Requirements*, OIG–12–18 (Washington, D.C.: December 16, 2011); *FEMA Faces Challenges in Managing Information Technology*, OIG–16–10 (Washington, D.C.: November 20, 2015).

[5] GAO, *Disaster Assistance: Opportunities to Enhance Implementation of the Redesigned Public Assistance Grant Program*, GAO–18–30 (Washington, D.C.: November 8, 2017).

[6] Consolidated Resource Centers support field operations by supplementing the development, validation, and review of proposed Public Assistance project applications.

[7] GAO, *2017 Hurricanes and Wildfires: Initial Observations on the Federal Response and Key Recovery Challenges*, GAO–18–472 (Washington, D.C. September 4, 2018).

[8] GAO, *Emergency Management: FEMA Has Made Progress, but Challenges and Future Risks Highlight Imperative for Further Improvements*, GAO–19–594T (Washington, D.C.: June 12, 2019). GAO, *Emergency Management: FEMA Has Made Progress, but Challenges and Future Risks Highlight Imperative for Further Improvements*, GAO–19–617T (Washington, D.C.: June 25, 2019). GAO, *Emergency Management: FEMA's Disaster Recovery Efforts in Puerto Rico and the U.S. Virgin Islands*, GAO–19–662T (Washington, D.C.: July 11, 2019). GAO, *Disaster Recovery: Recent Disasters Highlight Progress and Challenges*, GAO–20–183T (Washington, D.C.: October 22, 2019). The Sandy Recovery Improvement Act of 2013 amended the Stafford Act by adding Section 428, which authorized FEMA to approve Public Assistance program projects under the alternative procedures provided by that section for any presidentially-declared major disaster or emergency. This section further authorized FEMA to carry out the alternative procedures as a pilot program until FEMA promulgates regulations to implement this section. Pub.

Continued

we reported that FEMA officials in Puerto Rico and the USVI stated that the development of a "cost factor" for use in developing fixed-cost estimates had slowed the pace of FEMA obligations for permanent work projects. These factors are intended to ensure that the costs associated with implementing projects in Puerto Rico and the USVI are sufficiently captured when developing the fixed-cost estimates for projects using the alternative procedures program. For example, FEMA officials in the USVI told us in May 2019 that obligations for permanent work projects in the territory had been mostly on hold since October 2018 while an independent contractor worked to develop the USVI-specific cost factor. In May 2019, FEMA approved a USVI-specific cost factor for use on an interim basis pending further analyses. For Puerto Rico, in July 2019, FEMA approved the use of a cost factor designed to account for location-specific construction costs to ensure that fixed-cost estimates are accurate. This cost factor consists of cost indices to apply to urban, rural, and insular (the islands of Vieques and Culebra) areas of Puerto Rico. According to FEMA officials, these cost indices will compile location-specific construction costs for each of these three areas. We are currently assessing FEMA's process for developing cost estimates for projects under both the standard and alternative procedures programs, and plan to report our results in early 2020.

We will continue to monitor FEMA's implementation of the Public Assistance program in our ongoing and future work.

Question 2. We understand that in June 2019, FEMA decided to implement the national delivery model for Public Assistance in Puerto Rico. Please explain FEMA's reasoning for doing this and how FEMA staff in Puerto Rico, as well as Puerto Rican officials working the recovery, will be trained to implement the new delivery model.

ANSWER. According to FEMA, the agency decided to implement the national delivery model for Public Assistance in Puerto Rico, beginning in June 2019, with the goal of (1) implementing clear roles and processes, (2) consolidating the development and review process of permanent work projects, and (3) using Grants Manager and Grants Portal to capture project development information. As part of implementation, FEMA established a Consolidated Resource Center in Puerto Rico to process permanent work projects. FEMA stated that the agency changed staff roles from the old delivery model to the new model, such as project specialists (old role) to program delivery managers (new role). FEMA stated that it deployed a team of experienced personnel and Public Assistance mentors to help FEMA officials in Puerto Rico transition to the national delivery model. Finally, FEMA noted that it would provide information, training, and ongoing mentorship to Puerto Rico officials to help them implement the national delivery model. As part of our ongoing and future work, we will continue to evaluate the implementation of the Public Assistance national delivery model in Puerto Rico.

Response

Question 3. GAO previously reported on FEMA's efforts to coordinate mass care—which includes sheltering, feeding, and distributing emergency supplies. We found that some of these needs went unmet following the 2017 hurricanes as FEMA officials and mass care providers encountered challenges to providing care. What steps can FEMA and the federal government take to ensure necessary mass care can get to the survivors that need it following a disaster?

ANSWER. See response above regarding FEMA's coordination of mass care.

Hazard Mitigation and Disaster Resilience

Question 4. GAO has reported that most federal funding to strengthen disaster resilience comes after a disaster. One of the effects of this approach is that communities and regions can spend money on smaller risk-reduction projects while ignoring larger-scale infrastructure risks, which may not change the risk profile of the communities and regions. FEMA's new strategic plan calls for new pathways to disaster risk reduction, which include increased pre-disaster mitigation. The Disaster Recovery Reform Act included a provision (now called Building Resilient Infrastructure and Communities or BRIC, for short) that will create a sizable fund for pre-disaster hazard mitigation by setting aside 6 percent of the total of other types of assistance grants that come out of the Disaster Relief Fund.

- How can the federal government best encourage individuals, communities, and regions to engage in hazard mitigation before disaster strikes?
- What are your thoughts about how FEMA should implement the BRIC to help ensure that communities across the nation have an opportunity to reduce their

L. No. 113–2, div. B, § 1102(2), 127 Stat. 39, amending Pub. L. No. 93–288, tit. IV, § 428 (codified at 42 U.S.C. § 5189f).

disaster risk while also ensuring that the overall result is a demonstrable reduction in national risk?

- What challenges do you anticipate in implementing the BRIC and what actions are needed to address them?

ANSWER. In 2015, we examined how states and localities were able to use select federal programs to help maximize resilience during their efforts to recover from Hurricane Sandy.[9] In our discussions with officials from the 12 states plus DC that had major disaster declarations for Hurricane Sandy, a prevalent theme was the dynamic between pre-disaster and post-disaster hazard mitigation. We reported state officials' perspectives that the localities they work with were often more motivated to invest in hazard mitigation when the memory of the disaster was fresh, but at the same time there were some real challenges in the post-disaster environment with making the most rational decisions about where and how to invest.

We reported that the reactive and fragmented approach of funding resilience through multiple separate programs designed for different purposes and primarily in the wake of a disaster created obstacles to most effectively marshaling resources toward the goal of overall risk reduction. In those conditions, federal investment—for instance, in projects such as home acquisitions and elevations—benefited individuals and, often, communities, but may not have effectively reduced states' overall risk profiles. In light of these findings, we recommended a National Mitigation Investment Strategy that would, among other things, address the balance between pre- and post-disaster mitigation. The interagency group responsible for the nation's National Mitigation Framework issued the National Mitigation Investment Strategy in August 2019. Among other things, this strategy highlighted the importance of hazard mitigation throughout the disaster lifecycle and noted the opportunities the Building Resilient Infrastructure and Communities (BRIC) program presents for increasing pre-disaster hazard mitigation. By funding pre-disaster mitigation as a six percent set aside from declared disasters, BRIC offers the potential for a significant amount of funding to support risk reduction decisions under conditions where local and state leaders do not have to decide between restoring community lifelines quickly and restoring them in a manner that reduces their future risk.[10] Regardless of the amount of funding, BRIC has the potential to significantly enhance pre-disaster mitigation. However, careful planning and implementation will be required at all levels of government in order to realize meaningful risk reduction across communities and regions.

In October 2019, we issued our Disaster Resilience Framework, which offers some instruction for thinking through key challenges and opportunities in the BRIC implementation.[11] The framework consists of a set of broad, overlapping principles that describe how the federal government can best work across the whole-of-community to foster disaster resilience both inside and outside of traditional emergency management functions. It describes what federal and nonfederal decision makers—for example, local elected officials, private sector infrastructure operators, or state government officials—need to allow and encourage them to incorporate disaster resilience whenever their actions involve the built environment and natural ecosystems.

The first principle is information. Decision makers need authoritative and understandable information about their current and future risks. They need to be able to apply that information in a way that helps them determine what alternatives they have for addressing risk and to select among those options. In addition, they need methodologies and processes that will allow them to determine whether resilience actions they are taking have the desired result.

The second principle is integration. The whole-of-community—both federal and nonfederal actors—need to be able to pursue coordinated and coherent resilience actions. In this vein, decision makers need to be able to understand the actions they take in the context of an overarching strategic national vision and goals. They need federal programs that work together with consistent and complementary policies, procedures, and timing, so that regions and localities can consider a whole systems approach to risk reduction. In addition, federal and nonfederal decision makers need

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[9] GAO, *Hurricane Sandy: An Investment Strategy Could Help the Federal Government Enhance National Resilience for Future Disasters*, GAO–15–515 (Washington, D.C.: July 30, 2015).

[10] Enacted in October 2018, the DRRA includes many provisions designed to enhance disaster recovery. Among them is a provision that authorizes a pre-disaster hazard mitigation program to be funded from the Disaster Relief Fund as a six percent set aside of estimates of all disaster assistant grants. Pub. L. No. 115–254, § 1234(a), 132 Stat. at 3461. BRIC is funded through this set aside.

[11] GAO, *Disaster Resilience Framework: Principles for Analyzing Federal Efforts to Facilitate and Promote Resilience to Natural Disasters*, GAO–20–100SP (Washington, D.C. October 23, 2019).

to be able to understand interactions among different infrastructure sectors and components and between these and the natural ecosystems to help them recognize shared benefits, potential conflicts, and opportunities to combine solutions to a greater effect.

The third principle is incentives. Because much of the nation's infrastructure is not owned or operated by the federal government, nonfederal decision makers may need incentives that can make long-term, forward-looking risk reduction investments more viable and attractive among competing priorities. Streamlining overly complex practices and reducing administrative burden where necessary and appropriate may also decrease disincentives for some nonfederal actors to participate in voluntary federal initiative to help increase disaster resilience.

In line with these principles, there are a few key things to consider when determining how to make BRIC work in a way that leads to overall risk reduction across communities and regions. First, consistent with the information principle, selecting the right projects to pursue depends on the ability of decision makers at every level of government to combine the best available information about climate trends with community asset-level data in standard methodologies that produce comparable findings about loss avoidance and risk reduction. Another consideration for the program is how it will monitor progress and ensure that its implementation is having a meaningful risk-reduction impact.

Moreover, one of the challenges we identified in our 2015 report was the ability for state and local officials to work across the multiple federal programs and other nonfederal sources to leverage funding for large projects. Consistent with our framework's integration and incentives principles, to the extent that BRIC can achieve compatibility with or stimulate other potential funding sources—especially nonfederal funding—its effects could be significantly enhanced. Similarly, projects that coordinate across jurisdictions to create whole systems solutions across interdependent systems and account for relationships across different infrastructure components and ecosystems may realize greater risk reduction than a more fragmented infrastructure component-by-component approach. In addition, the relative ease or difficulty with which nonfederal entities can navigate the programs administrative requirements may affect participation and innovative approaches to leveraging funding.

Determining what projects to fund and in what order will be a significant factor as FEMA implements BRIC. Other resilience and preparedness grants each have different approaches for allocating funding across eligible applicants and priorities. For example, in 2017 slightly less than half of funding available for the Predisaster Mitigation Grant was distributed as base funding across eligible states and territories or set aside for tribal applicants, with the remainder distributed on a competitive basis but with a per-applicant cap. In contrast, the Emergency Management Performance Grants are wholly allocated by base funding plus a standard population-based formula; while, the National Disaster Resilience Competition was awarded entirely based on competition with no base or formula-based funding available to applicants who were not selected. FEMA will have to determine how to balance the need to target large-scale infrastructure projects that might not otherwise be addressed with the desire to meet needs and foster greater participation nationwide. If the balance tips too far in the direction of base funding for all eligible applicants, the issue of reducing some individual- and community-level risks without reducing overall community, state, and regional-level risk profiles could remain.

QUESTIONS FROM HON. DOUG LAMALFA TO CHRIS P. CURRIE, DIRECTOR, HOMELAND SECURITY AND JUSTICE, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Question 1. During your answer to one of Representative Garamendi's questions, you specified that FEMA has not yet fully implemented a piece of our disaster recovery law which allowed for rebuilding using updated standards, rather than replacing structures exactly as they were before. Does GAO have any estimation of when this implementation would be completed based on their current understanding of the implementation process for this specific provision? This provision is remarkably important for rebuilding burned houses with more wildfire resilience standards and technology.

ANSWER. Although jurisdictions have long been able to use FEMA Public Assistance funding for cost effective hazard mitigation action when rebuilding infrastructure and have also been required to restore structures and infrastructure to comply with locally adopted building codes, there are two statutory provisions that enhance those abilities. First, Section 1235(b) of the Disaster Recovery Reform Act required FEMA Public Assistance projects to use the latest published editions of relevant consensus-based codes, specifications, and standards that incorporate the latest haz-

ard-resistant design.[12] In November 2019, FEMA published an interim policy to govern implementation of this provision.

This interim policy specifies relevant organizations and standards and codes they have established for the following types of structures and infrastructure: buildings, electric power, roads, bridges, potable water supply and wastewater. Therefore, instead of depending on the adoption and enforcement of local codes and standards to determine the extent to which these structures and infrastructure will be rebuilt to withstand future hazards, permanent work projects under the Public Assistance program will now be required to incorporate nationally accepted codes and standards in their planning, design, and execution. The interim policy also specifies that if local codes and standards are more stringent than the national codes and standards, projects may use the more stringent local codes.

Second, the Bipartisan Budget Act of 2018 allows FEMA, Puerto Rico, and the USVI—when using the Public Assistance alternative procedures program—to repair and rebuild critical services infrastructure (e.g., medical and education facilities) so it meets industry standards without regard to pre-disaster condition.[13] In October 2019, we reported on challenges with implementing flexibilities provided by the Bipartisan Budget Act of 2018.[14] Specifically, officials from Puerto Rico's central government stated that they disagreed with FEMA's interpretation of the types of damages covered by the Act. In response, FEMA officials in Puerto Rico stated they held several briefings with Puerto Rico's central recovery office to explain FEMA's interpretation of the section. Further, FEMA officials in the USVI told us that initially, they had difficulty obtaining clarification from FEMA headquarters regarding how to implement key components of the Act. In June 2019, the Additional Supplemental Appropriations for Disaster Relief Act of 2019 was signed into law and provides additional direction to FEMA regarding the implementation of section 20601.[15] Among other things, this legislation includes a provision directing FEMA to change its process for determining whether a disaster-damaged facility is eligible for repair or replacement. FEMA evaluated this and other provisions of the Act and, in September 2019, issued an updated policy to provide clear guidance moving forward, according to agency officials.

As described above, FEMA has taken action to implement policies to address recent statutory provisions. We will continue to monitor FEMA's implementation of these policies and the extent to which they have affected FEMA's ability to deliver the Public Assistance program to disaster-damaged communities.

Question 2. Have GAO or FEMA completed any reports, recommendations, or provided any technical assistance for legislation relating to the use of disaster reimbursement to rebuild permanent structures, rather than temporary housing? Is either organization aware of any cost-benefit analyses on this subject?

ANSWER. GAO has not completed any reports, made any recommendations, or provided technical assistance for legislation related to FEMA's use of disaster reimbursement to rebuild permanent structures. In addition, GAO is not aware of any cost-benefit analysis on this subject.

As Congressman LaMalfa is likely aware, FEMA and the Department of Housing and Urban Development (HUD) provide federal funds to communities for housing assistance following a disaster. FEMA can provide financial assistance or direct assistance to individuals and households for permanent or semi-permanent housing construction (PHC) in insular areas outside the continental United States or in other locations where no alternative housing resources are available and where temporary housing assistance is unavailable, infeasible, or not cost-effective.[16] Before authorizing PHC, according to FEMA's Individuals and Households Program (IHP) guidance, FEMA will conduct an assessment to demonstrate that other forms of

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[12] Pub. L. No. 115–254, § 1235(b), 132 Stat. at 3463.

[13] Section 20601 of the Bipartisan Budget Act of 2018 allows FEMA to provide grant funding to restore certain disaster-damaged systems and infrastructure without regard to the condition it was in prior to the 2017 hurricanes. Pub. L. No.115–123, § 20601(1), 132 Stat. 64 (2018). Critical services include public infrastructure in the following sectors: power, water, sewer, wastewater treatment, communications, education, and emergency medical care. See 42 U.S.C. § 5172(a)(3)(B). The Act applies only to assistance provided through the Public Assistance alternative procedures program. Therefore, the USVI may not use the flexibilities provided by the Act for permanent work projects using the standard Public Assistance program.

[14] GAO, *Disaster Recovery: Recent Disasters Highlight Progress and Challenges*, GAO–20–183T (Washington, D.C.: October 22, 2019).

[15] See Pub. L. No. 116–20, tit. VI, § 601, 133 Stat. 871, 882 (2019).

[16] See 42 U.S.C. § 5174(c)(4).

temporary housing assistance are unavailable, insufficient, or infeasible.[17] Once this assessment is completed, FEMA may authorize PHC for pre-disaster homeowners with real property verified loss of at least $17,000, and will require the affected state, territorial, or tribal government to execute an amendment to their FEMA-State/Territorial/Tribal Government Agreement.[18] According to the IHP guidance, repairs under PHC are limited to repairs that would be eligible under FEMA Housing Assistance, such as heating, ventilation, and air conditioning systems, walls, floors, and ceilings, but is not intended to restore the home to the pre-disaster condition.

In the case of HUD, the agency administers the Community Development Block Grant Disaster Recovery (CDBG–DR) program to help communities recover from disasters. Communities are allowed to use their CDBG–DR grants to address a wide range of unmet recovery needs—losses not met with insurance or other forms of assistance, including federal disaster assistance—related to housing, infrastructure and economic revitalization. In March 2019, we reported that in response to the 2017 disasters, HUD had awarded approximately $32.9 billion in CDBG–DR funds to four grantees as of February 2019—$19.9 billion to Puerto Rico, $9.8 billion to Texas, $1.9 billion to the USVI, and $1.3 billion to Florida.[19] As of September 2019, much of these awarded funds had been allocated to the grantees via *Federal Register* notices with the exception of Puerto Rico.[20] HUD had not allocated the remaining $10.2 billion it awarded to Puerto Rico as of September 10, 2019, due to recent concerns about the territory's governance and financial management challenges.[21]

Providing housing to survivors following disasters continues to present a challenge for the federal government and we will continue to examine this issue as part of our ongoing work.

QUESTIONS FROM HON. DINA TITUS TO MICHAEL SPRAYBERRY, DIRECTOR, NORTH CAROLINA EMERGENCY MANAGEMENT, TESTIFYING ON BEHALF OF THE NATIONAL EMERGENCY MANAGEMENT ASSOCIATION

Navigating Multiple Federal Disaster Recovery Programs

Question 1. Mr. Sprayberry, your State has been impacted multiple times during the last several years by natural disasters warranting Presidential-declarations and Federal assistance.

What has been your experience with FEMA coordinating the various Federal assistance and recovery programs for which the State has qualified?

[If FEMA assistance has been helpful] Has your primary FEMA official assisting the state been your various Federal Coordinating Officers, or a Federal Disaster Recovery Coordinator?

ANSWER. We have worked closely with our Federal Disaster Recovery Coordinator through this process. We did experience a challenge, however, when our original Federal Disaster Recovery Coordinator was transferred from working with us in North Carolina to work in Puerto Rico. This interrupted our rhythm of recovery and we did not receive a satisfactory answer as to why this transfer occurred. We believe this to be related to the limited staffing capacity FEMA currently faces. The issue

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[17] See FEMA, *Individual Assistance Program and Policy Guide (IAPPG)*, FP 104–009–03 (Washington, D.C. 2019).

[18] After every declaration, FEMA and the state, territorial, or tribal government enter into a government agreement documenting the understanding, commitments, and conditions under which FEMA will provide assistance.

[19] GAO, *Disaster Recovery: Better Monitoring of Block Grant Funds Is Needed*, GAO–19–232 (Washington, D.C.: March 25, 2019). The $32.9 billion excludes approximately $2.5 billion awarded to states affected by 2017 disasters other than Hurricanes Harvey, Irma, and Maria or prior disasters. As of February 2019, HUD had allocated via *Federal Register* notices $17.2 billion of the $32.9 billion awarded to Puerto Rico, Texas, the USVI, and Florida. See *Allocations, Common Application, Waivers, and Alternative Requirements for 2017 Disaster Community Development Block Grant Disaster Recovery Grantees*, 83 Fed. Reg. 5844 (February 9, 2018) and *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees*, 83 Fed. Reg. 40314 (August 14, 2018).

[20] In 2019, HUD allocated CDBG–DR funds via *Federal Register* notices for activities to mitigate disaster risks and reduce future losses. Specifically, in August 2019, HUD allocated approximately $633 million to Florida and approximately $4.3 billion to Texas. See *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Mitigation Grantees*, 84 Fed. Reg. 45838 (August 30, 2019). In September 2019, HUD allocated approximately $774 million to the USVI. See *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Mitigation Grantees; U.S. Virgin Islands Allocation*, 84 Fed. Reg. 47528 (September 10, 2019).

[21] See 84 Fed. Reg. 45838.

of FEMA staffing (both in numbers and proper training) negatively impacts many of my colleagues as well.

Question 2. You are responsible for not only helping your State navigate through FEMA's recovery programs, but also with the recent allocations of HUD CDBG–DR funding. Has this been a seamless process to leverage both programs? If they do not currently work hand in hand, what changes must be made in order for them to be more complimentary?

ANSWER. Both programs serve critical functions in our state. Unfortunately, disaster survivors must apply separately to FEMA programs and Community Development Block Grant–Disaster Recovery (CDBG–DR). These separate applications prevent a seamless process for individuals and states to leverage both programs. A reform to this process would be developing a "universal application," which would allow survivors to complete one application that would then be used by FEMA, the Department of Housing and Urban Development (HUD), and the Small Business Administration. Additionally, a standardized duplication of benefit review for all agencies would mitigate issues that arise between the programs. These changes would streamline the process for survivors and demonstrate our commitment at all levels of government to supporting our residents as they work to recover from a disaster.

Furthermore, the timelines for FEMA grant completion and an active CDBG–DR program are not integrated. Ensuring that these funding programs do not leave survivors without resources will improve the quality of customer service we are able to provide our residents. Ways to achieve this include permanently authorizing CDBG–DR and ensuring FEMA accomplishes their statutory mission of acting as coordinator of federal resources.

FEMA's Public Assistance Program

Question 3. What has been your State's experience with FEMA's National Delivery Model for its Public Assistance program? With your tenure working for the State before and after rollout of the new PA delivery model, do you feel that the new model will help cut through the red tape of Federal disaster recovery?

ANSWER. The implementation of any new delivery model is not a seamless process, but in North Carolina's experience with the new model been generally positive and the initial challenges of implementation have been largely resolved. For smaller disasters, we would like the opportunity to develop projects on site rather than forwarding to the Consolidated Resource Center (CRC).

Question 4. Following Sandy, this Committee was successful in passing a significant package of Stafford Act updates that included the then new Section 428, also known as "Alternative Procedures for Public Assistance."

428 was used extensively in the wake of Sandy and large projects that States opted to use it for seemed to move much faster than standard Public Assistance projects completed under the traditional Section 406 program.

We've now seen that where 428 is being used for all recovery projects—in Puerto Rico—that the process is no longer expedited. It appears that FEMA has created new red tape in its administration of 428. Has that been your State's experience?

ANSWER. It does appear that FEMA is requiring more from the applicant than originally anticipated for Section 428 projects. FEMA is conducting business through the Public Assistance delivery model to create a more efficient, timely, accurate, and successful process to recovery efforts. All projects are to go through the delivery model and grants portal to make the process more efficient and more transparent. As previously noted, new processes take time to implement and the initial challenges have largely been resolved although more training and experience is needed for working with Alternative Procedures at the Federal, State and Local level.

QUESTIONS FROM HON. MARK MEADOWS TO MICHAEL SPRAYBERRY, DIRECTOR, NORTH CAROLINA EMERGENCY MANAGEMENT, TESTIFYING ON BEHALF OF THE NATIONAL EMERGENCY MANAGEMENT ASSOCIATION

Question 1. Mr. Sprayberry, you highlight what you call the "cacophony" of federal grants programs and the fact they can be confusing. Do you believe that there needs to be better coordination and consistency across the various federal agencies that provide disaster assistance?

ANSWER. Yes. According to the GAO more than $400 billion was obligated to disaster assistance over 17 federal departments and agencies during fiscal years 2005 to 2017. This amalgam of programs requires dedicated efforts to coordinate and strengthen consistency to ensure disaster survivors can access the programs most applicable to their situations and the state utilizes taxpayer dollars in the most effi-

cient manner possible. FEMA is responsible for coordinating government-wide relief efforts and must continue to work across the federal interagency and with Congress to further improve these processes.

Question 2. Mr. Sprayberry, you recommend anticipating future conditions by broadening allowable project types. Can you provide some examples of the types of projects that should be considered?

ANSWER. The goal of FEMA, the states, and localities in the BRIC process is to produce innovative projects stemming from science-based studies which will improve buildings beyond minimum codes and strengthen infrastructure that can last for generations. It is essential we look beyond the conventional projects that stave off disaster for a year or two and consider how our work will impact resilience. These include mitigation for manmade and technological hazards. We look forward to applying a risk-management approach as we consider projects such as the hardening of interstate highways, our power generation and transmission infrastructure, our water supply and waster water management facilities, as well as floodproofing our communities to name but a few. The relentless onslaught of hurricanes and storms have severely affected our aging infrastructure and BRIC will be critical making progress towards a more resilient state and nation.

Question 3. Mr. Sprayberry, you recommend Congress provide the authority to grantees to blend mitigation projects from funding sources across government. Can you elaborate?

ANSWER. Through the Disaster Recovery Reform Act (DRRA), states are being encouraged to develop and implement large-scale, complex infrastructure projects. These projects are multi-faceted and require skills, capacity, and flexibility beyond the current suite of mitigation programs. Congress providing authority to blend mitigation projects from funding sources across government would allow grantees to appropriately scope projects to accomplish tangible ends that focus more on the transformative power of mitigation than a fixed number on a project worksheet.

QUESTIONS FROM HON. DINA TITUS TO HON. FERNANDO GIL-ENSEÑAT, SECRETARY OF THE DEPARTMENT OF HOUSING, COMMONWEALTH OF PUERTO RICO

FEMA's Public Assistance Program

Question 1. We have heard about significant challenges in administering Stafford Act Section 428 for the infrastructure work associated with Puerto Rico's recovery.

While Puerto Rico initially signed an agreement with FEMA to undertake all recovery projects using "Alternative Procedures for Public Assistance," it appears to have only further complicated the recovery.

Are there any challenges in the Commonwealth utilizing its own licensed engineers to prepare initial cost estimates for infrastructure projects?

ANSWER. With regard to projects obligate under Section 428—Alternate Procedures, the current Revised 428 Guide for Permanent Projects—FEMA 4339 DR–PR, as well as the previous version, does not accept cost estimates prepared by the Applicant or Subrecipients, whether or not they are prepared by licensed engineers. However, through recent discussions between COR3 and FEMA, FEMA has agreed to consider all assessments made by local licensed engineers after validation.

Question 2. What has been the Commonwealth's experience with FEMA's National Delivery Model since it was communicated to Puerto Rico earlier this year that it was going to be transitioning to the new model?

Have recent changes in FEMA leadership at the Joint Recovery Office led to any challenges in moving to the new delivery model or eased the transition?

ANSWER:

National Delivery Model—On May 13, 2019, FEMA announced that it would be transitioning the Puerto Rico location to the National Delivery Model. The implementation was commence on June 3, 2019. The National Model includes the following, among others: (1) use of the Consolidated Resources Center (CRC) to process and review subgrants; (2) the mandatory use of FEMA's project formulation system, Grants Manager and Grants Portal; (3) a transition in Grants Manager from custom-built workflows initially implemented in Puerto Rico to the Standard Lane work flows in use nationally; (4) a transition from old delivery model roles, including project specialists and Public Assistance Crew Leaders, to National Delivery Model roles, including program delivery managers and site inspectors. Even though we are hopeful that this new model will streamline the process, all these new and additional changes caused and continue to cause delay in the process.

Changes in FEMA leadership—Changes in FEMA's leadership in the past have definitively impacted the recovery as it has interrupted continuity. However, the

most recent change in FCO with Alex Amparo has been extremely positive for PR. Amparo's willingness to understand and sympathize with the island of PR and its people have opened a line of communication that the GPR had not seen in the past with other FCO's. So, it is safe to say that the recent change has been encouraging.

Navigating Multiple Federal Disaster Recovery Programs

Question 3. What has been Puerto Rico's experience with FEMA coordinating the various Federal assistance and recovery programs for which the State has qualified?

[If FEMA assistance has been helpful] Has your primary FEMA official assisting the state been the Federal Coordinating Officer, or a Federal Disaster Recovery Coordinator?

ANSWER:

Experience with FEMA—Hurricane Maria caused unprecedented damages to Puerto Rico. As such, FEMA's assistance during this recovery process has and will continue to be essential. The magnitude of recovery that must be accomplished requires constant collaboration between COR3 and FEMA. Although the process has been continuously changing and hence challenging, presently COR3 and FEMA, understand that we are on the right path to advancing Puerto Rico's recovery.

Primary FEMA Official—Since the aftermath of Hurricane Maria, the primary FEMA official assisting Puerto Rico has been a Federal Coordinating Officer.

Question 4. In your role as the Governor's Alternative Authorized Representative, you have worked closely throughout the recovery to Irma and Maria with the Central Office of Recovery, Reconstruction and Resiliency to navigate through FEMA's recovery programs, and also with HUD's CDBG–DR program.

Has this been a seamless process to leverage both programs? If they do not currently work hand in hand, what changes must be made in order for them to be more complimentary?

ANSWER. As the agency in charge of identifying, procuring, and administering all state, federal, and/or private resources for recovery, COR3 has strived to implement reconstruction efforts with efficiency and transparency and capitalize on opportunities to build back in a manner that makes Puerto Rico better, stronger, and more resilient. As such, in addition to working closely with FEMA to manage FEMA's recovery programs, COR3 has worked and continues to work hand in hand with Puerto Rico's Department of Housing, who is the grantee of the CDBG–DR funds allocated for Puerto Rico, in the management of HUD's CDBG–DR program.

Outstanding Reimbursements for Response and Recovery Work

Question 5. We have heard multiple reports regarding challenges some of the Commonwealth's vendors have encountered being paid for work already performed, including one source asserting that the government of Puerto Rico may owe over $155 million. We also understand from FEMA that it has provided over $100 million to the Commonwealth to pay vendors. Can you explain what is causing this delay?

ANSWER. To date, COR3's (Recipient) vendors have been paid all of the submitted and validated invoices. It is important to note, that just like any subrecipient's requests for reimbursements, the invoices submitted by COR3's vendors have to be validated in accordance to FEMA's requirements prior to the payment of the same. The validation process required by FEMA and COR3 as grantee of the federal funds, involves conducting a 100% completeness and compliance review of all invoices prior to payment. This process might take from 90–120 days. However, as matter of continuous improvement we are revising the process in order to make the process more efficient.

It is important to note, that since COR3's inception, vendors have been paid or have invoices waiting to be paid of over $400 million. As such, it is not only a matter of having the necessary funds available, but also conducting the necessary review of over 1000 page invoices.

Question 6. If any of the Commonwealth's vendors supporting the recovery cease work due to non-payment, what is the Commonwealth's plan to ensure the recovery continues without interruption?

ANSWER. Let us be very clear, there has not been an impact or interruption to the recovery process at any point. The Government of Puerto Rico has over 300 employees supporting the island's recovery and although contractors support this process, they do not drive or control the process. Furthermore, during the past 2 years, COR3 has increased its personnel capacity and plans to continue augmenting its staff 3 times the current base in order to be able to manage the recovery process without solely depending on its vendors. Moreover, all invoices submitted prior to January 2019 have been paid.

Please note, that Puerto Rico's fiscal year runs from July 2019 to June 2020. It is important to note however that there is a difference between an invoice's date and an invoice's submission date. For example, we have invoices from February 2019 being submitted in July 2019. Also, considering the above-mentioned process of completeness and compliance, there is a lead time to process all invoices in accordance to federal regulation. Moving forward, we have advised vendors to submit their invoices no later than 30 days from the previous month and with the staff augmentation that will occur during the next calendar COR3 will be able to considerably reduce the lead time that the process currently entails. Finally, more than welcome to share all invoices and accompanying documentation.

Question 7. We understand some of the Commonwealth's vendors still have unpaid invoices from last calendar year? Can you please explain how this is possible?

ANSWER. All of the invoices submitted prior to January 2019 have been paid.

Damage Assessments

Question 8. In the wake of the 2017 hurricanes, can you please discuss the Commonwealth's experience with preliminary damage assessments, as well as home by home assessments to help FEMA make determinations regarding its Individuals and Households Program.

ANSWER. Preliminary damage assessments pertaining to Individual and Household Programs were managed by FEMA and Emergency Management, not by COR3.

QUESTIONS FROM HON. DINA TITUS TO REESE C. MAY, CHIEF STRATEGY AND INNOVATION OFFICER, ST. BERNARD PROJECT

Disaster Assistance for Individuals and Households

Question 1. In your testimony, you say that in order for a disaster survivor to move forward with FEMA's Individual Assistance program, they must first be rejected. Can you please explain?

Do you have examples of people who, having been rejected by FEMA do not go on to apply to SBA for a loan?

Do you have a sense of a percentage of people who would qualify but either a) give up and don't complete applications after being rejected or b) settle for an amount less than what they would receive if they appealed their initial aid determination?

ANSWER. In my written testimony I included a flowchart of the FEMA assistance process. I will include it with these responses as well. The process is confusing for most and simply unnavigable for others. SBP's clients are hardworking America families, many of whom are hesitant to ask for help in the first place, and who often take an initial rejection as a final answer, crippling recovery efforts before they've even begun. Some of our clients were afraid to take on a Small Business loan for fear they'd be rejected again, or because they doubt their ability to repay even if they qualify. Most do not know that, in order to receive "Other needs assistance" from FEMA, part of the process requires a denial from SBA and a referral back to FEMA for this category of assistance. Until recently SBA loans for which survivors qualified but opted not to take could count against clients as a duplication of benefits, preventing survivors from receiving Other Needs Assistance grants and potentially counting against the value of future long term rebuilding assistance grants they might receive through HUD funded CDBG–DR programs operating at the state or local level. Many SBP clients appealed FEMA decisions but were not sure how to mount the strongest appeal or how to advocate for themselves throughout the process. SBP has helped hundreds of families in this position, and many of whom became our clients precisely because they were improperly denied, settled for an amount less than what they needed, or they simply couldn't take any more delay.

For this reason our team has created information campaigns and training tools to help more people access all the assistance they need and are eligible for after disasters. We'd be happy to work with members of this committee to spread those messages more widely before, during, and after future disasters.

SBP would also recommend a simplification of the application, review, and award determination process. A single application for FEMA Individual Assistance and SBA, that collects sufficient information to qualify an applicant for all eligible assistance from each source could be an interesting pilot opportunity in 2020. Many state and local governments would be willing partners in testing a simple, innovative solution like this.

Question 2. Your testimony noted a damage assessment analysis SBP conducted in Florida following Hurricane Michael. Can you talk about how that worked and what you found?

ANSWER. After Hurricane Michael made landfall in Florida, SBP began rebuilding quickly with our local partners. To ensure we were serving those who needed help the most signed a routine data sharing agreement with FEMA such that we could access individual assistance award amounts (and denials) along with the addresses of those impacted properties. From there, SBP formed a partnership with the National Insurance Crime Bureau who allowed SBP access to its extensive library of post-event flyover imagery of several communities in the Florida panhandle after Hurricane Michael. SBP detailed a team of three of its own employee as analysts who compared individual award amounts to images of roughly 2400 properties in a matter of days. We used what damage we could see in the aerial imagery versus the award amount. in order to determine whether an appeal may be worthwhile. We believe as many as 200 of the 2400 properties we inspected were potentially under-compensated. We presented this to leaders at FEMA headquarters and Region IV with state leaders. We later shared the information with local leaders who were able to get seven properties reinspected—five of which yielded a higher award ($3,000+ in each case) amount for the survivor. Imagine the impact this analysis could have at scale.

SBP has assembled a group of technology and insurance industry partners who are eager to help design and test tools for this kind of analysis in partnership with FEMA and with state and local governments. We would appreciate this committee's support in asking FEMA to pilot and test these methods of information collection and analysis in select, partner communities in 2020. Modern tools and techniques can help disaster survivors receive the assistance they need in a more prompt and predictable manner.

Question 3. SBP has a history in working in disaster-impacted communities that have qualified for CDBG–DR funding. In your experience, how long does it typically take for HUD CDBG–DR funds to directly impact survivors? How long does it typically take these programs to serve all eligible applicants?

ANSWER. It routinely takes two years or longer for congressionally appropriated funds to reach the first eligible citizens in an affected community. Some programs four to five years to achieve scale where programs are able to serve hundreds or thousands of applicants simultaneously. CDBG–DR programs routinely take six or more years to serve all eligible applicants and most programs fail to achieve this outcome on any timeline. This occurs for two primary reasons: One, there often aren't enough resources to serve all eligible applicants. Second is that some eligible applicants will abandon the program due to inefficiency and delay. These funds are intended specifically for our most vulnerable friends and neighbors—those who can least afford delay—but the funds take years to arrive, and no predictability whatsoever around what or when assistance may be available.

Question 4. Mr. May, you mentioned a public-private partnership model to possibly accelerate disaster recovery efforts, can you explain how that would work? Is there anything preventing it from working now?

ANSWER. The biggest problem with long term recovery is the amount of time it takes (two years or more) for usable recovery funds to actually reach communities. The delay has real, lasting, sometimes irreversible effects on survivors and their communities. The longer assistance is delayed the more costly recovery becomes for survivors and, ultimately, for taxpayers as well. This need not be the case. Social impact capital can bridge the gap by investing in low to moderate income home repairs, and be reimbursed by CDBG–DR funds when the arrive years later.

Once HUD announces an allocation for a grantee state or community, SBP would like to work with the impacted community to attract recovery investment and usable dollars to more quickly serve vulnerable populations. The fund will oversee or contract home repair services in bulk, making critical repairs early and reducing the total costs of repairs (early repairs are less expensive because they prevent homes falling into more extensive and expensive states of disrepair). The fund will then be reimbursed reasonable costs for eligible repairs when CDBG–DR funds become available to local government. This approach could remove the human toll of delayed recovery, transforming human suffering into a modest investment vehicle awaiting repayment. The Recovery Acceleration Fund can assist families and individuals who cannot wait years on government assistance to reach them, quickly stabilizing neighborhoods and attracting new and additional economic activity and investment.

SBP and its partners will use private donations and social impact capital to make and contract home repairs on behalf of low and moderate income families immediately after disasters. Earlier intervention and bulk-bid negotiating power can quick, long term repairs less expensive in total compared to traditional rebuilding programs. Quicker rebuilding restores hope in the community and makes increases

the likelihood that others will rebuild helping to stabilize impacted communities and neighborhoods. Finally, and most importantly, faster rebuilding prevents unnecessary suffering and delay in the recovery of low to moderate income families. We are testing this in the city of Houston a small scale now and we expect it to be successful. Our activities are compliant with current regulation. However, greater clarity from HUD about the acceptability and value of such an approach would allow us to more easily identify and partner with state and local leaders, and would allow us to more quickly attract investment at scale.

SBP will implement the Recovery Acceleration Fund in partnership with one to three communities in 2020. Support from members of this committee may help us identify and discuss with the right leaders at HUD. This simple financial innovation that could provide tens of millions of workable dollars to communities reducing the costs of the assistance itself and radically outpacing the speed of traditional government assistance.

QUESTIONS FROM HON. MARK MEADOWS TO REESE C. MAY, CHIEF STRATEGY AND INNOVATION OFFICER, ST. BERNARD PROJECT

Question 1. Mr. May, in in the Disaster Recover Reform Act, we enacted language to make clear a loan is not a duplication of benefits and made other changes to ensure the restrictions on duplication of benefits are more common-sense. Can you talk more about how such restrictions impact the work of organizations like yours to help more people?

ANSWER. The more this committee can do to simplify access to and delivery of assistance, the better off disaster-impacted Americans will be. Simple, common sense reforms like the duplication of benefits issue is a welcome relief and we are thankful for members of this committee and the progress made through the passing of Disaster Recovery Reform Act. The exclusion of loans as duplicative within the benefits review will unlock hundreds of millions of dollars in assistance for survivors around the country and will aid in the restoration of devastated communities, repairing the homes and lives of American families.

Still more can be done to simplify and we believe that a single application for SBA and FEMA assistance is a reasonable, achievable project that will simplify the process for millions of Americans affected by disasters each year.

Question 2. Mr. May, you highlight challenges with FEMA's damage assessment process. Can you talk more about the sampling done using the imagery provided by the National Insurance Crime Bureau and what it may say about the current process for assessments? Would moving to the insurance model of using technology potentially be more accurate and reduce the amount of staff needed for the assessments?

ANSWER. After Hurricane Michael made landfall, SBP began rebuilding quickly with local partners. To ensure we were serving those who needed help the most we signed a routine data sharing agreement with FEMA that allowed SBP to better understand the distribution of individual assistance awards (and denials) with specific impacted property addresses. From there, SBP was able to form a partnership with the National Insurance Crime Bureau who allowed SBP access to its extensive library of post-event flyover imagery of several communities in the Florida panhandle after Hurricane Michael. SBP detailed a team of 3 analysts who compared individual awards to images of roughly 2400 properties in a matter of days. We used what damage we could see in the aerial imagery versus the award amount. in order to determine whether an appeal may be worthwhile. We believe as many as 200 of the 24000 properties we inspected were potentially under-compensated. We presented this to leaders at FEMA HQ, in the region, and with state leaders. We later shared the information with local leaders who were able to get seven properties reinspected—five of which yielded a higher award ($3,000+ in each case) amount for the survivor. Imagine the impact this analysis could have at scale.

Presently, FEMA's primary method for assessing damage to homes after disasters is to have an individual inspector visit homes in person, one at a time, with paper and pen or a tablet device to assess damage. This method is slow, inconsistent, inaccurate and subject to potential error and bias. We believe that SBP's approach after Hurricane Michael—using similar technology and method of analysis offers a potential tool for immediate use at FEMA. This could allow FEMA to more quickly determine maximum grant awards (where homes are totally destroyed). I also provides a method to audit and monitor the consistency and accuracy of inspection outcomes across inspectors/neighborhoods. In the near term, use of these tools can help FEMA provide quicker, more accurate, and more transparent assistance to communities while also improving recovery outcomes for survivors. In the long term, a wider implementation of powerful technology could reduce FEMA's staffing needs, allowing

the agency to collect more and better information more quickly using technology instead of individual inspectors.

SBP has assembled a group of technology and insurance industry partners who are eager to help design and test tools for this kind of analysis in partnership with FEMA and with state and local governments. Modern tools and techniques can help disaster survivors receive the assistance they need in a more prompt and predictable manner. We would appreciate this committee's support and participation in asking FEMA to pilot and test these methods of information collection and analysis in select, partner communities in 2020.

QUESTIONS FROM HON. PETER A. DEFAZIO TO DAVID WOLL, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Question 1. When does the Department of Housing and Urban Development (HUD) plan to allocate the Community Development Block Grant Disaster Recovery (CDBG–DR) mitigation funds previously awarded to Puerto Rico?

ANSWER. On April 10, 2018, HUD published allocations for all grantees receiving CDBG–DR mitigation funding (CDBG–MIT). Further, mitigation grant requirements have been issued for all 16 CDBG–MIT grantees. The first CDBG–MIT Action Plans are due from a portion of these grantees on February 3, 2020.

Question 2. To what extent do the 2017 CDBG–DR grantees have grant agreements in place that allow them to access their funds for unmet needs?

ANSWER. Grant agreements have been executed for all grantees that received funds for 2017 disasters. Florida, Puerto Rico, Texas, and the U.S. Virgin Islands (USVI) all have executed grant agreements for their 2017 allocation under Public Law 115–56. All of the grantees that received funds for unmet needs for disasters that occurred in 2017 under Public Law 115–123—California, Florida, Georgia, Missouri, Texas, Puerto Rico and the USVI—have executed grant agreements or have received grant agreements from HUD for execution.

Question 3. What steps has HUD taken to monitor the 2017 CDBG–DR grants awarded to Puerto Rico, Texas, the U.S. Virgin Islands, and Florida?

ANSWER. In FY19, HUD completed 35 monitoring visits and 24 technical assistance engagements with its CDBG–DR grantees. Texas, Florida, Puerto Rico, and USVI were each monitored onsite at least twice, and HUD completed several other onsite and remote reviews in FY 2019. HUD has also appointed a Federal Financial Monitor (FFM) to enhance its oversight of HUD funding for recovery by Puerto Rico and the U.S. Virgin Islands, and is building staff to support the work of the FFM. Additionally, the Office of Community Planning and Development (CPD), which administers CDBG–DR funds, is coordinating with HUD's Departmental Enforcement Center (DEC) to establish a new process for ongoing monitoring of voucher draws for the Department's highest risk 2017 grantees. CPD and the DEC are finalizing the protocols for this process and CDP has recently provided DEC staff with training in voucher reviews through its Disaster Recovery Grant Reporting system.

Question 4. What steps has HUD taken to conduct workforce planning for the division that manages CDBG–DR to ensure that it has sufficient staff to manage a growing portfolio of grants?

ANSWER. CPD conducted a workload analysis of the Disaster Recovery and Special Issues Division, which included incoming grants for CDBG–MIT, 2018 disasters, and 2019 disasters. In FY2018, the Disaster Recovery and Special Issues Division was comprised of 22 staff. Over the course of FY2019 and 2020 the Division has added an additional 25 staff, more than doubling the Division's staffing capacity. HUD has also outstationed an increasing portion of the staff from HUD Headquarters to our Field Offices, building regional grants management teams in New York, Atlanta, Fort Worth and San Francisco, in order to provide our grantees with more ready access to HUD resources and expertise. Additionally, CPD developed and implemented a robust training series for division staff to ensure the division not only has sufficient staff, but that the staff are trained to manage the disaster and mitigation grants.

QUESTIONS FROM HON. DINA TITUS, ON BEHALF OF HON. STEVE COHEN, TO DAVID WOLL, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The West Junction/Walker Homes Coalition in Memphis has raised concerns regarding the release of HUD National Disaster Resiliency Grant funds (B–13–US–

470002) for the South Cypress Creek Watershed and West Junction Neighborhood Redevelopment project. The following questions are based on those concerns:

Question 1. When were impacted residents informed of your findings of no significant impact?

ANSWER. The recipient, not HUD, makes findings related to environmental review. A combined public notice fora Request for Release of Funds (RROF) and Finding of No Significant Impact (FONSI) were advertised onSeptember 19, 2019, in the Tri-State Defender, Memphis Flyer; on September 20, 2019, in the DailyNews; and in LaPrensa Latina on September 22, 2019. The advertisement ran for 22 days in localpublications.

Question 2. When were impacted residents notified about the completion of the environmental review results?

ANSWER. See answer above on date of the RROF and FONSI notices.

Question 3. What will the money allocated for South Cypress Creek watershed be used for?

ANSWER. It will be used for watershed restoration within South Cypress Creek Basin and redevelopment in the West Junction Neighborhood. The project will expand storm water capacity by removing obstructions, stabilizing the stream banks, and installing stormwater management facilities. These treatments will provide storage and detention of peak flows to reduce the flood stage and adjacent properties risk of flooding. Neighborhood Redevelopment Activities will include a property acquisition program to purchase existing at-risk properties located below an elevation of 231.00 feet above sea level, within the floodplain in the West Junction neighborhood. The redevelopment effort also includes the development of strategies for community redevelopment projects such as allowing residents the opportunity to expand their existing properties by acquiring adjacent vacant lots as well as reclaiming vacant lots to introduce uses like food production, community park space, stormwater retention, and expansion of natural areas.

Question 4. Please provide a copy of the environmental review results.

ANSWER. Due to the size of the file, access is provided through this hyperlink. https://www.dropbox.com/sh/4ce16es7lxa314h/AACfia9mNuNPzIu7ywWu4KMja?dl=0

Question 5. Why was an environmental impact study not conducted?

ANSWER. An environmental impact study was not required due to the FONSI determination based on the Environmental Assessment.

Question 6. This Southwest Memphis low-income community is very vulnerable to flooding from both high water levels in South Cypress Creek and localized flooding from severe rain events in addition to vacancy and blight.

a. What steps are being taken to assure the community is not at a high-risk of flooding in the future and how are un-met needs being taken care of?

ANSWER. The redevelopment effort also includes the development of strategies for community redevelopment projects such as allowing residents the opportunity to expand their existing properties by acquiring adjacent vacant lots as well as reclaiming vacant lots to introduce uses like stormwater retention, and expansion of natural areas that can help with flood risk reduction, as well as meeting other community needs such as food production and community park space.

Question 7. Would HUD representatives be willing to meet with the West Junction/Walker Homes residents to provide an explanation and address their concerns?

ANSWER. Yes, HUD staff can be available for a teleconference.

QUESTION FROM HON. GARRET GRAVES TO DAVID WOLL, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Question 1. A major priority of this committee was fixing Duplication of Benefits conflicts within the Stafford Act in DRRA. However, when HUD published guidance in the *Federal Register*, they created a new eligibility requirement for assistance.

Can you comment on this new 120% AMI requirement for individuals to be eligible for duplication of benefits relief, when the law states very clearly that loans are not to be duplicative of a grant for anyone?

ANSWER. Section 1210 of the Disaster Recovery Reform Act (DRRA) prohibits treatment of a loan as a duplication of benefit under Section 312 of the Stafford Act for certain disasters. However, the DRRA is silent with respect to whether or not agencies should make available Federal grant funds for the purpose of paying down a Federal loan provided for disaster losses. Per FEMA's implementation guidance, "whether particular grant funds are available for the purpose of paying down a loan

provided for disaster losses is a determination reserved for the grant awarding agency, pursuant to its statutory program authorities and appropriations." (https://www.fema.gov/media-library-data/1551126628749-68761acce84dda93f590eb91676ce63e/Section_1210_FactSheet_Final_Draft_2019.pdf)

CDBG–DR funds are provided for long-term disaster recovery to assist activities under Title I of the Housing and Community Development Act of 1974. The primary objective of Title I is the development of viable communities by the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. In authorizing the use of CDBG–DR funds for the reimbursement of costs paid with subsidized loans, the Department must ensure that a grantee's CDBG–DR resources will remain available principally to benefit low- and moderate-income persons. The Department notes that many CDBG–DR grantees face challenges in meeting this requirement. The Department recognizes, however, that CDBG–DR funds are provided as a federal block grant to States and local governments with an understanding that these grantees are best positioned to address the long-term disaster recovery needs of their communities by working within the requirements of the CDBG program, including the overall low- and moderate-income benefit requirement and the requirement that the use of all funds meet a national objective.

As such, HUD's policy is consistent within the parameters of the DRRA, Title I of the Housing and Community Development Act, and various CDBG–DR appropriations, as enacted.

QUESTIONS FROM HON. STACEY E. PLASKETT TO DAVID WOLL, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Question 1. It has been over eight months since HUD approved the Virgin Islands' action plan for the 2nd tranche of CDBG–DR, covering unmet needs, on March 1, 2019. However, HUD has still not yet entered into a grant agreement with the government of the Virgin Islands to allow for disbursement of those funds to the territory. The 1st tranche of CDBG–DR funds, covering unmet needs, took 72 days from action plan approval to execution of grant agreement.

Numerous key projects rely on funds that span both tranches. In addition, over $100 million in matching funds required for FEMA Public Assistance projects already underway are in the second tranche.

Question 1a. When will HUD be entering into a grant agreement with the government of Virgin Islands to make the second tranche of unmet needs funding available for the recovery of the territory?

ANSWER. HUD has provided the grant agreement to the U.S. Virgin Islands (USVI) for the second allocation and once returned by the USVI, will act quickly to make these funds available. It is important to note that the USVI has full access to its initial allocation of $242,684,000 and, as of December 31, 2019, had expended $1,137,255 of that funding. HUD has also provided the USVI with a grant agreement for that will allow it to access its $779,217,000 second allocation.

Question 1b. Why has it taken HUD over eight months to put a grant agreement with the territory in place for tranche 2 if it took only 72 days from action plan approval to execution of grant agreement for tranche 1?

ANSWER. HUD has made a number of revisions to its CDBG–DR grant agreement in order to incorporate all of the appropriate grant conditions to address the unmitigated high risks identified for each grantee, including the USVI.

Question 1c. Since HUD has not yet made tranche 2 available to the Virgin Islands more than two years after hurricanes Irma and Maria, and more than one year after execution of the tranche 1 grant agreement on September 20, 2018, will HUD be open to extending the deadline for expenditure of tranche 2 funds beyond 6 years from September 20, 2018?

ANSWER. The expenditure deadline for each tranche is established in the applicable *Federal Register* notice. The deadline is administrative, not statutory, and HUD will review deadlines as needed.

Question 2. When HUD issued its *Federal Register* Notice for the 3rd tranche of CDBG–DR for the Virgin Islands, covering mitigation activities, on September 4, 2019, it excluded projects related to the electric grid until after HUD publishes its *Federal Register* Notice for tranche 4, the additional CDBG–DR funding set aside for electric system improvements in Hurricane Maria areas.

When will HUD release the *Federal Register* Notice for tranche 4 so that the Virgin Islands action plan for the mitigation funding may include projects related to the electric grid?

ANSWER. A federal investment of this magnitude requires a comprehensive plan for each jurisdiction's electrical power systems. HUD's expertise is not in energy delivery and the Department has been working closely with FEMA and the Department of Energy to better understand the future energy needs of both Puerto Rico and the USVI. HUD also acknowledges the financial and capacity concerns surrounding each grantee's current energy provider which also must be addressed.

Question 3. Of the $2 billion in CDBG–DR funds set aside for electric system improvements in Hurricane Maria areas (tranche 4), HUD allocated only $67.6 million for the Virgin Islands. $67.6 million out of the $2 billion total amounts to less than 4% of the funds. Meanwhile, power generation capacity in the Virgin Islands is such that residential rates run as high as 47 cents per kilowatt-hour.

Question 3a. Why was so little allocated for electric system improvements in the Virgin Islands? Is there anything HUD can do to remedy this imbalance?

ANSWER. An April 10, 2018, memo drafted by HUD's Office of Policy Development and Research outlines the calculations for allocations of CDBG–DR funding to address unmet needs, mitigation, and electrical power systems. The $2 billion in electrical power systems funding was directed only to areas impacted by Hurricane Maria and was allocated between the U.S. Virgin Islands and Puerto Rico based on their relative share of the FEMA Public Assistance estimates for Category F—Utilities as of March 30, 2018. HUD made the allocation using a methodology consistent with past practice on how to allocate funding for infrastructure need, depending on FEMA cost estimates. HUD does not agree that this method created an imbalance. Both the U.S. Virgin Islands and Puerto Rico had severe damage to their electrical grids. On a per capita basis the U.S. Virgin Islands receives a larger allocation for the electric grid funding, $631 per person for the U.S. Virgin Islands versus $605 per person for Puerto Rico. When looking at the full amount allocated to the U.S. Virgin Islands for unmet needs and mitigation allocated to date, $1.917 billion, their per capita amount is $17,874, which is nearly three times the $6,330 per capita allocated for Puerto Rico.

Question 3b. If any of the $2 billion total goes unspent by other grantees, will HUD re-allocate the remaining unspent funds to the Virgin Islands, which needs additional funds to enhance and improve its electric systems?

ANSWER. It is too premature to discuss unspent balances. The U.S. Virgin Islands has been allocated $1.9 billion for recovery and mitigation, and of the $242,684,000 already available to them has only expended $1,137,255 as of December 31, 2019. HUD has also provided the USVI with a grant agreement for that will allow it to access the full amount of its $779,217,000 second allocation.

Question 4. After Hurricanes Irma and Maria in the Virgin Islands, some people who had insurance did not have enough to cover all costs. Some of them took out a Small Business Administration (SBA) loan to begin recovery and work on their homes right away. Some of those who took out SBA loans to help cover the gap are still saddled with those loans, and many of these individuals had completely destroyed homes.

Under Section 1210 of the Disaster Recovery Reform Act of 2018, governors have the ability to request a waiver of Stafford Act prohibitions regarding duplication of federal benefits, if it is in the public interest and will not result in waste, fraud, and abuse. In carrying out this authority, the Act clarifies that a loan cannot be determined to be a duplication of assistance.

With this new provision in federal law, will those who took out an SBA loan right after a major disaster be able to use any Community Development Block Grant funds that they receive to repay their SBA loan?

ANSWER. Section 1210 of the Disaster Recovery Reform Act (DRRA) prohibits treatment of a loan as a duplication of benefit under Section 312 of the Stafford Act for certain disasters. However, the DRRA is silent with respect to whether or not agencies should make available Federal grant funds for the purpose of paying down a Federal loan provided for disaster losses. Per FEMA's implementation guidance, "whether particular grant funds are available for the purpose of paying down a loan provided for disaster losses is a determination reserved for the grant awarding agency, pursuant to its statutory program authorities and appropriations." (https://www.fema.gov/media-library-data/1551126628749-68761acce84dda93f590eb91676ce63e/Section__1210__FactSheet__Final__Draft__2019.pdf)

CDBG–DR funds are provided for long-term disaster recovery to assist activities under Title I of the Housing and Community Development Act of 1974. The primary objective of Title I is the development of viable communities by the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. In authorizing the use of

CDBG–DR funds for the reimbursement of costs paid with subsidized loans, the Department must ensure that a grantee's CDBG–DR resources will remain available principally to benefit low- and moderate-income persons. The Department notes that many CDBG–DR grantees face challenges in meeting this requirement. The Department recognizes, however, that CDBG–DR funds are provided as a federal block grant to States and local governments with an understanding that these grantees are best positioned to address the long-term disaster recovery needs of their communities by working within the requirements of the CDBG program, including the overall low- and moderate-income benefit requirement and the requirement that the use of all funds meet a national objective.

As such, HUD's policy is consistent within the parameters of the DRRA, Title I of the Housing and Community Development Act, and various CDBG–DR appropriations, as enacted.

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