

FEMA PRIORITIES FOR 2022: STAKEHOLDER PERSPECTIVES

(117-41)

REMOTE HEARING
BEFORE THE
SUBCOMMITTEE ON
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND
EMERGENCY MANAGEMENT
OF THE
COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTEENTH CONGRESS

SECOND SESSION

FEBRUARY 16, 2022

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[†]The 10 stakeholder organizations are: Association of State Floodplain Managers, Inc., BuildStrong Coalition, International Association of Fire Chiefs, National League of Cities, National Low Income Housing Coalition, Natural Resources Defense Council, National Rural Electric Cooperative Association, The Pew Charitable Trusts, The Refuge Resource Group, and SmarterSafer Coalition.



Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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FEBRUARY 11, 2022

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 “FEMA Priorities for 2022: Stakeholder Perspectives.”

PURPOSE

The Subcommittee on Economic Development, Public Buildings, and Emergency Management will meet on Wednesday, February 16, 2022, at 2:00 p.m. in 2167 Rayburn House Office Building and via Zoom to receive testimony on “FEMA Priorities for 2022: Stakeholder Perspectives.” At the hearing, Members will receive testimony from witnesses who are emergency management experts and represent key external Federal Emergency Management Agency (FEMA) stakeholders to gauge their perspective regarding what efforts the agency should prioritize in this year. The Subcommittee will hear from the U.S. Government Accountability Office (GAO), National Emergency Management Association, and International Association of Emergency Managers.

BACKGROUND

When disaster strikes, state, territorial, and Tribal governments may request the President declare a major disaster or emergency pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act).¹ If the president declares a major disaster or emergency, FEMA is authorized to provide response and recovery assistance in the form of individual assistance, public assistance, or both funded from the Disaster Relief Fund.

FEMA also provides assistance through specialized programs and grants to assist state, local, Tribal, and territorial governments prepare for, mitigate against, and respond to disasters. These include the Emergency Management Assistance Compact (EMAC) which facilitates mutual aid across jurisdictions;² the Urban Search and Rescue (USAR) teams which are deployed to support search and rescue operations;³ Emergency Management Performance Grants (EMPG) to support preparation and capacity at the state and local levels of government;⁴ Building Resilience Infrastructure and Communities (BRIC) grant program supporting pre-disaster

¹ 42 U.S.C. § 5121 et seq.

² 6 U.S.C. § 761.

³ 6 U.S.C. § 722; 42 U.S.C. § 5165f.

⁴ 6 U.S.C. § 762.

mitigation investments;⁵ and the post-disaster Hazard Mitigation Grant Program (HMGP).⁶

PUBLIC ASSISTANCE (PA)

Pursuant to a declaration under the Stafford Act, FEMA PA programs reimburse state, local, Tribal, and territorial governments and certain non-profit organizations for the cost of emergency protective measures, debris removal, and repair and replacement of public infrastructure damaged in a disaster.⁷ Due to the increased frequency and intensity of natural disasters, fiscal year (FY) 2020 marked the largest obligation for PA to date—even when excluding PA obligations related to COVID-19.⁸ FEMA’s National Advisory Council found that applicants consistently report that “the PA process feels disjointed, is overburdensome, and has far too many requirements.”⁹ Some communities with limited resources have reported that navigating the PA process is so challenging that they opt to forgo the program.¹⁰

PA recipients are responsible for a percentage of recovery costs, which is termed the non-federal cost-share.¹¹ The President has the authority through the Stafford Act to reduce or waive the non-federal cost-share. FEMA recommends that the federal cost share be increased from 75% to 90% if the estimated cost of PA exceeds \$151 dollars per capita.¹² The Committee received testimony that suggested that even a reduced cost share may still be burdensome for some communities.¹³

PA funds sourced through PA mitigation and the post-disaster Hazard Mitigation Grant Program (HMGP) can be used by communities to build back more resiliently after a disaster.¹⁴ FEMA funds PA mitigation projects with a minimum 75 percent federal share.¹⁵ Proposed PA mitigation projects are evaluated by FEMA by considering four factors: risk reduction, cost-effectiveness, technical feasibility, and compliance with applicable laws and regulations.¹⁶ Confusion surrounds the eligible uses of PA mitigation and HMGP funds for the same project.¹⁷ FEMA’s Public Assistance Program and Policy Guide states:¹⁸

“The Applicant may use both PA mitigation and HMGP mitigation funds to implement mitigation measures on the same facility, but not for the same work. The Applicant cannot use funds from one of these mitigation programs to meet the non-Federal cost share of work funded under the other mitigation program.”

“Eligible PA mitigation measures are those the Applicant performs on the damaged portion(s) of the facility. If the Applicant proposes mitigation measures that are distinct and separate from the damaged portion(s) of the facility, FEMA evaluates the proposal and determines eligibility on a case-by-case basis considering how the mitigation measure protects the damaged portion(s) of the facility and whether the mitigation measure is reasonable based on the extent of damage.”

A survey conducted by FEMA’s National Advisory Council found that PA applicants want to leverage mitigation funds.¹⁹ However, spending on mitigation though

⁵ Section 1234, Disaster Recovery Reform Act of 2018, Public Law 115–254.

⁶ 42 U.S.C. 5170c

⁷ GAO. (December 2021). *Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers*. GAO–22–104039

⁸ CRS. (2021). FEMA’s Public Assistance Program: A Primer and Considerations for Congress.

⁹ National Advisory Council. (December 2021). *Report to the Administrator*. https://www.fema.gov/sites/default/files/documents/fema_nac-2021-report-211216.pdf

¹⁰ Id.

¹¹ GAO. (December 2021). *Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers*. GAO–22–104039

¹² CRS. (April 1, 2021). FEMA’s Public Assistance Program: A Primer and Considerations for Congress. <https://sgp.fas.org/crs/homesecc/R46749.pdf>

¹³ Subcommittee on Economic Development, Public Buildings, and Emergency Management. (October 27, 2021). *Hearing: Are FEMA’s Programs Adequately Designed to Assist Communities Before, During, and After Wildfire?* Testimony submitted by Casey Hatcher.

¹⁴ FEMA. (2020). *Mitigate Disaster Damage with FEMA Public Assistance*. <https://www.fema.gov/sites/default/files/2020-06/fema-pa406-mitigation-brochure.pdf>

¹⁵ Id.

¹⁶ Id.

¹⁷ National Academies Press. (June 2014). *Disaster Recovery Funding: Achieving a Resilient Future?* & National Advisory Council. (December 2021). *Report to the Administrator*. https://www.fema.gov/sites/default/files/documents/fema_nac-2021-report-211216.pdf

<https://www.ncbi.nlm.nih.gov/books/NBK316517/>

¹⁸ FEMA. (June 2020). *Public Assistance and Policy Guide: Version 4*. https://www.fema.gov/sites/default/files/documents/fema_pappg-v4-updated-links_policy_6-1-2020.pdf

¹⁹ National Advisory Council. (December 2021). *Report to the Administrator*. https://www.fema.gov/sites/default/files/documents/fema_nac-2021-report-211216.pdf

the PA program has not been consistent with the increase in spending on recovery due the increased frequency and intensity of natural disasters.²⁰ The complexity of the PA mitigation and HMGP guidance has created an equity issue since applicants with limited resources are often unable to navigate this process.²¹ As a result, these applicants cannot build back to be more resilient, which increases their vulnerability and likelihood for repetitive loss.²²

INDIVIDUAL ASSISTANCE (IA)

FEMA IA programs include the Individuals and Households Program (IHP), Mass Care and Emergency Assistance, the Crisis Counseling Assistance and Training Program, Disaster Unemployment Assistance, Disaster Legal Services, and Disaster Case Management.²³ IHP is the primary FEMA program to assist disaster survivors; it covers housing needs such as home repair, limited property replacement, and rental assistance.²⁴ While FEMA's IA programs—authorized by the Stafford Act—are not intended to replace insurance or meet the full post-disaster needs of survivors, recent declared events have been a cause for concern regarding both denial rates for IA, as well as suspected fraudulent registrations for FEMA assistance.²⁵

In May 2021, Chairs DeFazio and Titus, along with Ranking Members Graves (MO) and Webster, sent a letter to the FEMA Administrator expressing frustration that the approval rate for IHP applications has reached an all-time low.²⁶ Following the September 2020 wildfires in Oregon, FEMA denied 70 percent of IHP assistance requests after it filtered out applications that were potentially fraudulent.²⁷ Following the 2017 and 2018 fire seasons in California, 48,856 individuals applied for IHP and about only one-fifth received some amount of assistance.²⁸

The application process for IHP has repeatedly been described as overwhelming and confusing by disaster survivors.²⁹ Applicants must navigate a series of steps before FEMA registers a decision on their application. Survivors of the December 2021 Kentucky tornadoes have told Committee staff that their IA denial letters did not clearly state the reason for a denial. Without a reason for denial, disaster survivors feel they do not have enough information to successfully navigate the appeal process.

In December 2021, GAO reported that federal recovery programs, including FEMA's IA programs, lack key information that would enable officials to identify barriers to access and disparate outcomes and establish processes to overcome such barriers and disparities.³⁰ In 2021, FEMA requested authority from the Office of Management and Budget (OMB) to begin asking IA applicants for demographic information.³¹ Advocacy groups, such as the National Low Income Housing Coalition, have urged FEMA to make this data accessible to the public—once it is available.³²

²⁰ Id.

²¹ Id.

²² Id.

²³ FEMA. (May 2021). *Individual Assistance Program and Policy Guide (IAPPG)*. https://www.fema.gov/sites/default/files/documents/fema_iappg-1.1.pdf

²⁴ CRS. (December 5, 2019) *FEMA Individual Assistance Programs: An Overview* (R46014) <https://sgp.fas.org/crs/homesec/R46014.pdf>.

²⁵ NPR. (July 1, 2021). *As Western Wildfires Worsen, FEMA is Denying Most People Who Ask for Help*. As Climate Change Worsens Wildfires, FEMA Denies Most California, Oregon Claims : NPR

²⁶ T&I. (May 13, 2021) *Letter to FEMA Administrator*. <https://transportation.house.gov/news/press-releases/committee-leaders-question-fema-after-approvals-for-disaster-survivor-aid-program-falls-to-all-time-low>.

²⁷ NPR. (July 1, 2021). *As Western Wildfires Worsen, FEMA is Denying Most People Who Ask for Help*. As Climate Change Worsens Wildfires, FEMA Denies Most California, Oregon Claims : NPR

²⁸ University of Pennsylvania Risk Management and Decision Processes Center. (April 16, 2020). *Wildfires and Recovery: FEMA's Individual Assistance Funding Provides Important Support—But Unfunded Damages Remain*. *Wildfires and Recovery: FEMA's Individual Assistance funding provides important support—but unfunded damages remain—Risk Management and Decision Processes Center* (upenn.edu)

²⁹ GAO. (October 2019). *Wildfire Disasters: FEMA Could Take Additional Actions to Address Unique Response and Recovery Challenges*.

³⁰ GAO. (December 2021). *Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers*. GAO-22-104039.

³¹ Id.

³² E&E News. (December 3, 2021). *FEMA Wants to Track Race of Disaster Victims for First Time*. <https://www.eenews.net/articles/fema-wants-to-track-race-of-disaster-victims-for-first-time/>

HAZARD MITIGATION ASSISTANCE (HMA)

Implementing mitigation measures is a proven way to reduce the impact of natural disasters.³³ To make communities more resilient to future hazard events and minimize the financial strain of disaster recovery, this Committee has stressed that investing in mitigation efforts should be a federal priority, and established permanent authorizations for both pre- and post-disaster mitigation programs as well as funding them via calculations from response and recovery expenses from FEMA's Disaster Relief Fund.³⁴

As with FEMA's PA program, applicants have expressed difficulty navigating FEMA's mitigation grants applications, particularly small, rural, and disadvantaged communities with limited staff and resources. Communities with large tax-bases often can afford hiring professional consultants to complete successful mitigation grant applications. The Committee has received information from small, rural, and disadvantaged communities that cannot afford to hire such consultants that they do not have the fiscal resources for consultants nor the staff with enough bandwidth or expertise to write grant applications in addition to their day-to-day emergency management responsibilities. FEMA's own summary of stakeholder feedback for its Building Resilient Infrastructure Communities (BRIC) grants quoted subgrantees that said the BRIC grant was, "too hard and not worth the time and effort to apply."³⁵

Removing barriers and simplifying the mitigation assistance process will make FEMA's programs more equitable and communities more resilient. Unprecedented investments across FEMA's HMA suite—\$500 million for BRIC and \$3.5 billion for Flood Mitigation Assistance (FMA) as part of the recently enacted Infrastructure Investment and Jobs Act (IIJA, Pub. L. 117–58), as well as the president's approval of some Hazard Mitigation Grant Program (HMGP) assistance for COVID–19 major disaster declarations—make reforming the mitigation grant process a timely issue.³⁶

WORKFORCE CHALLENGES

FEMA's workforce is divided into 23 cadres that are organized by responsibilities of work.³⁷ Each cadre is composed of permanent full-time (PFT) workers, Cadre of On-Call Response Recovery Employees (CORE), and Reservists.³⁸ PFTs are full-time workers eligible for career tenure.³⁹ CORE employees are hired to work for a period of two to four years; their positions may be renewed if disaster work is ongoing at the end of the term and funding is available from the Disaster Relief Fund.⁴⁰ Reservists serve on an on-call basis and assist disaster survivors and first responders on the site of major disasters.⁴¹

FEMA's PFT workforce volume has remained steady over time. The volume of CORE and Reservist employees has increased by approximately 30 percent since 2018.⁴² However, in January 2022, a FEMA panel told the GAO that the agency is still struggling to adequately address its workload.⁴³ Every major disaster declaration adds to FEMA's backlog of work; presently, the agency is actively managing more than 1,000 incidents.⁴⁴

Workforce challenges impact FEMA's ability to successfully fulfill its mission. The GAO has reported that workforce-related issues has impacted the quality of recovery services in Puerto Rico; high turnover rates among employees responsible for overseeing PA projects has created unnecessary confusion according to municipal and Commonwealth of Puerto Rico agency officials.⁴⁵ Low morale and inadequate

³³ GAO. (February 2021). *FEMA Should Take Additional Steps to Streamline Hazard Mitigation Grants and Assess Program Effects*, GAO–21–140.

³⁴ Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act, P.L. 93–288, as amended), Sections 203, 404, 404(d).

³⁵ FEMA (March 2020). *Summary of Stakeholder Feedback: Building Resilient Infrastructure Communities (BRIC)*. https://www.fema.gov/sites/default/files/2020-06/fema_bric-summary-of-stakeholder-feedback-report.pdf

³⁶ CRS. (November 16, 2021). *Recent Funding Increases for FEMA Mitigation Assistance*. <https://crsreports.congress.gov/product/pdf/IN/IN11733>

³⁷ <https://www.fema.gov/careers/position-types/cadres>

³⁸ Id.

³⁹ Id.

⁴⁰ Id.

⁴¹ Id.

⁴² Federal News Network. (January 26, 2022). *FEMA Suffering Staffing Shortages and Natural Disasters Intensify*. <https://federalnewsnetwork.com/agency-oversight/2022/01/fema-suffering-staffing-shortages-as-natural-disasters-intensify/>

⁴³ Id.

⁴⁴ Id.

⁴⁵ GAO. (January 2022). *FEMA Workforce: Long-Standing Challenges and New Challenges Could Affect Mission Success*. GAO–22–105631

training within FEMA's call centers prevented employees from adequately assisting survivors seeking IA following the catastrophic 2017 and 2018 hurricane seasons.⁴⁶ Most recently, burnout and low morale have made it challenging for FEMA's workforce to implement the COVID-19 funeral assistance program.⁴⁷

In January 2022, the GAO identified three factors limiting FEMA's workforce readiness:⁴⁸

- *Staffing shortages*: The 2017 and 2018 disaster seasons resulted in the deployment of over 10,000 FEMA personnel. A workforce shortage existed when the disaster season began and 18 of 23 cadres operated with staffing levels that were 25 percent lower than full capacity. Additionally, nearly 50 percent of FEMA reservists declined deployments to certain disasters citing burnout and poor working conditions in the field. GAO expressed concern that FEMA may be unable to manage a catastrophic natural disaster because of its workforce shortages.⁴⁹
- *Workforce Qualifications*: FEMA's qualification and training processes have not adequately kept pace with need. Field leaders have told GAO that new hires do not have the training necessary to fulfill their duties during deployments.⁵⁰
- *Staff Development*: Reservists make up 35 percent of FEMA's workforce during a disaster deployment. Reservists have reported that they often receive training to fulfill their duties on the job site; they are unable to receive compensation for participating in training programs prior to a disaster deployment. FEMA hired 3,200 Reservists from June 2017 to May 2019; these new hires now make up 40 percent of the Reservist work force. Lack of adequate training, increased frequency of disasters, a workplace culture that contributes to harassment and discrimination, and few benefits have negatively impacted workplace morale and retention.⁵¹

CONCLUSION

Given the recent intensity and frequency of natural disasters, it is critical that FEMA make reforms to improve its mitigation and recovery programs. Improvements to FEMA's workforce will enable the agency to better assist disaster stakeholders and survivors. The GAO has provided numerous recommendations to FEMA (see supplementary information) regarding reforms that may rectify FEMA's current shortcomings—many of which remain outstanding.

WITNESS LIST

- Chris Currie, Director, Homeland Security and Justice, U.S. Government Accountability Office
- Erica Bornemann, Director, Vermont Emergency Management, *on behalf of* the National Emergency Management Association
- Carolyn Harshman, President, International Association of Emergency Managers

⁴⁶ Id.

⁴⁷ Washington Post. (December 2021). "My Sincere Condolences." <https://www.washingtonpost.com/nation/2021/12/21/fema-covid-funeral-assistance/>

⁴⁸ GAO. (January 20, 2022). *FEMA Workforce: Long Standing and New Challenges Could Affect Mission Success*. GAO-22-105631.

⁴⁹ Id.

⁵⁰ Id.

⁵¹ Id.

SUPPLEMENTARY INFORMATION

The following are GAO recommendations to FEMA marked as ‘open’:

Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers. (December 2021)⁵²

- The FEMA Administrator should, in coordination with the SBA Associate Administrator of the Office of Disaster Assistance and the HUD Assistant Secretary for Community Planning and Development, develop, with input from key recovery partners, and implement an interagency plan to help ensure the availability and use of quality information that includes (1) information requirements, (2) data sources and methods, and (3) strategies for overcoming information challenges—to support federal agencies involved in disaster recovery in identifying access barriers and disparate outcomes.
- The FEMA Administrator should coordinate with the SBA Associate Administrator of the Office of Disaster Assistance and the HUD Assistant Secretary for Community Planning and Development to design and establish routine processes to be used within and across federal disaster recovery programs to address identified access barriers and disparate outcomes on an ongoing basis.

COVID-19: Additional Actions Needed to Improve Accountability and Program Effectiveness of Federal Response. (October 2021)⁵³

- The FEMA Administrator should improve the consistency of the agency’s interpretation and application of the COVID-19 Public Assistance policy within and across regions by further clarifying and communicating eligibility requirements nationwide. See the FEMA’s Disaster Relief Fund and Assistance to state, local, Tribal, and territorial Governments enclosure.
- The FEMA Administrator should require the agency’s Public Assistance Program employees in the regions and at its Consolidated Resource Centers to attend training on changes to COVID-19 Public Assistance policy to help ensure it is interpreted and applied consistently nationwide. See the FEMA’s Disaster Relief Fund and Assistance to state, local, Tribal, and territorial Governments enclosure.
- The FEMA Administrator should direct the Head of Contracting Activity to establish a formal process to (1) collect contracting lessons learned from COVID-19 and future emergency response efforts; and (2) ensure contracting lessons learned are shared with the Continuous Improvement Program for inclusion in FEMA’s formal lessons learned process to inform FEMA’s contracting efforts in response to ongoing and future emergencies.

Puerto Rico Recovery: FEMA Made Progress in Improving Projects but Should Identify and Assess Risks to the Recovery. (May 2021)⁵⁴

- The FEMA Administrator should, in coordination with the Government of Puerto Rico and relevant federal agencies, identify and assess the risks to the remainder of Puerto Rico’s recovery, including internal and external factors, such as Puerto Rico’s capacity to carry out projects.
- The FEMA Administrator should, in coordination with the Government of Puerto Rico and relevant federal agencies, identify potential actions to manage the risks to the remainder of Puerto Rico’s recovery and continuously monitor risks.

COVID-19: Sustained Federal Action is Crucial as Pandemic Enters Its Second Year. (March 2021)⁵⁵

- The FEMA Administrator should adhere to the agency’s protocols listed in its updated 2019 Tribal Consultation Policy by obtaining Tribal input via the four phases of the Tribal consultation process when developing new policies and procedures related to COVID-19 assistance.
- The FEMA Administrator should provide timely and consistent technical assistance to support tribal governments’ efforts to request and receive Public Assistance as direct recipients, including providing additional personnel, if necessary, to ensure that Tribal nations are able to effectively respond to COVID-19.

⁵² GAO. (December 2021). *Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers.* GAO-22-104039

⁵³ GAO. (October 2021). *COVID-19: Additional Actions Needed to Improve Accountability and Program Effectiveness of Federal Response.* GAO-22-105051

⁵⁴ GAO. (May 2021). *Puerto Rico Recovery: FEMA Made Progress in Improving Projects but Should Identify and Assess Risks to the Recovery.* GAO-21-264

⁵⁵ GAO. (March 2021). *COVID-19: Sustained Federal Action is Crucial as Pandemic Enters Its Second Year.* GAO-21-387

Disaster Resilience: FEMA Should Take Additional Steps to Streamline Hazard Grants and Assess Programs Effects. (February 2021)⁵⁶

- The FEMA Administrator should establish a plan with time frames to develop pre-calculated benefits for additional project types, where appropriate.
- The FEMA Administrator should establish a plan with time frames to assess PA, HMGP, FMA, and BRIC hazard mitigation grant processes to identify and implement steps to reduce the complexity of and time required for grant applications, including steps to facilitate the use of funding from more than one FEMA mitigation grant program on a project.
- The FEMA Administrator should create a centralized inventory of hazard mitigation resources on the FEMA website.
- The FEMA Administrator should develop a plan for conducting future loss avoidance studies to ensure they can include more hazard types.
- The FEMA Administrator should ensure that as new methods and metrics to assess the effectiveness of hazard mitigation are developed, FEMA officials consider opportunities to adopt common methods and metrics across all of its hazard mitigation programs.
- The FEMA Administrator should publicly share pre-calculated benefits studies and state developed records of effectiveness, such as by posting them to its website.
- The FEMA Administrator should assess the need for an agency-wide consolidated standard operating procedures document for the HMGP that provides detailed information on the roles and responsibilities, requirements, and key tasks and milestones for monitoring and closing out program projects.

2018 Pacific Island Disasters: Federal Actions Helped Facilitate the Response, But FEMA Needs to Address Long-Term Recovery Challenges. (February 2021)⁵⁷

- The FEMA Administrator should consider the unique challenges of recovery missions for large-scale disaster in U.S. insular and other remote areas to establish appropriate timeliness goals for the pre-award phase of the Public Assistance program specific to these types of disasters.
- The FEMA Administrator should use data relating to the timeliness of completing various steps of the pre-award phase of the Public Assistance program to help identify and address any inefficiencies occurring during this phase of the program.
- The FEMA Administrator should develop guidance to streamline the process to assist direct housing applicants with proof of residency and proof of ownership requirements in those locations, such as in insular areas, where the nature of housing may otherwise result in processing delays due to the volume of required waivers or modifications to these requirements.
- The FEMA Administrator should incorporate lessons learned from earlier Permanent Housing Construction missions and address long-standing issues, such as the lack of architecture and engineering services in its existing contracts, in guidance that outlines necessary steps to better plan for and implement the Permanent Housing Construction program in insular and other remote areas.

Disaster Housing: Improved Cost Data and Guidance Would Aid FEMA Activation Decisions. (December 2020)⁵⁸

- The FEMA Administrator should identify and make changes to the applicable data system to capture cost data, including administrative costs for each of its housing assistance programs that will allow the agency to analyze the full cost of providing assistance under each program.
- The FEMA Administrator should specify the information needed to compare the projected costs of each direct housing program in its guidance for assessing which programs to activate.

Disaster Assistance: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program. (September 2020)⁵⁹

- The FEMA Administrator should improve the completeness and consistency of its communication of the requirement to apply for an SBA disaster loan prior to being considered for SBA-dependent other needs assistance.

⁵⁶ GAO. (February 2021). *Disaster Resilience: FEMA Should Take Additional Steps to Streamline Hazard Grants and Assess Programs Effects.* GAO-21-140

⁵⁷ GAO. (February 2021). *2018 Pacific Island Disasters: Federal Actions Helped Facilitate the Response, But FEMA Needs to Address Long-Term Recovery Challenges.* GAO-21-91

⁵⁸ GAO. (December 2020). *Disaster Housing: Improved Cost Data and Guidance Would Aid FEMA Activation Decisions.* GAO-21-116

⁵⁹ GAO. (September 2020). *Disaster Assistance: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program.* GAO-20-503

- The FEMA Administrator should assess the extent to which its process for determining an applicant's eligibility for SBA-dependent other needs assistance limits or prevents survivors' access to IHP assistance, and work with SBA to identify options to simplify and streamline the disaster assistance application process for survivors.
- The FEMA Administrator should improve the IHP award determination letters by using federal guidance and best practices for communicating with the public to ensure that applicants understand that an "ineligible" determination does not mean they cannot continue to pursue assistance.
- The FEMA Administrator should identify and implement strategies to provide additional information to applicants about how FEMA determined their eligibility for assistance and the amount of assistance to award.
- The FEMA Administrator should identify and implement strategies to provide readily accessible information and resources, such as guidance and training, about the Individuals and Households Program to state, local, Tribal, and territorial officials.
- The FEMA Administrator should correct and refine the methodology used to survey survivor experiences with the IHP by (1) weighting the survey data to reflect the stratification of its survey design, (2) adjusting the base sampling weights for survey nonresponse within each stratum, and (3) calculating the sampling error for the survey data after adjusting the base sampling weights for nonresponse.
- The FEMA Administrator should complete the following key process improvement activities as part of its effort to redesign the Individual Assistance Program: (1) engage with additional program customers and stakeholders to obtain a more comprehensive understanding of their needs; (2) assess performance gaps between current processes and customer and stakeholder needs, and develop measurable and achievable improvement goals to address any identified performance gaps; and (3) prioritize the processes that need improvement based on documented selection criteria.
- The FEMA Administrator should establish time frames for finalizing the Individual Assistance Division's draft strategic plan and developing implementation plans that integrate its IHP improvement efforts.
- The FEMA Administrator should use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—while completing planned activities for improving morale among call center staff.
- The FEMA Administrator should use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—when assessing NPSC staff satisfaction scores and identifying additional steps to strengthen employee morale.
- The FEMA Administrator should assess the effectiveness of the IHP training and support for NPSC staff during surge events and implement any necessary changes.
- The FEMA Administrator should identify and implement strategies to help ensure staff deployed to Disaster Recovery Centers (DRC) have the needed skills and capabilities to provide support and consistent service to survivors.

Disaster Assistance: FEMA Should Take Additional Actions to Strengthen Fraud Risk Management for Public Assistance Emergency Work Grants. (September 2020)⁶⁰

- The FEMA Administrator should plan and conduct regular fraud risk assessments of PA emergency work grants to determine a fraud risk profile that aligns with leading practices as provided in the Fraud Risk Framework. Specifically, this process should include (1) identifying inherent fraud risks to PA grant funds, (2) assessing the likelihood and impact of inherent fraud risks, (3) determining fraud risk tolerance, (4) examining the suitability of existing fraud controls, and (5) documenting the fraud risk profile.
- The FEMA Administrator should designate one entity as the lead entity with responsibility for providing oversight of agency-wide efforts to manage fraud risks to PA emergency work grants, including managing the fraud risk assessment process, consistent with leading practices.
- The FEMA Administrator should update key training and guidance documents for the PA grant program to include information on where and how to report

⁶⁰GAO. (September 2020). *Disaster Assistance: FEMA Should Take Additional Actions to Strengthen Fraud Risk Management for Public Assistance Emergency Work Grants.* GAO-20-604

suspected fraud, and direct PA recipients to include such information in key training and guidance documents they provide to subrecipients.

- The FEMA Administrator should update key resources, such as training and guidance documents, FEMA makes available to PA applicants to ensure these resources consistently communicate information on the highest fraud risks to PA emergency work grant funds and applicants' responsibilities for managing those risks. The highest fraud risks may include risks related to procurement and debris removal, and other risks FEMA identifies through fraud risk assessments.
- The FEMA Administrator should implement program-specific antifraud training for PA staff who work directly with PA applicants; this training should include information on the highest fraud risks to PA emergency work grants. The highest fraud risks may include risks related to procurement and debris removal, and other risks FEMA identifies through fraud risk assessments.

FEMA Disaster Workforce: Actions Needed to Address Deployment and Staff Development Challenges. (May 2020)⁶¹

- The FEMA Administrator should develop a plan—with time frames and milestones and input from field leadership—to address identified challenges that have hindered FEMA's ability to provide reliable and complete information to field leaders and managers about staff knowledge, skills, and abilities.
- The FEMA Administrator should develop mechanisms, including collecting relevant data, to assess how effectively FEMA's disaster workforce was deployed to meet mission needs in the field.
- The FEMA Administrator should create a staff development program for FEMA's disaster workforce that, at a minimum, addresses access to training, delivery of on-the-job training and mentoring, use of performance evaluations, and consistent developmental opportunities regardless of deployment status.

Disaster Assistance: FEMA Action Needed to Better Support Individuals Who Are Older or Have Disabilities. (May 2019)⁶²

- The FEMA Administrator should communicate to Regional Administrators and Regional Disability Integration Specialists a written plan for implementing its new disability integration staffing approach, consistent with the objectives established for disability integration. Such a plan should include an implementation timeline and details on staff responsibilities, which regions could use to evaluate staff performance.
- The FEMA Administrator should develop a plan for delivering training to FEMA staff that promotes competency in disability awareness. The plan should include milestones and performance measures, and outline how performance will be monitored.
- The FEMA Administrator should develop and publicize guidance for partners working to assist individuals who are older or have disabilities for requesting data and working with FEMA staff throughout the data sharing process to obtain Individual Assistance data, as appropriate.

Disaster Contracting: Actions Needed to Improve the Use of Post Disaster Contracts to Support Response and Recovery. (April 2019)⁶³

- The FEMA Administrator should take the lead to work together with the Coast Guard and the U.S. Army Corps of Engineers to revise the mission assignment policy and related guidance to better incorporate consideration of contracting needs, such as demobilization, and to ensure clear communication of coordination responsibilities related to contracting.
- The FEMA Administrator should assess its workforce needs—including staffing levels, mission needs, and skill gaps—for contracting staff, to include regional offices and DART; and develop a plan, including timelines, to address any gaps.

Disaster Recovery: Additional Actions Would Improve Data Quality and Timeliness of FEMA's Public Assistance Appeals Processing. (December 2017)⁶⁴

- The Assistant Administrator for Recovery should develop a detailed workforce plan that documents steps for hiring, training, and retaining key appeals staff.

⁶¹ GAO. (May 2020). *FEMA Disaster Workforce: Actions Needed to Address Deployment and Staff Development Challenges*. GAO-20-360

⁶² GAO. (May 2019). *Disaster Assistance: FEMA Action Needed to Better Support Individuals Who Are Older or Have Disabilities*. GAO-19-318

⁶³ GAO. (April 2019). *Disaster Contracting: Actions Needed to Improve the Use of Post Disaster Contracts to Support Response and Recovery*. GAO-19-281

⁶⁴ GAO. (December 2017). *Disaster Recovery: Additional Actions Would Improve Data Quality and Timeliness of FEMA's Public Assistance Appeals Processing*. GAO-18-143

The plan should also address staff transitions resulting from deployments to disasters.

Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recovery on Its Own. (September 2012)⁶⁵

- To increase the efficiency and effectiveness of the process for disaster declarations, the FEMA Administrator should develop and implement a methodology that provides a more comprehensive assessment of a jurisdiction's capability to respond to and recover from a disaster without federal assistance. This should include one or more measures of a jurisdiction's fiscal capacity, such as TTR, and consideration of the jurisdiction's response and recovery capabilities. If FEMA continues to use the PA per capita indicator to assist in identifying a jurisdiction's capabilities to respond to and recover from a disaster, it should adjust the indicator to accurately reflect the annual changes in the U.S. economy since 1986, when the current indicator was first adopted for use. In addition, implementing the adjustment by raising the indicator in steps over several years would give jurisdictions more time to plan for and adjust to the change.

⁶⁵ GAO. (September 2012). *Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recovery on Its Own.* GAO-12-838

FEMA PRIORITIES FOR 2022: STAKEHOLDER PERSPECTIVES

WEDNESDAY, FEBRUARY 16, 2022

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

The subcommittee met, pursuant to call, at 2:02 p.m., in room 2167 Rayburn House Office Building and via Zoom, Hon. Dina Titus (Chair of the subcommittee) presiding.

Members present remotely: Ms. Titus, Mr. DeFazio, Ms. Norton, Ms. Davids of Kansas, Mr. Pappas, Mrs. Napolitano, Mr. Garamendi, Mr. Carter of Louisiana, Mr. Webster of Florida, Mr. Massie, Miss González-Colón, Mr. Guest, Mr. Gimenez, Mr. Graves of Louisiana, and Mr. LaMalfa.

Ms. TITUS. Well, good morning. The subcommittee will come to order. Thank you all for tuning in, either being in Washington or virtually.

I ask unanimous consent that the chair be authorized to declare a recess at any time during today's hearing.

Without objection, so ordered.

I also ask unanimous consent that the Members who are not on the subcommittee, but want to sit in, be permitted to do that at today's hearing, and also ask questions.

Without objection, so ordered.

As a reminder, please keep your microphones muted unless speaking. Should I hear any inadvertent background noise, I will request that the Member please mute their microphone.

To insert a document into the record, please have your staff email it to DocumentsT&I@mail.house.gov.

Before I begin, I would like to just take a moment of personal privilege to tell you all that Aaron Davis is leaving our committee. I hate to hear that, because he has been a great member of this team, and certainly an asset to me and all of us, providing excellent information. Aaron has been 3 years on the Transportation and Infrastructure Committee. He spent 4½ years at FEMA, and brought that experience with him to the committee. And he served 11 years in different personal House offices.

He is moving to become the vice president of Federal relations at the International Code Council, and they are lucky to have him. He certainly has a lot of background in this area. I think we will still be seeing Aaron, but now he will be sitting across the table from us, instead of behind the podium.

So, Aaron, we wish you all the best, and we thank you for all that you have done for this committee, and we look forward to interacting and working with you in your new role.

I will now start with my own statement, and then we will go to Mr. Webster, the ranking member, for his.

Welcome today, our witnesses. This is a very important hearing, because we are going to be discussing what should be the priorities of FEMA, moving into 2022.

When we think about FEMA, we typically think about floods, or hurricanes, or wildfires, or those kinds of immediate disasters that are usually limited to a specific area. But what we have learned with the national disaster declaration during COVID-19 is that unexpected events of all kinds can impact any community at any time.

Now, during this declaration, which is ongoing, people in Nevada—and I am sure in all of your States—have really relied on FEMA to provide certain services that perhaps they haven't in the past, like setting up community vaccination centers.

In addition to the pandemic, we know that climate change and severe weather events, which have combined with high-risk areas having more intense development to really make emergencies more serious, have changed the emergency management landscape as a result.

And Government and insurance data show that these disasters are more expensive and have a greater impact than ever before.

And that is what we need to talk about, as we look at FEMA's plans for the next year. We need to see how FEMA can adapt to this new reality in dealing with certain kinds of disasters, and with those that are unexpected, and how they can keep our communities and the survivors as a priority as they move forward.

The demand for Public Assistance has never been greater. It is used to help repair public infrastructure after a disaster. That has just increased at rocket speed, as the intensity of natural disasters have also increased. And presently, FEMA has the longest queue for Public Assistance to date as a result of these disasters. You only have to look at Puerto Rico, if you don't believe me, because they are still trying to get Public Assistance for the people who were affected by the weather conditions in those areas, as well as in the Virgin Islands.

Reimbursements are critical from FEMA to these communities to get back on their feet. But one of the things that we have heard over the years in the time I have chaired this committee is there is just too much redtape, too many burdensome requirements, people don't know where to apply, it is contradictory information. So, that has got to be a priority, that we clean up that redtape and simplify the Public Assistance program to better assist our communities.

The second thing that I know we want to talk about that should be a priority is the workforce. Two things are happening at the same time: it is difficult to find people to work, and yet the disasters are increasing. So, how do we find additional team members to work with the men and women who have done such a good job, and worked so hard in these, kind of, trying times, in order to expand the workforce there?

We need more diversity. We need more longevity of the members. We need to be able to attract a well-qualified workforce to FEMA. And so, that has got to be a priority.

I have got legislation that is bipartisan, which will be introduced, designed to help FEMA meet these needs to recruit and retain qualified reservists. We need to provide protection for these folks, we need to provide training, and we need to provide benefits if we want to have a team who can meet the new demands.

A third issue that seems to run throughout the priorities that FEMA should be looking at for the new year is the notion of building resilience. When you build back, you need to build back better. And so, I am proud to have championed some efforts, along with the chairman of this committee, Mr. DeFazio, in the Resilient AMERICA package, so that we could provide some of this assistance.

We also sent a letter to FEMA talking about the inequitable distribution of benefits that need to be considered.

So, I look forward to working with FEMA on these efforts during 2022. This committee stands ready to do what Congress can to assist FEMA's efforts. We want to hear how FEMA is trying to meet the 50 open recommendations that have come from the GAO that address some of these shortcomings all across the program.

And I am anxious to hear from Mr. Currie how GAO believes that FEMA can prioritize these 50 open issues.

And I also want to hear from the emergency management folks at the National Emergency Management Association and the International Association of Emergency Managers. They are on the front lines, and they can tell us, from their standpoint, how they think things can be improved, how they are working well, and how we need to make some adjustments.

So, we will look forward to the hearing. We thank the witnesses for being here.

[Ms. Titus' prepared statement follows:]

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

I'd like to welcome everyone to today's hearing and thank our witnesses for joining us to discuss their perspectives regarding what FEMA should prioritize in 2022.

While Southern Nevada does not experience many major disasters that require FEMA intervention, the nationwide major disaster declaration for COVID-19 reminded us that unexpected events can impact any community at any time. During this major disaster declaration—which is still an open event—Nevadans have relied on FEMA's programs, such as vaccine sites, to provide lifesaving services.

Climate change and associated severe weather, as well as development in high-risk areas have changed the emergency management landscape. Disasters are more expensive and have a greater impact than ever before, supported by government and insurance industry data.

Today we are going to discuss how FEMA can adapt to this new reality and ensure disaster survivors and their communities remain the priority.

The demand for Public Assistance, which is used to repair public infrastructure after a disaster, has skyrocketed with the increased frequency and intensity of natural disasters.

Presently, FEMA has the largest queue for Public Assistance worksheets to date, a result of the national scale of the pandemic declarations, as well as expanded eligibility for pandemic-related countermeasures.

Reimbursements provided by FEMA's Public Assistance program are critical for communities trying to get back on their feet post-disaster. However, we hear time and time again from stakeholders that this program is plagued by red tape and burdensome requirements. This year, it must be an agency priority to simplify the Public Assistance program so that it can better assist communities.

There is no place where the consequences of FEMA's complex Public Assistance program are more evident than Puerto Rico and the U.S. Virgin Islands. Individuals in these communities are still waiting for the restoration of full access to basic public infrastructure such as reliable electricity, health care facilities, schools, and roads following Hurricanes Irma and Maria nearly five years ago. And I remain committed to supporting the recovery process in Puerto Rico and the U.S. Virgin Islands until the last public worksheet has been completed.

When considering how to improve FEMA's programs, focus must be placed upon its workforce. I am proud that FEMA's workforce has consistently risen to the challenge—they have been confronted with unprecedented disaster damage, a pandemic, and expanding responsibilities.

I expect to soon introduce bipartisan legislation designed to ensure FEMA has the tools needed to recruit and retain qualified workers for its cadre of disaster reservists. I believe that providing FEMA's workforce with access to appropriate protections, training, and benefits will increase the agency's capabilities and result in better outcomes for disaster survivors and their communities.

A consistent thread connecting FEMA's challenges is the increasing severity and cost of disasters. Mitigation projects must be used to reduce the impact of such incidents and build resilience. That is why I am proud to have championed expanded mitigation efforts as Chair of this Subcommittee, including our bipartisan Resilient AMERICA package. We've also sent a letter to FEMA regarding the inequitable distribution of mitigation grant dollars.

I look forward to continuing these efforts in 2022.

FEMA has achieved many noteworthy accomplishments—but there is still much work to be done. The Government Accountability Office has more than 50 open recommendations to FEMA, which address shortcomings across all of FEMA's programs.

I look forward to hearing from Mr. Currie regarding how the GAO believes FEMA should prioritize addressing outstanding recommendations. I also look forward to hearing how state and local emergency managers represented by the National Emergency Management Association and International Association of Emergency Managers have been impacted by FEMA's programs.

I once again thank our witnesses for joining us today to share their perspective and expertise. We are grateful for your testimony and look forward to our discussion.

Ms. TITUS. And I would now turn to Mr. Webster, the ranking member, for his opening statement.

[Pause.]

VOICE. Say it again.

Ms. TITUS. We can't hear you, Mr. Webster.

Mr. WEBSTER OF FLORIDA. How is that?

Ms. TITUS. OK.

Mr. WEBSTER OF FLORIDA. OK, great. Thank you so much. I just want to say FEMA has a mission critical to our Nation, but also critical to the State of Florida, my home State.

FEMA leads the Federal Government's response to disasters, natural and man-made. When FEMA's processes are complicated and riddled with too much redtape, it slows the preparation for the recovery from disasters, and it discourages investment in mitigation.

Over the years, the committee has passed legislation intended to cut redtape, but these laws are rarely implemented, and so, they are intended to be done, but they just don't get done.

The Government Accountability Office has issued dozens of reports and many recommendations still open across a host of areas, including recovery, mitigation, and Individual Assistance. What

seems to be the common theme throughout all of the reports is how confusing and complicated FEMA's process can be.

It is more critical than ever, with the number of the disasters we are seeing, for the process to be streamlined. We need to get assistance out the door quickly to allow communities and families to rebuild faster and easily build in mitigation so next time there will be less damage.

That is why I am pleased to cosponsor bipartisan legislation, the SPEED Recovery Act, introduced by Ranking Member Sam Graves, which will streamline the process for about 95 percent of the disasters that are happening.

I look forward to hearing from GAO and the stakeholders here today and those submitting written testimony for the record.

[Mr. Webster's prepared statement follows:]

Prepared Statement of Hon. Daniel Webster, a Representative in Congress from the State of Florida, and Ranking Member, Subcommittee on Economic Development, Public Buildings, and Emergency Management

FEMA has a mission critical to our Nation and my home state of Florida. FEMA leads the federal government's response to disasters—natural and man-made.

When FEMA's processes are complicated and riddled with too much red tape, it slows preparation for and recovery from disasters, and it discourages investment in mitigation. Over the years, this Committee has passed legislation intended to cut red tape, but these laws are either rarely implemented as intended, or FEMA finds more red tape to put back into the process.

The Government Accountability Office has issued dozens of reports with many recommendations still open across a host of areas including recovery, mitigation, and individual assistance. What seems to be a common theme throughout many of these reports is how confusing and complicated FEMA's process can be.

It is more critical than ever, with the number of disasters we are seeing, for the process to be streamlined and sped up. We need to get assistance out the door quickly to allow communities and families to rebuild faster and easily build in mitigation so next time there will be less damage.

That is why I am pleased to be a cosponsor of the bipartisan legislation, the SPEED Recovery Act, introduced by Ranking Member Sam Graves, which will streamline the process for 95 percent of disaster projects.

I look forward to hearing from the GAO and stakeholders here today and those submitting written testimony for the record.

Mr. WEBSTER OF FLORIDA. Thank you, Chair, and I yield back.

Ms. TITUS. Thank you, Mr. Webster. We now turn to the chairman of the Transportation and Infrastructure Committee, Mr. DeFazio, for his opening statement.

Mr. DEFAZIO. Thank you, Madam Chair, and I certainly also want to congratulate Aaron on his new position. That organization is incredibly lucky to have him coming on board, with his extraordinary breadth and depth of experience. He did start many years ago in my personal office on the Hill, and then, as you noted, moved on to many, many other important positions.

And it has been great to have him on the committee, especially since I think he is the only person who can master all of the acronyms of FEMA. I don't think there is another agency of the Federal Government that has as many acronyms for as many programs, and I find it incredibly confusing, as I think many others do, but he can always explain it.

So, again, congratulations.

We put, obviously, extraordinary burdens on FEMA recently with COVID, the border, and then we are having more and more extreme natural disasters, both wildfire and weather events that are exacerbated by climate change. We have to help the Agency streamline, so that it can, with more facility, deal with this extraordinary burden that they have. We recognize that their budgets are stretched, and we also have to meet our obligations there.

I was particularly interested in the National Emergency Management Association's thoughts, a paper on what we would do with wildfire response and recovery, particularly an incredible concern here, in the Western U.S., as we are now headed into the 20-some-odd year of what is called a megadrought, the worst in recorded history if this winter continues the way it is going. And their comments about the FMAG, DRRA, HMGP, and WUI are very well taken, and I hope they will amplify on those a little bit today as they testify.

The other area of major concern beyond all of the outstanding issues with GAO are things that relate to personal assistance and the confusion there. We have to simplify these processes. And we also have to better integrate with other agencies that can be involved, including HUD or other disciplines.

We still have people from the fires in Oregon who do not have long-term housing. And I am concerned that they may soon have to be paying substantial rent for temporary quarters. And that is a subject of a letter recently sent.

The chair and the ranking member mentioned legislation that is pending. I am going to have to get off this, probably pretty quickly, because I have to go to a chairs meeting, and I am going to raise the issue of when we are going to bring those bipartisan bills to the floor, as opposed to post offices and other things that we have been doing lately. Particularly the Resilient AMERICA package, I believe, would move expeditiously through the House, and I am looking forward to that in the not too distant future.

[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, Chair Titus, and thank you to our witnesses for being with us today.

Today's witnesses will provide stakeholder perspectives on FEMA's successes and shortcomings.

As natural disasters become more costly and have greater impact upon communities across the nation, it is critical that FEMA programs are as effective and efficient as possible. We've heard time and again that the quality of FEMA interactions significantly impacts disaster survivors' recovery.

In 2020, wildfires forced Oregonians to understand the importance of FEMA's programs more than ever. The Labor Day fires damaged more than 5,000 structures across the state and tens of thousands of Oregonians were forced to evacuate.

A year and a half later, the recovery process for this disaster continues. Just last week, the Seattle Times reported that some survivors who lost their homes are still struggling to secure long-term housing solutions.

I continue to follow the progress of survivors and am committed to helping Oregonians throughout this long recovery process. The entire Oregon congressional delegation recently joined together to send a letter to FEMA Administrator Criswell regarding FEMA's direct housing mission and the possibility of rental charges being assessed on survivors during a six-month extension, which the agency just approved at the request of the state.

A series of unprecedented hazard events, including the record cost of the 2017 and 2018 disaster seasons and nationwide major disaster declarations for COVID-19, have stretched FEMA to its limit. The agency's oversubscription has made it difficult for FEMA's workforce to adequately support disaster survivors.

I hope today's discussion will help us consider ways that FEMA might adapt its programs to ensure quality assistance to survivors in this new reality, which is fueled by climate change and compounded by a pandemic.

Disasters do not discriminate. Therefore, it is critical that FEMA programs are designed to benefit the needs of every single disaster survivor.

The GAO has highlighted concerns with FEMA's ability to administer its programs equitably. I am pleased that this Administration has made equity a priority and that FEMA is in the process of seeking innovative ways to restructure its programs. I fully support these efforts and am open to considering statutory changes that may be needed to achieve this goal.

The increasing frequency, intensity, and cost of natural disasters makes us ask—what can we do to protect communities before disaster strikes? The answer is to invest in mitigation efforts.

Time and again we've discussed mitigation as a commonsense, cost-effective way to save lives and property. That's why I strongly support finding ways to expand funding for mitigation projects.

I am proud to have introduced the Resilient AMERICA package along with Chair Titus and Ranking Members Graves and Webster last year. We successfully advanced this bill out of committee, and I look forward to the opportunity to debate it on the House Floor. The improvements to hazard mitigation assistance programs that this legislation provides will help individuals and communities make needed investments in mitigation efforts.

However, mitigation cannot be effective unless it is fairly distributed across all communities. Stakeholder feedback has me concerned that FEMA's mitigation assistance programs are only reaching the largest and best-resourced communities. The complexity of the application processes makes it near impossible for small, disadvantaged, and rural communities to successfully access these funds.

I sent a letter with Chair Titus, Ranking Member Webster, and Ranking Member Graves to FEMA this week to detail my concern and request an update on the agency's actions to address inequity in the mitigation grant application process. This concern has been echoed by the witnesses' written testimony.

Once again, thank you to our witnesses for joining us today. I look forward to hearing your testimony and learning from your experience.

Mr. DEFAZIO. So, with that, Madam Chair, I would yield back the balance of my time.

Ms. TITUS. Thank you, Mr. Chairman.

I don't believe that Mr. Graves is with us, so, we will go right to our witnesses.

Thank you all for joining us this morning, and welcome to our subcommittee. Our witnesses are Mr. Chris Currie, Director of Homeland Security and Justice with the U.S. GAO; Ms. Erica Bornemann, director of Vermont Emergency Management, and also is testifying on behalf of the National Emergency Management Association; and Ms. Carolyn Harshman, who is the president of the International Association of Emergency Managers.

We thank you for being here today, and we look forward to your testimony.

Without objection, our witnesses' full statements will be included in the record.

Since your written word will now be part of the record, we would kindly request that you limit your testimony to 5 minutes.

So, we will begin with you, Mr. Currie. Please proceed.

TESTIMONY OF CHRIS P. CURRIE, DIRECTOR, HOMELAND SECURITY AND JUSTICE, U.S. GOVERNMENT ACCOUNTABILITY OFFICE; ERICA BORNEMANN, DIRECTOR, VERMONT EMERGENCY MANAGEMENT, ON BEHALF OF THE NATIONAL EMERGENCY MANAGEMENT ASSOCIATION; AND CAROLYN J. HARSHMAN, MPA, CEM, PRESIDENT, INTERNATIONAL ASSOCIATION OF EMERGENCY MANAGERS

Mr. CURRIE. Thank you, Chairwoman Titus, Chairman DeFazio, and Ranking Member Webster, for the chance to be here today to talk about GAO's work on FEMA priorities.

First, I think it is important to recognize the pressures and the challenges that FEMA has on it. In recent years, the Agency has led the pandemic response, responded to year after year of record-setting hurricanes and wildfires, and also been asked to help with other national issues such as border security. At GAO, even though we audit and evaluate FEMA, we also have respect for the hard-working staff and the mission. There is not a more dedicated group of Federal employees, and also I have found FEMA leadership to be very committed to self-evaluation and improvement.

Having said that, I see four key challenges that FEMA will have to tackle in the years ahead.

First, as was mentioned in the opening statements, is the workforce managing its own people. The FEMA workforce is worn down by a disaster season that really never ends anymore. Also, the Agency's staffing, training, and hiring processes were designed for a mission that has changed.

We have found that FEMA has long faced challenges in deploying staff with the right qualifications and skills to meet disaster needs.

We have also found that FEMA struggles to train, coach, and develop its disaster workforce, especially when they are deployed in the field. For example, reservists, who make up almost 40 percent of the workforce, face barriers to getting the training and other developmental opportunities they need when they are not deployed, including not having paid time and technology to get training when they are not in the field.

We have made recommendations to fix some of these problems, but I think broader workforce reform, involving Congress and this committee, is needed to be able to hire, train, and retain the staff FEMA needs to meet a growing mission.

The second major challenge area is simplifying disaster relief and removing barriers for disaster survivors. We have found that survivors face a number of challenges in understanding and obtaining FEMA Individual Assistance. We recently made 14 recommendations in 1 report alone to improve the Individual Assistance program, including that FEMA overhaul and improve how it communicates award decisions or denials with survivors. We found that confusion doesn't just lead to frustration; it also led to some survivors not pursuing assistance when they may have been eligible to get it.

The third area of challenge is streamlining and simplifying complex, lengthy recovery grants and programs for State, local, Tribal, and Territorial governments. In our work, States, Tribes, and other localities tell us over and over again that recovery programs are,

at best, overly complicated, and at worst, actually a disincentive sometimes to recovery.

According to FEMA, the Agency had almost 1,000 open disasters or emergency declarations going back years, including Hurricane Katrina in 2005. While most think of FEMA staff as immediately responding to a disaster, the truth is that much of FEMA's workforce manages thousands of grants and recovery projects from prior disasters. Streamlining recovery programs to be more efficient would help cut down on FEMA's workload, and going back to the staffing issues I talked about, help the staff focus on the most pressing matters.

Also, coordination between FEMA, as Chairman DeFazio said, and other Federal recovery programs like HUD and SBA and others, would further cut down on the burden and frustration that States and communities face.

Further compounding the challenges related to complexity, concerns are also being raised now about the extent to which disaster assistance programs are helping those most in need, and how they impact vulnerable populations, as well.

The last and fourth key priority area is building resilience. This is an area that FEMA has made tremendous progress on in recent years, partly due to Congress' actions, too, to create new programs. Mitigation and building resilience is one of the few solutions that we have to adapt to extreme weather and severe infrastructure damage. Additional predisaster mitigation grants like the BRIC program, the Building Resilient Infrastructure and Communities program, will help to address these issues, but FEMA needs to continue to focus on ensuring these grants encourage mitigation.

We just reported last year that State and local officials told us that mitigation grant programs were still too lengthy and complicated, making them even more difficult to use effectively than some other grant programs.

This completes my statement. I look forward to discussing how we can address these challenges, and 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

FEMA: OPPORTUNITIES TO HELP ADDRESS MISSION AND MANAGEMENT CHALLENGES

Chair Titus, Ranking Member Webster, and Members of the Subcommittee:

Thank you for the opportunity to discuss our work on challenges facing the Federal Emergency Management Agency (FEMA).

FEMA leads our nation's efforts to prepare for, protect against, respond to, recover from, and mitigate against the risk of disasters. The historic 2017 and 2018 disaster seasons pushed FEMA well beyond its routine disaster response posture. In 2017, hurricanes Harvey, Irma, and Maria, and the severe wildfires in California, collectively affected 47 million people—nearly 15 percent of the nation's population. In 2018, hurricanes Florence and Matthew and another severe California wildfire season again necessitated a major federal response. Furthermore, Hawaii, the Commonwealth of the Northern Mariana Islands, and Guam experienced an unprecedented number of disasters in 2018—including typhoons, earthquakes, mudslides, and volcanic eruptions. In 2020, FEMA responded to 230 presidentially declared emergencies and major disasters—an all-time high—including a record-breaking hurricane season in the Atlantic Ocean, and the most active fire year on record for the West Coast. In 2021, there were 20 weather and climate-related disaster events

with losses exceeding \$1 billion each in the United States, according to the National Oceanic and Atmospheric Administration.

In addition to its responsibilities responding to the rising number of disasters and other emergencies, FEMA has been tasked with new responsibilities. FEMA has played a key role in the federal response to the COVID-19 pandemic. For example, it established mass vaccination sites and provided funeral assistance to families, the scope of which is unprecedented for the agency. According to FEMA data, as of August 30, 2021, the agency's call center had received and was processing 264,544 applications, and FEMA had awarded more than \$1 billion for funeral assistance. Prior to the COVID-19 pandemic, FEMA had processed approximately 6,000 cases of funeral assistance over the past decade. It has also assisted in the Afghan refugee resettlement efforts and at the southwest border.

While we recognize the difficult job FEMA has been tasked with, in recent years, we have reported on various mission and management challenges the agency faces. For instance, FEMA management has had to redeploy response personnel from one disaster to the next, and the agency has reported facing staffing shortfalls in response to some disasters. In addition, a large influx of new employees has added to the challenges of providing timely, program-specific training. FEMA hazard mitigation programs and disaster recovery programs sometimes have complex and lengthy processes and mechanisms that have affected access to, as well as the speed and delivery of assistance. Some programs also lack information that would allow them to examine patterns and indicators to identify access barriers and differing outcomes for different groups of survivors.

My statement today discusses our prior work and recommendations related to FEMA's challenges in four key areas: (1) workforce management; (2) long-term disaster recovery efforts; (3) potential barriers to disaster assistance and disparate recovery outcomes; and (4) future disaster resilience and mitigation. Successfully addressing these challenges is important because the rising number and costs of disasters and the increasing reliance on the federal government for disaster assistance will likely continue as the climate changes.¹

My statement today is based on products we developed and issued from January 2015 to December 2021. To perform our prior work, we reviewed and analyzed federal law, a non-generalizable sample of post-disaster contracts, agency guidance, and other agency documentation. We also analyzed data on FEMA's workforce, disaster assistance programs, and flood mapping efforts, among others. We interviewed officials from FEMA and other selected federal agencies; and state, territory, local, and nonprofit officials impacted by disasters. We conducted some of these interviews as part of visits to locations affected by hurricanes in 2017 and 2018, where we also met with disaster survivors. Additionally, we conducted 17 focus groups with FEMA staff. More detailed information on the scope and methodology of our prior work can be found in each of the issued reports cited throughout this statement.

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.

WORKFORCE MANAGEMENT

FEMA has faced longstanding challenges related to its workforce, which have affected its ability to achieve its mission. In recent years, we have reported on these challenges—(1) staffing shortages; (2) workforce qualifications; and (3) staff development—and their impact. We have also made recommendations to address various aspects of these challenges.

Staffing shortages. Several large-scale disasters and concurrent emergencies have created an unprecedented demand for FEMA's workforce. In May 2020, we reported that during the 2017 and 2018 disaster seasons, FEMA deployed 14,684 and 10,328 personnel, respectively, at the peak of each of these seasons and reported staffing shortages.² FEMA faced shortages across over half of its cadres—groups organized by operational or programmatic functions—during the 2017 and 2018 disaster seasons. For instance, according to FEMA's deployment data, 18 of 23 cadres operated with 25 percent or fewer staff available to deploy when Hurricane Maria made land-

¹GAO, *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).

²GAO, *FEMA Disaster Workforce: Actions Needed to Address Deployment and Staff Development Challenges*, GAO-20-360 (Washington, D.C.: May 4, 2020).

fall in Puerto Rico. In addition, many staff members who were available to deploy declined when requested to do so, in part due to the austere conditions and burnout, FEMA officials told us. For example, 48 percent of FEMA staff declined a deployment to Puerto Rico in 2017 after Hurricane Maria, and 40 percent declined a deployment to California in response to the November California wildfires in 2018.

In light of the aforementioned issues, we are continuing to monitor FEMA's ability to deploy personnel to catastrophic disasters or concurrent disasters. We recently initiated work related to FEMA's recruitment, hiring, and retention.

Workforce qualifications. In addition to staffing shortages, we found that FEMA faced challenges identifying and deploying staff with the right qualifications and skills at the right time to best meet disaster needs. We reported challenges with the reliability of information from FEMA's qualification and deployment processes and systems. According to FEMA managers and staff in the field, an employee's recorded qualification status was not a reliable indicator of staff's ability to perform their positions in the field. 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 also identified in 2015.³

In 2020, we recommended that FEMA develop a plan to address identified challenges that have hindered FEMA's ability to provide reliable and complete information to field leaders and managers about staff abilities. FEMA concurred and reported progress in developing qualification plans for cadre personnel to better inform field leaders about staff knowledge, skills, and abilities, among other actions, as of December 2021. We are conducting follow-up to assess the extent to which FEMA is taking a comprehensive approach and developing a plan that considers cross-cutting solutions to the complex and interrelated challenges we identified in our report.

Staff development. Our previous work found shortcomings in FEMA's ability to ensure staff development—training courses, on-the-job learning, coaching, and mentoring—for the skills and abilities needed in the field. We found that at the start of their deployment during the 2017 and 2018 disaster seasons, 36 percent of FEMA's incident management workforce did not have an official assigned to coach and evaluate their task performance—the primary mechanism the agency depends on for coaching. Furthermore, when such officials were assigned, they often lacked time to coach staff. For example, officials at one of the joint field offices we visited said mission needs always come first and coaching and evaluating responsibilities are frequently not a priority. Supervisors in the field also often inconsistently completed performance evaluations for deployed staff.

Additionally, reservists—who often comprise the greatest proportion of FEMA staff in the field during a disaster and made up 35 percent of FEMA's workforce as of August 2021—faced barriers to accessing developmental opportunities when not deployed, including lack of paid time and technology needed to access training. Effective and consistent staff development is particularly important because FEMA has hired a large number of reservists over the past few years. The challenges associated with underqualified staff underscore the need for a comprehensive staff development program that would equip all staff to meet mission needs in the field.

We recommended that FEMA create a staff development program that addresses access to training, use of performance evaluations, and consistent developmental opportunities regardless of FEMA employees' deployment status. FEMA concurred with our recommendation and, as of December 2021, has taken steps to improve staff development efforts, including steps to allow training to be more accessible to staff, implementing assessments for coaching, and establishing a process for providing annual performance appraisals for reservists. We are monitoring FEMA's actions to assess the extent to which they constitute an integrated and cohesive program for workforce development.

We have reported examples of how these workforce challenges affect FEMA's operations and those FEMA serves, including that (1) shortages in contracting staff exacerbated challenges for recovery efforts, and (2) low morale and high attrition rate affected service delivery.

Shortages in contracting staff exacerbated challenges for recovery efforts. In 2019, we found that during the 2017 hurricanes and California wildfires, FEMA experienced shortages in their workforce of contracting staff, which exacerbated challenges

³ GAO, *2017 Hurricanes and Wildfires: Initial Observations on the Federal Response and Key Recovery Challenges*, GAO-18-472 (Washington, D.C.: Sept. 4, 2018).

for disaster response and recovery.⁴ For example, eight of FEMA's 10 regional offices had only one permanent full-time contracting official.⁵ Regional offices are responsible for managing post-disaster contracts that can last for years, even if regional procurement staff were not involved in the initial award of those contracts.

We also found that FEMA had not assessed its contracting workforce needs since 2014 and recommended it assess its workforce needs—including staffing levels, mission needs, and skill gaps—and develop a plan to address any gaps. FEMA concurred with our recommendation and officials told us they planned on hiring additional contracting staff and conducting competency modeling for its contracting staff, as well as a workforce analysis to identify skill gaps. As of May 2021, these actions were still in progress.

Low morale and high attrition rates affected service delivery. In May 2020, participants in our focus groups and field managers we interviewed cited operational challenges that hindered the cadre's ability to support mission needs, including low morale.⁶ Furthermore, in September 2020, we reported on FEMA's call center workforce's struggles with low morale and their challenges in using program guidance to assist survivors.⁷ For example, call center staff worked without adequate training, in part due to high disaster activity in 2017 and 2018. In addition, the training FEMA provided did not effectively support staff in applying guidance to answer survivors' questions and process cases encountered in their work, according to National Processing Service Center staff. These limitations resulted in missed opportunities to help survivors quickly.

Additionally, in 2016, we found that the FEMA's Cadre-of-On-Call Response Employee (CORE) Incident Management Assistance Teams (IMAT)—rapid-response teams of FEMA employees that deploy to disaster sites with little to no notice and remain there for unspecified amounts of time, depending on mission needs—had experienced high attrition since its implementation in fiscal year 2013.⁸ According to IMAT officials from nine of 10 regions and one of three national IMATs, key reasons cited for the attrition in the initial years of implementing the program were the relatively low pay and lack of upward mobility for CORE IMAT team members. This high attrition can be costly because of the investment required to hire and train new staff.

In 2020, we recommended, among other things, that FEMA use desirable characteristics of employee engagement while completing planned activities for improving morale among call center staff, assessing staff satisfaction scores, and identifying additional steps to strengthen employee morale.⁹ FEMA concurred and is taking steps to address our recommendation. In 2016, we also recommended FEMA develop a process for systematically gathering attrition data and a workforce strategy for retaining IMAT staff.¹⁰ FEMA concurred with the recommendation and implemented it with a series of actions, such as an assessment of attrition in the IMAT workforce and policy changes informed by the assessment, which they completed in June 2021.

LONG-TERM DISASTER RECOVERY

The federal government has dozens of programs that provide recovery assistance in the wake of a disaster to eligible state, local, tribal, and territorial governments; businesses; and individuals and communities. We have reported on the extent to which FEMA provides recovery assistance after disasters through its Public Assistance and Individual Assistance programs, among other initiatives. During our work relating to disasters that affected the Pacific and Caribbean regions and California in 2017 and 2018, we found that these recovery programs can be complex and slow to provide assistance.

Challenges Facing FEMA's Public Assistance Program

FEMA's Public Assistance program reimburses state, local, tribal, and territorial governments and certain types of nonprofit organizations for the cost of disaster-related debris removal, emergency protective measures to protect life and property, and permanent work to repair or replace damaged or destroyed infrastructure. Ac-

⁴ GAO, *2017 Disaster Contracting: Actions Needed to Improve the Use of Post-Disaster Contracts to Support Response and Recovery*, GAO-19-281 (Washington, D.C.: April 24, 2019).

⁵ FEMA's 10 regional offices cover all the U.S. states and territories.

⁶ GAO-20-360.

⁷ GAO, *Disaster Assistance: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program*, GAO-20-503 (Washington, D.C.: Sep. 30, 2020).

⁸ GAO, *Disaster Response: FEMA Has Made Progress Implementing Key Programs, but Opportunities for Improvement Exist*, GAO-16-87 (Washington, D.C.: Feb. 05, 2016).

⁹ GAO-20-503.

¹⁰ GAO-16-87.

ording to FEMA’s January 2022 Disaster Relief Fund report, total projected obligations for the Public Assistance programs from August 1, 2017 through fiscal year 2022 are approximately \$112 billion.¹¹

DHS’s *Fiscal Year 2019–2021 Annual Performance Report* states that the speed at which FEMA obligates funding for Public Assistance projects is a priority for advancing the recovery process. However, this report also states that in fiscal year 2019, FEMA awarded only 28 percent of Public Assistance projects within FEMA’s target time frames. In February 2021, we found that FEMA met its goal of awarding Public Assistance funds within 189 days of a disaster for only 14 percent of Public Assistance projects in the Pacific region (70 of 492 projects).¹² On average, it took 13 months for FEMA to award funding for these projects. Similarly, we reported in November 2019 and May 2021 on slow time frames for awarding Public Assistance funding in Puerto Rico and the U.S. Virgin Islands.¹³ In February 2021, we recommended that FEMA analyze Public Assistance program data to identify causes of funding delays and take actions to address those delays.¹⁴ FEMA concurred and is working to address this recommendation.

We have reported on several additional factors that may have contributed to FEMA’s slowness in awarding Public Assistance funding:

Reimbursement model. Most Public Assistance projects utilize a reimbursement model in which award recipients—state or territorial governments where the President has declared a major disaster—must provide upfront funding for projects and later seek reimbursement from FEMA. We found that this model delayed recovery in some locations. Specifically, we reported in November 2019 that, due to the U.S. Virgin Islands’ fiscal situation and inability to provide upfront funding for all Public Assistance projects, the territory had to prioritize certain projects over others.¹⁵ Similarly, we reported in May 2021 that Puerto Rico’s fiscal situation made it difficult for Public Assistance award recipients to provide upfront project funding, and consequently, construction for many approved projects had not started. For example, we found that as of January 2021—over 3 years since hurricanes Irma and Maria struck the island—Puerto Rico had expended less than \$158 million (or less than 1 percent) of the \$17.5 billion that FEMA obligated to reimburse award recipients for permanent work Public Assistance projects.¹⁶

In May 2021, we recommended that FEMA coordinate with the Government of Puerto Rico and relevant federal agencies to identify and assess risks—and potential actions to manage those risks—to the remainder of Puerto Rico’s disaster recovery, including factors such as Puerto Rico’s capacity to carry out Public Assistance projects. FEMA agreed with this recommendation and has started a formal risk assessment process. In addition, officials in the U.S. Virgin Islands told us that pursuing projects under the Public Assistance alternative procedures program may help to address issues with the reimbursement model by providing more flexibility regarding when and how projects are funded. These alternative procedures are discussed below.

Fixed-cost estimates. FEMA developed alternative procedures in which FEMA provides funding for Public Assistance projects based on a fixed-cost estimate, which may help alleviate the challenges associated with the reimbursement model. FEMA intended to expedite the provision of assistance with these alternative procedures. However, in 2019, 2020, and 2021, we reported that Public Assistance applicants in the Pacific and Caribbean regions found the process of developing fixed-cost estimates to be difficult and lengthy, and this estimation process delayed disaster recovery.¹⁷ We have made recommendations to help FEMA improve the use of fixed-cost estimates, and identify and address related inefficiencies. FEMA concurred and has taken actions to address these recommendations.

Wildfire debris removal. We also found in October 2019 that the unique challenge of removing wildfire debris led to confusion over soil excavation standards and led

¹¹ DHS, FEMA, *Disaster Relief Fund: Monthly Report as of December 31, 2021*. (Jan. 7, 2022).

¹² GAO, *2018 Pacific Island Disasters: Federal Actions Helped Facilitate the Response, but FEMA Needs to Address Long-Term Recovery Challenges*, GAO–21–91 (Washington, D.C.: Feb. 3, 2021).

¹³ GAO, *U.S. Virgin Islands Recovery: Additional Actions Could Strengthen FEMA’s Key Disaster Recovery Efforts*, GAO–20–54 (Washington, D.C.: Nov. 19, 2019); GAO, *Puerto Rico Recovery: FEMA Made Progress in Approving Projects, But Should Identify and Assess Risks to the Recovery*, GAO–21–264 (Washington, D.C.: May 19, 2021).

¹⁴ GAO–21–91.

¹⁵ GAO–20–54.

¹⁶ GAO–21–264.

¹⁷ GAO–20–54; GAO–21–91; and GAO, *Puerto Rico Disaster Recovery: FEMA Actions Needed to Strengthen Project Cost Estimation and Awareness of Program Guidance*, GAO–20–221 (Washington, D.C.: Feb. 5, 2020).

to over-excavation of some homeowners' lots, lengthening the recovery process.¹⁸ To address this and other wildfire-related challenges, we recommended that FEMA comprehensively 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. FEMA is taking steps to address this recommendation, including by developing analyses to update disaster assessment efforts and working to update guidance.

Challenges Facing FEMA's Individual Assistance Program

FEMA's Individual Assistance program provides financial assistance and, if necessary, direct assistance to eligible individuals and households who, as a direct result of a major disaster or emergency, have necessary expenses and serious needs, and are unable to meet such expenses or needs through other means. According to FEMA's January 2022 Disaster Relief Fund report, total projected obligations for Individual Assistance programs from August 1, 2017 through fiscal year 2022 are approximately \$5 billion.¹⁹

Individuals and Households Program (IHP). In September 2020, we reported that survivors faced numerous challenges obtaining aid and understanding the IHP—one of FEMA's Individual Assistance programs that provides housing and other needs assistance to individuals affected by a major disaster or emergency.²⁰ We found FEMA, state, territory, and local officials said that disaster survivors did not understand and were frustrated by the requirement that certain survivors first be denied a Small Business Administration (SBA) disaster loan before receiving certain types of IHP assistance. FEMA did not fully explain the requirement to survivors and its process for the requirement may have prevented many survivors from being considered for certain types of assistance, including low-income applicants who are less likely to qualify for an SBA loan. For instance, we identified tens of thousands of potentially low-income IHP applicants who were referred to the SBA but did not submit a loan application. As a result, FEMA could not consider these applicants for personal property assistance—for millions of dollars in verified losses—under its current process.

We also found that opportunities exist to improve survivors' understanding of FEMA's eligibility and award determinations for the IHP; for example, clarifying that an ineligible determination is not always final but may mean FEMA needs more information to decide the award. In addition, we reported that state and local officials generally had trouble understanding the IHP. For example, these officials said that FEMA did not provide sufficient training, support, and guidance that was needed in order for them to be able to effectively work with FEMA to facilitate IHP assistance.

To address these and other challenges relating to the IHP, we made 14 recommendations, including identifying ways to simplify the IHP application process and providing more information to survivors about their award, among others. FEMA agreed with our recommendations and is working to address them. For example, as of October 2021, FEMA officials told us that they are pursuing a regulatory change to alter the requirement that disaster survivors apply to SBA and be denied before seeking assistance from FEMA for some types of IHP assistance. Additionally, as of fall 2021, FEMA was planning revisions to its communications to survivors and published guidance for state and local officials, among other steps in progress.

Permanent housing in remote areas. We have also identified challenges relating to FEMA's Permanent Housing Construction program—another Individual Assistance program. Specifically, in February 2021, we reported that 2 years after typhoons struck the Commonwealth of the Northern Mariana Islands, FEMA had completed 60 percent (73 out of 121) of home repairs, and only completed about 11 percent (20 out of 182) of new construction for survivors enrolled in the Permanent Housing Construction program (93 of 303 houses).²¹ These delays were due, in part, to a lack of expertise within FEMA relating to soliciting and awarding construction contracts and construction errors made by contracted entities.

We found that these housing assistance challenges were consistent with lessons learned from prior FEMA missions in other remote areas of the United States. To address these challenges, we recommended that FEMA incorporate lessons learned from earlier Permanent Housing Construction missions and address long-standing

¹⁸ GAO, *Wildfire Disasters: FEMA Could Take Additional Actions to Address Unique Response and Recovery Challenges*, GAO-20-5 (Washington, D.C.: Oct. 9, 2019).

¹⁹ DHS, *FEMA, Disaster Relief Fund: Monthly Report as of December 31, 2021*. (Jan. 7, 2022).

²⁰ GAO-20-503.

²¹ GAO-21-91.

issues in guidance that outlines necessary steps to better plan for and implement the program in remote areas. FEMA concurred and is planning to implement this recommendation in a Direct Housing Guide it is developing.

POTENTIAL BARRIERS AND DISPARATE OUTCOMES WITH DISASTER RECOVERY ASSISTANCE

As we highlighted above, disaster recovery is a complex process with many factors that affect individual and community outcomes, including in various socioeconomic and demographic groups. While federal disaster recovery programs are not typically targeted toward only low-income or vulnerable populations, our recent work and recommendations have identified areas that could help these populations. Specifically, we have reported on FEMA's efforts to (1) identify and address potential access barriers to disaster recovery programs; (2) prioritize flood map investments for vulnerable populations; and (3) provide assistance to individuals who are older or who have disabilities.

Identifying and addressing potential access barriers and disparate outcomes. In December 2021, we reported on six federal disaster recovery programs with historically large obligations and found the programs have taken some actions that could help officials identify and address social and institutional barriers.²² However, these recovery programs generally lacked quality information that would allow them to identify potential access barriers and disparate recovery outcomes. Additionally, FEMA and federal partners administering disaster recovery programs have not established processes to address any potential barriers and disparate outcomes they identify on an ongoing basis. However, FEMA and other federal agencies with large recovery programs can and should work together to devise workable approaches to identify and address barriers to accessing federal recovery programs and disparate outcomes.

We recommended that FEMA, along with federal partners, (1) develop and implement an interagency plan to help ensure the availability and use of quality information; and (2) design and establish routine processes to be used within and across federal disaster recovery programs to identify and address potential barriers and disparate outcomes on an ongoing basis. FEMA agreed with both of the recommendations and is planning to take actions to address them by the end of 2022.

Prioritizing flood map investments for vulnerable populations. In October 2021, we reported that the FEMA flood mapping investments for fiscal years 2012 through 2020 were lower for communities with higher levels of social vulnerability and underserved populations, other factors being equal.²³ More specifically, we found communities with relatively higher levels of social vulnerability and underserved populations had (1) more unmapped miles or paper maps in fiscal year 2012; (2) a smaller increase in the percentage of mapped miles that met FEMA's quality standard metric; and (3) longer cycle times between the stages of FEMA's mapping process.

We recommended that FEMA better use flood risk data to prioritize flood mapping investments toward priority areas, such as vulnerable communities. FEMA leadership was interested in examining ways the agency could use data to inform future annual mapping investment decisions and agreed with our recommendation. They are taking steps to address the recommendation and we will continue to monitor their efforts.

Access to specialized assistance for older and disabled individuals. In May 2019, we reported that officials from entities that partnered with FEMA reported challenges providing assistance to individuals who are older or who have disabilities following the 2017 hurricanes.²⁴ For example, officials said that many of these individuals required specialized assistance obtaining food, water, medicine, and oxygen, but aid was sometimes difficult to provide. We also reported that aspects of the process to apply for assistance from FEMA were challenging for older individuals and those with disabilities and that FEMA did not provide individuals clear opportunities to disclose disability-related needs.

²² GAO, *Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers*. GAO-22-104039 (Washington, D.C.: Dec. 15, 2021).

²³ GAO, *FEMA Flood Maps: Better Planning and Analysis Needed to Address Current and Future Flood Hazards*. GAO-22-104079, (Washington, D.C.: Oct. 25, 2021). Social vulnerability is broadly defined as the susceptibility of social groups to the adverse impacts of natural hazards, including disproportionate death, injury, loss, or disruption of livelihood. Social vulnerability considers social vulnerability as the social, economic, demographic, and housing characteristics of a community.

²⁴ 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.

We recommended, among other things, that FEMA implement new registration-intake questions to improve FEMA's ability to identify and address survivors' disability-related needs. FEMA agreed with this recommendation and implemented it in May 2019 by using revised registration-intake questions that asked directly if survivors had a disability. According to FEMA's analysis, the percentage of survivors that identified having a disability-related need increased substantially after implementing the revised questions.

FUTURE DISASTER RESILIENCE AND MITIGATION

We have previously reported on the extent to which FEMA programs encourage resilience before a disaster and as part of recovery efforts following a disaster. We have found that federal and local efforts to improve resilience can reduce the effects and costs of future disasters. FEMA has made progress in this area by establishing an investment strategy to help federal, state, and local officials identify, prioritize, and guide federal investments in disaster resilience. FEMA published the National Mitigation Investment Strategy in August 2019. However, our prior work highlights opportunities to improve disaster resilience. Specifically, we reported on FEMA efforts to (1) to identify flood hazards and (2) improve hazard mitigation:

Identify flood hazards. We found that FEMA had increased its development of flood maps and other flood risk products, but the agency faced challenges ensuring they comprehensively reflect current and future flood hazards.²⁵ For example, its flood risk products do not reflect hazards such as heavy rainfall and the best available climate science. FEMA was addressing some of these challenges, but many may require years to address. Also, the agency was operating under an out-of-date plan that did not reflect new goals, objectives and timeframes, among other things. In order to address challenges in reflecting current and future flood hazards, we recommended, among other things, that FEMA update its plan to identify program goals, objectives, activities, performance measures and time frames for its various efforts. FEMA concurred and is working to update its "Risk MAP Multi-Year Plan," to include the items we identified, by December 2022 to address our recommendation.

Improving hazard mitigation. In February 2021, we found that state and local officials from selected jurisdictions reported challenges with FEMA's hazard mitigation grant programs.²⁶ Specifically, officials we interviewed from 10 of 12 jurisdictions said grant application processes were complex and lengthy. To address this, FEMA officials augmented guidance and began monitoring application review time frames to identify opportunities to streamline the programs. However, the agency had no documented plan to do this. In addition, officials from eight of the 12 jurisdictions cited challenges with applicants' technical capacity to successfully apply for grants. To address this, FEMA developed training and guidance, but we found that these resources could be difficult for state and local officials to locate on different parts of FEMA's website.

We recommended that FEMA establish a plan with time frames to assess hazard mitigation grant processes to identify and implement steps to reduce the complexity of and time required for grant applications. FEMA concurred with this recommendation. As of January 2022, the agency stated it had several ongoing efforts to address our recommendation, such as drafting strategic plans meant to reduce complexity. To address difficulties in locating application resources, we recommended that FEMA create a centralized inventory of hazard mitigation resources on the FEMA website. FEMA concurred with this recommendation and, as of January 2022, the agency said it was in process of updating its web pages and guidance. We will continue monitoring FEMA's efforts to fully address both recommendations.

Thank you Chair Titus, Ranking Member Webster, 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, Mr. Currie.
We will now go to Ms. Bornemann.

²⁵ GAO-22-104079

²⁶ GAO, *Disaster Resilience: FEMA Should Take Additional Steps to Streamline Hazard Mitigation Grants and Assess Program Effects*, GAO-21-140 (Washington, D.C.: Feb. 2, 2021). Hazard mitigation is any sustainable action that reduces or eliminates long-term risk to people and property from future disasters.

Ms. BORNEMANN. Good afternoon. Thank you, Chairwoman Titus and Ranking Member Webster, for this hearing today. And I would be remiss if I missed out on acknowledging Chairman DeFazio of the full committee.

Your retirement is bittersweet for the emergency management community. Your steadfast leadership during your time at the helm of the Transportation and Infrastructure Committee has truly been impactful to the profession. Your retirement is well-earned, and we really wish you the best. Fortunately, the current leadership of the committee will remain intact for the coming year.

However, there are several areas that State emergency managers feel we can be effective in working with FEMA and Congress. The most recent iteration of the FEMA Strategic Plan is thoughtful, and demonstrates a real commitment to the next generation of emergency management. As we look toward managing an ever-changing climate, instilling equity in programs, diversifying our workforce, and ensuring the Nation has the highest level of readiness, there are several issues on which we should focus.

Emergency managers are in need of policies and regulation that provide more flexibilities to navigate increasingly complex challenges faced in a rapidly changing environment. Threats such as the ongoing pandemic, cybersecurity, climate change, infrastructure failures, and continuing natural hazards require a streamlined and coordinated Federal approach. As the complexity of the disasters we respond to and recover from increases, so do programs that were meant to aid Americans in their worst hour.

NEMA recently completed work on three position papers, which Chairman DeFazio referenced in terms of the wildfire one, which I have submitted for the record with my written statement. They address the need for greater collaboration on establishing grant requirements, enhancing coordination between FEMA and the Cybersecurity and Infrastructure Security Agency, and addressing wildfire policy.

You may remember back in October, when my colleague from Oregon, Andrew Phelps, testified before this committee on wildfires. NEMA took advantage of this opportunity to participate in that hearing, and codified in policy many issues that were discussed. I request your attention to the recommendations provided in that position paper, and we really look forward to working with the committee as we look for opportunities for implementation.

Wildfires are just one hazard that highlight the need for further examination of the equity of application and implementation of disaster programs. Small changes in policy or statute can equal significant impact when measuring results. A small step, such as implementing a universal application for disaster survivors, is a seemingly simple measure that equates to better access for States that may have less resources, and a better disaster survivor experience.

We remain encouraged by FEMA's forward-leaning approach to garnering feedback for preparedness grant programs, and expect clear objectives to be outlined to address known equity challenges within the program themselves. Beyond equity, however, there are many other challenges in response and recovery programs.

For several years now, practically every NEMA witness before this and other committees has spoken of the need to simplify Federal programs, to streamline State emergency management, and make them more accessible to the public. This doesn't require broad measures. It can be simple steps, such as clarifying FEMA as a lead Federal agency for all consequence management; supporting legislation such as the SPEED Recovery Act, which raises the small project threshold; reviewing the authorities, roles, and responsibilities of the consolidated resource centers to ensure they are not overly bureaucratic; and allowing for the rollover of management cost from one disaster to the next, thereby building capacity at the State level and speeding disaster closeout.

Finally, the changing face of disasters means we must consider challenges such as our changing climate. Unfortunately, current programs lack adequate guidance and support to address all hazards intensified by climate change. NEMA needs to strategically identify, prioritize, and invest in climate resilience projects that help reduce future losses. This should be done also with an eye toward measurable outcomes, so that we know what success looks like.

These goals are not unattainable, and the State emergency management community believes that, working together across all levels of Government, we can make preparedness and disaster programs more accessible and accountable.

On behalf of the entire NEMA membership, thank you again for holding this hearing, and I look forward to any questions you have for me.

[Ms. Bornemann's prepared statement follows:]

Prepared Statement of Erica Bornemann, Director, Vermont Emergency Management, on behalf of the National Emergency Management Association

Thank you, Chairwoman Titus, Ranking Member Webster, and distinguished members of the Committee for allowing me to testify today.

I am proud to represent the National Emergency Management Association (NEMA). NEMA represents the state emergency management directors of all 50 states, territories, and the District of Columbia. As Director of Vermont Emergency Management and on behalf of my colleagues in state emergency management, we thank you for holding this discussion on recommended priorities of the Federal Emergency Management Agency (FEMA) in 2022.

The relationship between federal, state, and local emergency management is unique in that each maintains separate authorities and capabilities but must rely on one another to save lives and protect property. State emergency management relies on the strength of our locals, so the success of FEMA is also determined by the strength of the states. The relationship between state and federal emergency management is sometimes stressed, but no disagreement cannot be overcome by understanding each other's priorities, remaining flexible, and maintaining the shared goal of focusing on disaster survivors. The ongoing COVID-19 pandemic response and recent change in administration gave the NEMA membership several opportunities to address continuous improvements with FEMA and we welcome the committee to this discussion as we look to 2022.

The state emergency managers applaud the recent strategic plan developed by FEMA and look forward to working with Administrator Criswell during implementation. To that end, many of the priorities outlined in this testimony can find congruency with the goals and objectives of the strategic plan.

STREAMLINING AND COORDINATING FEDERAL PROGRAMS

In partnership with the states, FEMA should pursue a comprehensive review, re-envisioning, and reform of emergency management policies and regulation to provide more flexibility for emergency managers to navigate increasingly complex challenges faced in a rapidly changing environment. Threats such as the ongoing pandemic, cybersecurity, climate change, infrastructure failures, and continuing natural hazards requires a streamlined and coordinated federal approach.

As a part of this re-envisioning, FEMA should conduct a review of headquarters-versus-regional decision-making roles and authorities to aid in streamlining and consistency. The relationship between FEMA headquarters and the regions must result in a common, fair, and equitable application of policy, guidance, and regulations across the country. COVID-19 demonstrated many of the shortcomings in the existing disconnect between FEMA headquarters and the regions. Throughout the pandemic states and FEMA Regions struggled to interpret guidance changes regarding eligibility of response activities and interpretation of these policies often differed from Region to Region. For example, the eligible uses of PPE depending on type of facility and occupation utilizing the PPE was very difficult for applicants to decipher and continues to be an issue throughout the country. Public Assistance program guidance assumes impact from disaster caused by natural hazards and it is often difficult to apply to other disasters such as pandemics or cyber-attacks. Simplifying guidance as well as interpretation to be as straight-forward as possible will lessen the administrative burden on applicants as well as FEMA and will cost taxpayers less wasted time in fruitless deliberations.

NEMA recently approved three position papers that address other aspects of federal coordination and policy implementation. Submitted with this testimony to be entered into the Congressional Record, these papers address the following:

1. *Coordination of State Homeland Security Grant Program Guidance.* As emergency management and homeland security professionals, the membership of NEMA appreciates the need for grant programs to remain dynamic and meet emerging threats. FEMA and the department must develop a more collaborative process, however, to devise, evaluate, and implement proposed changes. Therefore, FEMA should encourage DHS to establish a codified review process for grant guidance that is properly vetted through the appropriate stakeholders.
2. *Interagency Collaboration.* With the continued maturation of the Cybersecurity and Infrastructure Security Agency (CISA), the need for collaboration with FEMA is paramount. Whether addressing cybersecurity threats or critical infrastructure protection activities, FEMA and CISA must work closely in the development of policies and regulations. An Integrated Program Office (IPO) seems the best logical way to ensure such policy is integrated, coordinated, and clarified for those charged with saving life and property in the response to a major event. This would further serve as an opportunity to coordinate policy and avoid negative consequences prior to major events through better integration at the federal level.
3. *Wildfire Policy.* Recent wildfires exposed gaps in assistance and flaws in the interpretation of existing policy. Leveraging federal grants for response or mitigation efforts becomes problematic when they do not have adequate allowances for some of the unique needs of fighting wildfires. In the long-term approach, state and local land managers can be proactive in lessening threats to communities, while federal land managers struggle to implement meaningful fuels reduction projects near communities. In total, there would be great benefit to federal agencies taking a more active role in protecting communities before, during, and after wildland fires originating on federal lands. The paper includes a robust set of recommendations touching nearly every aspect of FEMA response and recovery programs.

ADDRESSING EQUITY IN EMERGENCY MANAGEMENT

Disasters are indiscriminate in their impact. They do not distinguish between party affiliation, arbitrary borders, or income level. Emergency management programs and policies in this nation must recognize these qualities and evolve to meet the needs of all Americans. NEMA embraces the priorities outlined in the FEMA strategic plan to address equity in emergency management programs. This year the association created a new policy committee to address diversity and equity issues. FEMA can aid in this national effort by addressing, supporting, and cultivating an inclusive and diverse workforce representing the diversity of communities impacted by emergencies. This includes removing barriers inhibiting vulnerable and underserved populations from applying for and receiving aid after a disaster. The federal

government should implement a universal application at the federal level for all disaster assistance programs, creating a more equitable and less burdensome process for survivors already experiencing some of the hardest times in their life.

Furthermore, NEMA encouraged FEMA to create a formalized process by which to evaluate whether existing or new disaster and non-disaster grant programs increase or decrease equity for disaster survivors, and do not aggravate any financial and social disparities that may exist prior to the event. In addressing these goals, however, FEMA should use caution in guarding against unintended consequences that could inadvertently reduce or limit assistance to those in need.

For example, layering additional grant requirements to address equity concerns can become an equity issue by applying a one-size fits all approach to all states and assuming all states have the same resources to meet additional grant requirements. We remain encouraged by FEMA's forwarding-leaning approach to garnering feedback for the preparedness grant programs and expect clear objectives to be outlined to address known equity challenges within the program themselves.

SIMPLIFY FEDERAL RECOVERY PROGRAMS

The ongoing response to COVID-19 and other, overlapping events presented a tidal shift in the view of emergency management at all levels of government. But where issues may arise during response, the true test of our capabilities and resiliency as a nation come in the recovery process. The past two years revealed several issues FEMA should address in 2022 and beyond, including:

- Working with the administration to clarify, improve, and add capacity to support the agency's role in long-term recovery. They should be the coordinating agency on behalf of the federal government with the authority to support federal functions across the disaster recovery spectrum.
- Raising the small project threshold of the Public Assistance program from \$131,100 to \$1 million, thereby reducing the complexity of recovery and expediting recovery dollars to disaster survivors. If FEMA remains unwilling to effect this change administratively, NEMA reiterates our support of H.R. 5641, the SPEED Recovery Act, introduced by Representative Graves.
- A review of the authorities, roles, and responsibilities of Consolidated Resource Centers (CRC). Originally intended as processing centers, CRCs morphed into bottlenecks in the recovery process, circumventing decisions made by Federal Coordinating Officers, and slowing processing of recovery funds at headquarters.
- An evaluation of the Individual Assistance (IA) Program to include eligibility indicators, funding amount, processes, and speed of resources to disaster survivors. IA should maintain a focus on the beginning of a disaster and a whole community approach in meeting the objectives of the needs of individuals.
- Immediately beginning the process of amending 44 C.F.R. Part 207 to allow for the rollover of management costs from one disaster to the next. This would provide each state an unfunded grant for both the Public Assistance Program and Hazard Mitigation Grant Program. It would also allow remaining funds after the close-out of a disaster to be available to build recovery and mitigation capacity at the state and local levels, and more expeditiously close-out remaining disasters which may be more complicated and build resilience for the next disaster.
- A clarification of the challenges experienced by states as it relates to the sharing of personally identifiable information (PII) in the IA National Flood Insurance programs. FEMA should create a standardized information sharing form which disaster survivors can sign to allow the pertinent recovery agencies with identified resources or program support to receive their information.

INTEGRATING CLIMATE ADAPTATION PRIORITIES

Adapting to the more complex weather we experience and the consequences that come along with it require flexibilities to emergency response systems. Current programs lack the adequate guidance and support which helps manage these new extreme climate disasters. FEMA needs to strategically identify, prioritize, and invest in climate resilience projects that help reduce future losses. This would include coordinating interagency investments for consistency, efficiency, and maximum return.

In addition to a review of current programs through a more climate-conscious lens, FEMA should ensure the utilization of all reasonable and pertinent federal partnerships to achieve relief and recovery from all aspects of a disaster. This coordination of climate change relates to mitigation, preparedness, response, and recovery programs with other federal agencies—including risk, vulnerability, and consequence assessments. In doing this, FEMA must guard against simply adding “climate change” into existing guidance, verbiage, and doctrine. Efforts outlined at the

federal level must be measurable to include benchmarks to determining success. Furthermore, program eligibility must incorporate the full spectrum of disasters exacerbated by climate change including wildfire and drought. Only through a whole-of-government approach can FEMA allow for adequate capacity to respond and with a focus on information sharing, it will allow programs to properly provide relief to victims as they work to recover.

CONCLUSION

On behalf of the state emergency managers, thank you again for holding this hearing on where FEMA should focus in the coming year. Collectively, emergency managers believe we must work together in building our respective capacities to respond, enhance equity in state and federal programs, and streamline FEMA programs to get assistance more quickly to the people who need it most. We can accomplish this by working together across all levels of government and ensuring the role of emergency management is clear regardless of the hazard. In doing all this, we look forward to continuing the strong relationship we have with this committee and with FEMA, and I welcome any questions.

POSITION PAPER 1

NATIONAL EMERGENCY MANAGEMENT ASSOCIATION
HOMELAND SECURITY COMMITTEE
POSITION PAPER

DATE: January 10, 2022
SUBJECT: State Homeland Security Grant Program Policy Changes

DISCUSSION:

The basis of the State Homeland Security Grant Program (SHSGP) pre-dates the terrorist attacks of September 11, and the Urban Area Security Initiative (UASI) came about shortly after the creation of the Department of Homeland Security in 2003. These two programs form the cornerstone of preparedness funding for states and locals to address emerging and dynamic threats to the homeland. They support the building, sustainment, and delivery of core capabilities in states, territories, urban areas, and local and tribal governments and to develop a more secure and resilient nation.

These programs represent a partnership between states and locals to aid the federal government in their mission to close nationwide preparedness gaps. In 2018, the National Homeland Security Consortium conducted a study to evaluate the past investment of funds on terrorism preparedness, the augmentation of that funding by federal assistance, and what capabilities states, and localities now have that were not available pre-2001. To collect this information, a survey was issued to all 50 states and to jurisdictions from 50 urban areas currently and formerly eligible for UASI funds to determine how much money has been invested by state and local governments.

A key finding from the survey is that for every SHSGP and UASI grant dollar invested, the median return was \$1.70 for responding state emergency management and homeland security agencies; for local emergency management and homeland security agencies, it was \$0.92. Furthermore, return on investment also generally increased when considering other jurisdictional agencies that were involved with, but not responsible for preparedness activities.

In recent years, administrations waited until the completion of the appropriations process and the Notice of Funding Opportunity (NOFO) to roll-out proposed programmatic changes to the SHSGP and UASI programs. An example of these proposed changes includes a requirement for certain percentages of funding to meet core priorities. Furthermore, in 2020 the department “banded” states based on threat which fundamentally altered the funding formula for states. While the department ultimately sidelined these proposed changes primarily due to the continuing response to COVID, they reflect a repeated pattern of attempts to change the rules during the application process.

As emergency management and homeland security professionals, the membership of NEMA appreciate the need for these programs to remain dynamic and meet emerging threats. The department must develop a more collaborative process, however, to devise, evaluate, and implement proposed changes. The planning process for grant funding typically takes several years, so the 45-day window of a standard NOFO is wholly inadequate to affect smart and effective changes. Also, with a

multi-year performance period for the grant, changing the national priorities in the middle of the period means states and locals cannot achieve or sustain impactful progress.

RECOMMENDATIONS:

1. DHS should establish a codified review process for grant guidance that is properly vetted through the appropriate stakeholders. Organizations such as NEMA, the National Homeland Security Consortium, or National Advisory Council are natural partners in such an effort.
2. Completion of the review and concurrence should occur not less than 12 months from the end of the previous fiscal year to give grantees adequate time for planning adjustments.

Moved: Brian Hastings, Alabama
 Second: Chris Stallings, Georgia
 DISPOSITION: Passed Unanimously
 Authenticated: Mike Willis, NEMA Secretary

POSITION PAPER 2

NATIONAL EMERGENCY MANAGEMENT ASSOCIATION
 HOMELAND SECURITY COMMITTEE
 POSITION PAPER

DATE: January 10, 2022
 SUBJECT: CISA-FEMA Integrated Program Office

DISCUSSION:

With the reorganization of the Cybersecurity and Infrastructure Security Agency (CISA) and awarding the agency operational status, the Department of Homeland Security (DHS) created an agency focused on protecting critical infrastructure and assisting the nation in enhancing cybersecurity. The unintended consequence of this new organization, however, is the separation of mission of critical infrastructure protection and the response and recovery mission of the Federal Emergency Management Agency (FEMA). Despite the organization separation within the department, these mission sets are inextricably linked in policy.

For response and recovery functions after a natural or man-made physical disaster, the Federal Emergency Management Agency (FEMA) is a logical state partner with regional personnel, grant structure, and experience in consequence management. After a cyber-incident, with or without a physical impact, state and local governments and the private sector look to CISA for support. Naturally, CISA needs FEMA and vice versa in both policy development and practical application of response capabilities. This reliance among DHS components, however, can cause barriers to reasonable and appropriate response time and action.

For example, throughout the stakeholder community, questions abound relating to the federal government's processes for responding to major cybersecurity attacks. Preparedness, response, and recovery functions for such events work together with one another, therefore so too should federal policy and operations. Furthermore, the recently passed Bipartisan Infrastructure Framework included \$1 billion over the next four years for a cybersecurity preparedness grant. As this new grant is brought online, collaboration will be required between CISA as the subject matter experts and FEMA as the department's grant-making entity.

An Integrated Program Office (IPO) seems the only logical way to ensure such policy is integrated, coordinated, and clarified for those charged with saving life and property in the response to a major event. This would further serve as an opportunity to coordinate policy and avoid negative consequences prior to major events through better integration at the federal level.

RECOMMENDATIONS:

1. DHS should establish IPO, modeled after those at the Department of Defense, between FEMA and CISA. The mission of this office would be to coordinate all policy and response doctrine as it would apply to cybersecurity, critical infrastructure protection, and any other subject of shared interest.

Moved: Brian Hastings, Alabama
 Second: Chris Stallings, Georgia
 DISPOSITION: Passed
 ABSTAIN: Florida
 Authenticated: Mike Willis, NEMA Secretary

NATIONAL EMERGENCY MANAGEMENT ASSOCIATION
 RESPONSE AND RECOVERY COMMITTEE
 POSITION PAPER

DATE: January 2, 2022

SUBJECT: State Emergency Management Wildfire Hazard Recommendations

DISCUSSION:

In 2020, 58,950 wildfires burned 10.1 million acres, the second-most acreage impacted in a year since 1960.¹ According to the U.S. Department of Agriculture Forest Service, recent increased fire activity is due to at least four factors: increasingly hot and dry summers; stronger winds; insect and disease infestations; and human population growth in the Wildland Urban Interface.

Wildfires cannot be viewed as merely a fire service function of first responders. As these fires continue to spread and have broader impacts, they become a whole-of-community hazard which must be treated as such to include robust prevention activities. To understand wildfires, one must first understand forest management, drought, and the interplay with existing programs at the Federal Emergency Management Agency (FEMA). NEMA would not recommend creating new, hazard-specific programs; existing programs within response, recovery, and mitigation could be tailored to meet the evolving wildfire threat.

Leverage Federal Partnerships. The United States government owns around 640 million acres of land across the Nation. The Bureau of Land Management, Forest Service, Fish and Wildlife Service, and the National Park Service own 94 percent of that total². Each wildfire that burns on federal land presents cascading effects that impact local, tribal, and state government, so policy coordination and land-use agreements are critical prior to heightened wildfire activity to ensure there are no delays in recovery due to ownership issues.

Recommendations:

1. FEMA should engage earlier, facilitate the integration of non-natural resource/non-firefighting federal agencies into wildfire risk reduction, response, and recovery planning and operations, and take a stronger role in interagency coordination for the federal government in multi-agency incidents across all phases of a wildfire, including recovery.
2. FEMA should have the authority to work with and help direct those federal agencies that own and manage land to reduce wildfire risk and recovery from wildfires that impact local, tribal, and state-owned lands. This should include coordinating and directing with agencies whose missions are to sustain environmental and energy resources on risk reduction and recovery planning and operations.

Declaration Criteria and Incident Period. Unlike events that are predictive and leave specific damages, wildfires are unpredictable, overlapping, and often combine with one another. Current policies dictating the establishment of an incident period are not conducive to this type of hazard across multiple jurisdictions and authorities. Currently, if a federally declared Fire Management Assistance Grant (FMAG) burns in more than one county, FEMA requires all counties to meet declaration criteria independently. This creates inequity in recovery initiatives for counties that were damaged by the fire but may not reach the threshold for assistance. Furthermore, the declaration criteria used for Individual and Public Assistance disasters are not well-suited for informing fire declaration decisions as they do not consider the full range of impacts of large fires on the diverse local, and especially rural, communities and states.

Recommendations:

1. Revise declaration criteria to qualify the initial attack of a wildfire for emergency protective measures once the National Geographic Area Coordination Center (GACC) or the National Interagency Fire Center (NIFC) reach Preparedness Level (PL) 5.
2. Revise declaration criteria to consider statewide impacts including ongoing firefighting incident instead of only localized impacts.

¹ Congressional Research Service, IN FOCUS, September 8, 2021.

² Congressional Research Service, Federal Land Ownership: Overview and Data, February 21, 2020.

Prepositioning Deployments. When preparing to fight wildfires, one of the most valuable capabilities is that of prepositioning firefighting assets. Currently, pre-deployment through a FMAG is limited to out-of-state resources.

Recommendation:

1. Allow the state to utilize FMAG assistance for the prepositioning of in-state resources for wildfire response, including the pre-staging of firefighting resources to prevent fires from reaching the severity where an FMAG is needed.

Emergency Work and FMAG Eligibility. Large fires expose burn scars to erosion from wind and soil saturation that most often lead to landslides and mudslides. The federal firefighting services recognize this hazard and take emergency protective measures to protect property within their jurisdiction under the Burned Area Emergency Response (BAER) and the Emergency Stabilization and Rehabilitation (ESR) programs. Similar emergency stabilization measures taken by state and local governments are eligible Category B measures under FEMA Public Assistance (PA) declarations. In managing an FMAG, however, emergency protective measures outside the FMAG incident period are ineligible, putting additional strain on state and local resources. Furthermore, the provision of funding for FMAGs is authorized by linking the authorities of the Stafford Act Section 403 *Essential Assistance* within Section 420 *Fire Management Assistance*. Section 403 is also the section that authorizes the provisions of funding in the FEMA PA program despite being authorized under the same section of the Stafford Act and with identical definitions of entities eligible to receive assistance.

Recommendation:

1. FMAG program guidance should mirror the same eligibilities and timeframes for emergency work as those found elsewhere in the PA program.
2. FEMA should revise the FMAG policy, program, and regulations to include the same categories of eligible applications under the PA programs.
3. FMAG project on-line project tools should include a portfolio of best practices and lessons learned.

Public Assistance Program and Policy Guide (PAPPG) Modifications. Current language of the PAPPG disproportionately favors other hazard events (such as floods, tornadoes, and hurricanes) with little regard to the unique qualities of wildfires. For example, when considering wildfire damage to trees, the current guidance specifically covers tree damage typically realized from wind and hurricane force wind but does not provide guidance on wildfire effects such as tree burns³.

Recommendation:

1. FEMA should update the PAPPG to include wildfire-specific challenges such as debris removal emergency protective measures and the toxicity that is left behind when a wildfire moves through a community including the contamination of drinking water resources.

Leverage the DRRRA. Wildfires dramatically alter the terrain and ground conditions of the affected area. Communities impacted by wildfire may be at an even greater risk of flooding and mudslides. Thus, the Disaster Recovery Reform Act (DRRA) made clear that post-wildfire mitigation efforts to avoid future damage, hardship, loss, or suffering in any area affected by a wildfire (like activities that avoid flooding and landslides) are eligible for funding.

Recommendation:

1. FEMA should utilize the flexibility afforded in the DRRRA to the maximum amount possible and apply the same criteria used by other federal agencies for approving soil stabilization and reseeding projects on non-federal land when post-fire mitigation funds are used.

Hazard Mitigation Grant Programs (HMGP) Evaluation. Through HMGP, FEMA could leverage the programs that fall under grants to be more inclusive of the wildfire hazard. There is a very short timeframe between fire season and flood season, especially as the fire season is quickly becoming a year-round hazard. The Building Resilient Infrastructure and Communities (BRIC) grant program is one example that can elevate such fire mitigation projects. Another example FEMA could use to elevate their mitigation tactics is in evaluation of community programs.

Recommendation:

1. Expand the HMGP performance periods to assist in expediting mitigation projects.
2. Leverage programs such as BRIC and home hardening projects to enforce more sustainable mitigation programs for wildfires.

³PAPPG, V4 2020, p. 102

3. FEMA should accept pre-identified, pre-vetted ‘packages’ for home hardening that can be easily and rapidly replicated to achieve meaningful and timely risk reduction.
4. Allow fire districts to have the same leeway as Private Non-Profits (PNPs) to receive HMGP funding.

Benefit Cost Analysis (BCA) criteria adjustments. The current BCA for hazard mitigation assessments is linear and disproportionately weighs the financial impact of loss, such as the dollar value of a property or asset. The BCA to a lesser extent considers socioeconomic vulnerabilities and other non-financial factors that contribute to risk. In addition, BCAs are among the largest technical barriers to entry for many economically disadvantaged rural communities that seek to conduct basic wildfire mitigation measures. Data collecting has advanced to the point where there is enough national data on defensible space project costs and benefits to determine basic thresholds and criteria.

Recommendations:

1. FEMA must evaluate current BCA criteria and adjust accordingly to consider the broader range of factors, ensuring prioritization of projects based upon new BCA criteria to address highest priority needs and optimize greatest return on investment.
2. Establish a BCA pre-calculated benefits criterion for common defensible space mitigation projects.
3. Ecological and societal health, carbon sequestration, improved water quality, and lessening disaster impact on traditionally underserved communities should be factors that contribute to the BCA.

Wildland Urban Interface (WUI) Considerations. WUI is the space where development of communities meets wildland vegetation. As an establishment may be considered for pre-calculated benefits criteria, defensible space activity proposals in pre-determined WUI areas that meet the National Environmental Policy Act (NEPA) Categorical Exclusions N11 and adhere to basic Firewise-like standards should automatically be deemed cost-effective if its project is below an established threshold amount.

The current HMA programmatic guidance prohibits actions related to improving or increasing water supply in high-risk wildfire areas, based on the premise that these actions constitute preparedness or even response support rather than mitigation. Water utilities and special-purpose districts serving WUI neighborhoods need encouragement to upgrade and expand their storage and delivery systems to accommodate and support wildfire threats, including the purchase and installation of dry-hydrants and heli-hydrants in extreme-risk areas. Current HMA guidance already allows for other wildfire-related upgrades and expansions of WUI water systems (such as installing back up power generators on wellheads and retrofitting system components with ignition-resistant materials) and could easily be broadened within programmatic guidelines.

Recommendations:

1. Establish pre-calculated benefits criterion for WUI areas for defensible space activity proposals that would align with the established BCA pre-calculated benefits criterion.
2. FEMA should reconsider the interpretation that improving water supply in high-risk wildfire areas is not a measure for mitigation, especially given the ever-worsening water availability situations in areas with extreme wildfire risk profiles.
3. Provide WUI projects a more streamlined approach utilizing collected data to help implement a full review and expansion on NEPA categorical exclusions where necessary to hinder administrative delays.
4. Expand the eligible wildfire project types to include water availability upgrades in WUI areas.

Expedite Environmental and Historic Preservation (EHP) Reviews. EHP reviews have become lengthy specifically for Hazard Mitigation Assistance (HMA) wildfire mitigation proposals. This is often due to the lack of applicable NEPA Categorical Exclusions, which leads to needing full environmental assessments that can take at minimum a year or more to complete. This process may result in the delay of simple targeted pruning and thinning in rural-residential neighborhoods; or planting native samplings on a burned hillside. These administrative delays impact these communities that need simple mitigation tactics quickly.

Recommendations:

1. Conduct a full review of the EHP processes to explore metrics for all mitigation projects to be processed more expeditiously.

2. Allow creative approaches and/or reductions to cost share, as well as flexibility in the grant application timeframe, particularly for disadvantaged communities.

Conclusion. Wildfires are a threat that are year-round and persistent across most of the Western United States but is certainly no longer exclusive to this region as Florida, Georgia, Alabama, Tennessee, and other states east of the Mississippi River also experienced large wildfires in recent years. We are seeing increasingly large and severe wildfires; drought conditions, low reservoir levels, and parched landscapes; and stress on the electric grid due to extreme heat. These challenges are interconnected and cannot be looked at, or responded to, in isolation, yet FEMA's policies and response strategies have not evolved with the hazard. These shortcomings can be resolved by a recognition of the unique threat posed by wildfires, the need for adaptive policies, and a whole-of-government approach to finding solutions. The state directors of emergency management, through NEMA, stand ready to work with Congress and FEMA in identifying and implementing the necessary changes to better respond to this dynamic threat.

RECOMMENDATIONS:

1. FEMA should engage earlier, facilitate the integration of non-natural resource/non-firefighting federal agencies into wildfire risk reduction, response, and recovery planning and operations, and take a stronger role in interagency coordination for the federal government in multi-agency incidents across all phases of a wildfire, including recovery.
2. FEMA should have the authority to work with and direct those federal agencies that own and manage land to reduce wildfire risk and recovery from wildfires that impact local, tribal, and state-owned lands. This should include coordinating and directing with agencies whose missions are to sustain environmental and energy resources on risk reduction and recovery planning and operations.
3. Revise declaration criteria to qualify the initial attack of a wildfire for emergency protective measures once the National Geographic Area Coordination Center (GACC) or the National Interagency Fire Center (NIFC) reach Preparedness Level (PL) 5.
4. Revise declaration criteria to consider statewide impacts including ongoing firefighting incident instead of only localized impacts.
5. Allow the state to utilize FMAG assistance for the repositioning of in-state resources for wildfire response, including the pre-staging of firefighting resources to prevent fires from reaching the severity where an FMAG is needed.
6. FMAG program guidance should mirror the same eligibilities and timeframes for emergency work as those found elsewhere in the PA program.
7. FEMA should revise the FMAG policy, program, and regulations to include the same categories of eligible applications under the PA programs.
8. FMAG project on-line project tools should include a portfolio of best practices and lessons learned.
9. FEMA should update the PAPPG to include wildfire-specific challenges such as debris removal emergency protective measures and the toxicity that is left behind when a wildfire moves through a community including the contamination of drinking water resources.
10. FEMA should utilize the flexibility afforded in the DRRRA to the maximum amount possible and apply the same criteria used by other federal agencies for approving soil stabilization and reseeding projects on non-federal land when post-fire mitigation funds are used.
11. Expand the HMGP performance periods to assist in expediting mitigation projects.
12. Leverage programs such as BRIC and home hardening projects to enforce more sustainable mitigation programs for wildfires.
13. FEMA should accept pre-identified, pre-vetted 'packages' for home hardening that can be easily and rapidly replicated to achieve meaningful and timely risk reduction.
14. Allow fire districts to have the same leeway as Private Non-Profits (PNPs) to receive HMGP funding.
15. FEMA must evaluate current BCA criteria and adjust accordingly to consider the broader range of factors, ensuring prioritization of projects based upon new BCA criteria to address highest priority needs and optimize greatest return on investment.
16. Establish a BCA pre-calculated benefits criterion for common defensible space mitigation projects.

17. Ecological and societal health, carbon sequestration, improved water quality, and lessening disaster impact on traditionally underserved communities should be factors that contribute to the BCA.
18. Establish pre-calculated benefits criterion for WUI areas for defensible space activity proposals that would align with the established BCA pre-calculated benefits criterion.
19. FEMA should reconsider the interpretation that improving water supply in high-risk wildfire areas is not a measure for mitigation, especially given the ever-worsening water availability situations in areas with extreme wildfire risk profiles.
20. Provide WUI projects a more streamlined approach utilizing collected data to help implement a full review and expansion on NEPA categorical exclusions where necessary to hinder administrative delays.
21. Expand the eligible wildfire project types to include water availability upgrades in WUI areas.
22. Conduct a full review of the EHP processes to explore metrics for all mitigation projects to be processed more expeditiously.
23. Allow creative approaches and/or reductions to cost share, as well as flexibility in the grant application timeframe, particularly for disadvantaged communities.

Moved: Andrew Phelps, Oregon
 Second: Tina Titze, South Dakota
 DISPOSITION: Passed
 ABSTAIN: Alabama
 Authenticated: Mike Willis, NEMA Secretary

Ms. TITUS. Thank you very much.

We will now go to our last witness, Ms. Carolyn Harshman.

Ms. HARSHMAN. Yes, good afternoon, Committee Chairman DeFazio, Subcommittee Chairwoman Titus, Ranking Member Webster, and members of the subcommittee.

My name is Carolyn Harshman, and I am a certified emergency manager and the very proud president of the International Association of Emergency Managers. IAEM is a professional organization comprised of dedicated emergency management practitioners who wake up every day thinking about and planning for natural and human-caused emergencies.

As the profession of emergency management continues to shake off the “Chicken Little” stereotype of days gone by, we are benefiting greatly from the abundance of higher education programs and graduates. The usefulness of our profession was infinitely clear during the early stages of COVID–19, as we coordinated organizations and resources to adapt to the evolving needs of our communities.

In the meantime, the frequency of disasters and ever-present changes in climate are increasing the numbers of people and property impacted by hazards. I see us standing at the crossroads now, as the ravaging days of the pandemic begin to wind down, and we are seeing a range of emergency managers emerge from a broad spectrum of industries and disciplines. With that expansion, and emergency management protocols becoming more and more politicized, the profession needs strong guidance that will ensure we forge the best path forward.

FEMA’s Strategic Plan could not have come along at a better time. In order to be effective emergency managers, it is imperative that we treat all of the members of our communities as equals. All politics, income level, socioeconomic standing, and other polarizing characteristics need to be set aside in order to ensure equitable delivery of services in a community’s greatest time of need.

FEMA's Strategic Plan goal number 1 instills equity as a foundation of emergency management. I began my career in emergency management with the county of San Diego back in the 1980s. I transferred into the position from the regional planning department, where I worked as a land-use planner processing subdivisions, facilitating community plans, and preparing the county's first water conservation ordinance. Writing the ordinance nudged me into realizing we don't live in a limitless environment, and that the negative impacts have the greatest effect on the most impoverished.

As a budding emergency manager, I took my knowledge of demographics and quickly saw patterns of inequity when aligned with the region's hazards. Public service announcements regarding the storage of food and water were only dreams to the families struggling to live day to day. Equally ineffectual were the culturally insensitive deliveries of emergency food supplies. Emergency managers need tools in order to better understand the cultures and realities of the communities they serve.

Strategic Plan goal number 2 inspires emergency managers to lead the whole community in matters relating to climate resilience. Like the water conservation I mentioned earlier, emergency managers must work hand in hand with planners, engineers, and fire professionals to create a better-built environment. As new and redeveloped construction projects are considered by a jurisdiction, it is very rare for an emergency manager to have a say in whether or not a project should be approved. Instead, the enforcers of codes and ordinances conduct reviews to determine whether or not a project conforms. Building better in the first place will eliminate the need for spotty retrofits and other incremental solutions. Most importantly, solidifying relationships will bring the enforcers into mitigation planning and open the door for emergency managers to participate in climate adaptation plans and other programs aimed at climate resilience.

Strategic Plan goal number 3 promotes and sustains a ready FEMA and prepared Nation. These actions will greatly strengthen emergency management community capacity. At present, many of our emergency managers wear multiple hats: administrators, first responders, and other officials. The same is true for our nongovernmental organizations, where the emergency managers are also the risk manager, safety officer, and in charge of environmental compliance. Any and all of FEMA's efforts to standardize training, plans, and exercises will be well received, especially by those struggling with multiple hats.

Equally important is the need to train and empower individuals and community groups to serve as force multipliers as we recognize the potential and willingness of our citizens to actively engage in an emergency's initial response.

In closing, the U.S.A. Council of IAEM is 5,100 members strong, and already working very hard within its 25 committees and caucuses to share ideas and develop new solutions for our members and the communities they serve. We stand ready to contribute to the success of FEMA's new Strategic Plan.

Thank you so much.

[Ms. Harshman's prepared statement follows:]

**Prepared Statement of Carolyn J. Harshman, MPA, CEM, President,
International Association of Emergency Managers**

Good afternoon, Chairwoman Titus, Ranking Member Webster, and members of the Subcommittee. My name is Carolyn Harshman, and I am a Certified Emergency Manager and President of the International Association of Emergency Managers. IAEM is a professional organization comprised of dedicated emergency management practitioners who wake up every day thinking about and planning for both natural and human-made emergencies. I appreciate your giving me the opportunity to testify today before this Subcommittee to provide input on FEMA priorities for the coming year.

As the profession of emergency management continues to shake off the “Chicken Little” stereotype of days gone by, we are benefitting greatly from the abundance of higher education degree programs and graduates. The usefulness of our profession was infinitely clear during the early stages of COVID-19 as we coordinated organizations and resources to adapt to the evolving needs of our communities. In the meantime, the frequency of disasters and ever-present changes in climate are increasing the numbers of people and properties impacted by hazards.

I see us standing at a crossroads now as the ravaging days of the pandemic begin to wind down and we’re seeing a range of emergency managers emerge from a spectrum of industries and disciplines. With that expansion and emergency management protocols becoming more politicized, the profession needs strong guidance that will ensure we forge the best path forward. FEMA’s Strategic Plan could not have come along at a better time.

In order to be effective emergency managers, it’s imperative that we treat all of the members of our communities as equals. All politics, income levels, socioeconomic standing, or other polarizing characteristics need to be set aside to ensure equitable delivery of services in a community’s greatest time of need. FEMA’s Strategic Plan goal #1 instills equity as a foundation of emergency management.

I began my career in emergency management with the County of San Diego back in the early 1980s. I transferred into the position from the Regional Planning Department where I worked as a land-use planner processing subdivisions, facilitating community plans, and preparing the county’s first water conservation ordinance. Writing the ordinance nudged me into realizing we don’t live in a limitless environment and that the negative impacts have the greatest effect on the most impoverished. As a budding emergency manager, I took my knowledge of demographics and quickly saw patterns of inequity when aligned with the region’s hazards. Public service announcements regarding the storage of food and water were only dreams to the families struggling to live day-to-day. Equally ineffectual were the culturally insensitive deliveries of emergency food supplies. Emergency managers need tools to better understand the cultures and realities of the communities they serve.

Strategic Plan goal #2 inspires emergency managers to lead the whole of community in matters relating to climate resilience. Like the water conservation ordinance I mentioned earlier, emergency managers must work hand-in-hand with planners, engineers, and fire professionals to create a better-built environment. As new and redeveloped construction projects are considered by a jurisdiction, it is very rare for the emergency manager to have a say in whether or not a project should be approved. Instead, the enforcers of codes and ordinances conduct reviews to determine whether or not a project conforms. This means emergency managers need to get on-board with codes and ordinances to assist in altering the future. Building better in the first place will eliminate the need for spotty retrofits and other incremental solutions. Most importantly, solidifying relationships will bring the enforcers into mitigation planning and open the door for emergency managers to participate in climate adaptation plans and other programs aimed at climate resilience.

Strategic Plan goal #3 promotes and sustains a ready FEMA and prepared nation. These actions will greatly strengthen emergency management community capacity. At present, many of our emergency managers wear multiple hats—administrators, first responders, and other officials. The same is true in non-governmental organizations where the emergency manager is also the risk manager, safety officer, and in charge of environmental compliance. Any and all of FEMA’s efforts to standardize training, plans, and exercises will be well received especially by those struggling with multiple hats. Equally important is the need to train and empower individuals and community groups to serve as “force multipliers” as we recognize the potential and willingness of our citizens to actively engage in an emergency’s initial response.

In closing, the USA Council of the International Association of Emergency Managers is 5,100 members strong and already working hard within its 25 committees

and caucuses to share ideas and develop new solutions for our members and the communities they serve. Collectively, we stand ready to contribute to the success of FEMA's new Strategic Plan.

Ms. TITUS. Well, thank you, and I think we see some themes emerging, based on the statements that we made earlier, and some of your observations, and those reports that have been issued by FEMA.

Well, now I would go to Chairman DeFazio, who has to leave us, to ask questions first.

Mr. DEFAZIO. Oh, thanks, Madam Chair. Yes, actually, I am going to have to depart momentarily for the chairs meeting. But I was informed by Chief of Staff Kathy Dedrick that we think we will have an opportunity next month to bring that legislation I mentioned earlier to the floor. So, that will be good.

But beyond that, I want to just say this is great testimony, and you have given us an awful lot of things that we have to think about and deliver on. I think the most difficult is going to be some coordination that was mentioned by GAO, and I believe implied by the others between SBA, HUD, and FEMA. And that is, I guess, our job, to work with those other committees, and I don't think I have to ask a question on that.

I do want to ask quickly, one of the issues that GAO noted was high staff turnover, which has led to a lack of expertise and delayed recovery. What do you think accounts for that, is it just burn-out because it is so constant? Or what other issues could we address that would help mitigate that?

I would ask Mr. Currie from GAO, if he could.

Mr. CURRIE. Thank you, Mr. Chairman. Good question. I think there is a number of things that account for the retention issues.

Obviously, just the workload over the last few years, really starting in 2017, with Hurricanes Irma and Maria and Harvey, just the back-to-back sequential nature, then followed by the wildfires you are aware of. There is no disaster season anymore; the whole year is disaster season. So, that has really complicated FEMA's ability to plug people in nationwide, where they are needed.

But on top of that, I think there are some rules and some administrivia behind how they can deploy certain employees that complicates their ability to train and get them qualified and ready.

For example, their reservists are part-time. They are only called up for a specific disaster, and they can only do training and development and get coaching when they are assigned to a disaster. And you can imagine, as an employee, that is probably not the best time to be trained and get development. Part of that has to do with just the restrictions on only being able to use disaster relief fund money for a specific disaster. So, I think that is one cause.

But there are many other things like that. That is why I think it is really important that, well, we need to look at FEMA workforce through a lens of comprehensive reform, similar to what was done years ago with the National Guard and the military reserve, in terms of how we get them trained and ready for deployment.

Mr. DEFAZIO. Yes, it is an excellent point regarding how we target certain National Guard units for the highest level of training to be ready to instantly deploy without, really, much—any addi-

tional preparation. So, that is an excellent point that I would hope FEMA should follow up on, and perhaps we can, too.

The other major concern is—for any of the panelists—resilience, BRIC, and how are we going to do mitigation more quickly. And if anybody wants to address that quickly, that would be great.

Ms. Bornemann, I see you moving around. Did you want to address that?

Ms. BORNEMANN. Yes, sir. Thank you, Chairman DeFazio.

That is definitely a challenge that we experience, long periods of time between application, submission, and obligation. I won't horrify you with some of the timelines I have, but just take my word for it that they are very long. And you can—what we—we call it getting RFI'd to death, receiving sequential requests for information, for clarifying a certain application, just really overly complicated.

We have to accelerate climate adaptation, and we have an opportunity with BRIC. And as a mitigation program, the award under the Hazard Mitigation Grant Program under the COVID-19 disaster declaration was just an amazing opportunity. But we can't—we have to do our work at the State level to develop those projects.

But we also have to have the trust that FEMA is resourced and ready to be able to turn around obligations on those projects quickly. That comes down to staffing and understanding and training around the regulations, and making sure that the regulations have evolved to reflect the hazards that we have in front of us today. That is not just flooding, although flooding is a large one, but it is about the hazards posed by wildfire, by drought, and so many others, and making sure that we have the tools available to us to be able to mitigate those hazards.

Mr. DEFAZIO. OK, thank you. Thank you for that answer. Thanks to all the panelists.

My time has expired, and I have got to go to this other meeting. So, thanks, everybody.

Ms. TITUS. Thank you. I will now recognize Mr. Webster, ranking member.

[Pause.]

Ms. TITUS. And I can't hear you, Mr. Webster, I don't know if anybody else can or not.

Mr. WEBSTER OF FLORIDA. Maybe now.

Ms. TITUS. Yes.

Mr. WEBSTER OF FLORIDA. How is that?

Ms. TITUS. That is better.

Mr. WEBSTER OF FLORIDA. OK.

Ms. Bornemann, you had mentioned in your opening remarks a bill, House bill 5641, SPEED Recovery, sponsored by—I am a co-sponsor of that, but it was sponsored and introduced by Ranking Member Sam Graves—which raises the small project's threshold to \$1 million. And can you talk a little more about how raising that threshold can reduce the complexity of projects, and maybe speed up recovery?

Ms. BORNEMANN. Yes, sir, I can. Right now, we have different categorizations between small projects and large projects. And small projects can be managed at the State level, but the threshold for those projects is relatively low. And when you look at especially

larger disasters, you can actually have multiple small projects within one jurisdiction, which just becomes administratively burdensome. And so, raising the small project threshold allows the States to utilize their management costs that are a part of that disaster declaration to be able to manage those more effectively.

We know the terrain, we know the people, we know the contacts, and so, often we are able to move those projects along, to close out a little bit quicker. FEMA is a large bureaucracy. And so, they are trying to manage project by project. If we raise the large project threshold, that means FEMA can spend their time doing the more complicated projects that are larger, and they can potentially have some cost savings around the time that they spend doing all of the administrative pieces for small projects.

I want to highlight, though, it is really important—we very much support raising the small project threshold, but it is also really important to have a measure that will allow us to carry over management costs from disaster to disaster. I will just raise the example of Vermont. I think we have, like, 10 or 11 open disaster declarations in a very short period of time—we have disasters quite often here—but we are only able to use management costs for that specific disaster, and that doesn't allow us to build any capacity or sustain any capacity over a number of years, that—this already right-sized because it is only based on the size of the disaster.

So, if we are going to be able to raise the small project threshold, we really want to try and also be able to carry over management costs that will give us the capacity to do the additional management of small projects.

Mr. WEBSTER OF FLORIDA. OK, thank you so much.

Mr. Currie, the statistics GAO cites, relative to the percentage of FEMA—the workforce and the training they have had, are a little bit concerning. And I was wondering, is there something we can do to get the training information they need, so, it would be more a part of the solution than the problem?

Can you talk more about your recommendations for FEMA workers?

Mr. CURRIE. Yes, sir. Well, the challenge in the past has been that—and what we have found is that FEMA has struggled for years. It has a system of qualifying its employees. It has almost 20,000 people that are available to deploy to a disaster. And so, they have a system that qualifies each person at a certain level and a certain area, and then they use that to deploy around the country wherever they are needed.

The challenge has been, that system has not always been that reliable for indicating a person's readiness or their experience level to go staff a disaster. So, they get in the field, and they are not ready, and they are not able to do the job as well. And we heard this directly from FEMA field leadership, too, the people that manage the disaster.

What we have recommended internally is they take a number of steps to try to clean that up, and get better information so they can make better staffing decisions realtime.

But I think it is important to say that I think there needs to be a more holistic look at the entire workforce structure and what authorities and legislation might be needed to overhaul that. The

truth is the mission today and the pace has—it has totally changed. The current workforce was designed for 20 years ago, and it is just a different world today, and the workforce is not going to be able to meet the mission that is expected of it unless we look at it as a whole.

Mr. WEBSTER OF FLORIDA. Thank you so much. I appreciate it. I yield back.

Ms. TITUS. Thank you, Mr. Webster. I am glad you brought up the SPEED Recovery Act, and we have mentioned it several times. That was a bill that I was pleased to work on with Mr. Graves and you, Mr. Webster, and Chairman DeFazio. It shows that bipartisan efforts can work, and we have done a good job of that on the committee.

I was also glad to hear Mr. DeFazio bring up how we should perhaps look at FEMA and training and deployment like we look at the National Guard. I have been hearing—I heard you, Mr. Currie, say that is a good idea. I have been introducing this bill, and talking to former heads of FEMA and everybody I can about treating these reservists like we do treat the National Guard, and providing them with some employment security. It seems like that would just help a lot to recruit and retain people, if they don't have to go off and work on a disaster for 4 months, and then come back and can't get their job.

I wonder, Mr. Currie, if you could address that, if you support that notion, if you think it would help, and if we should move on with legislation to that effect.

Mr. CURRIE. Yes, ma'am. I think that securing their employment would need to absolutely be a piece of any sort of workforce reform. So, absolutely, I think you would have to look at that, particularly in this day and age, with—I mean, nationwide we face a challenge. Everyone is having trouble getting workers and people to work for them, and FEMA is—they are part of that, too. So, I think that needs to absolutely be part of any sort of reform effort.

Ms. TITUS. Well, good. I am glad to hear you say that, because I am going to come with that legislation again, and I welcome all the members of the committee to sign on to it. Maybe we can get at least that one little piece done.

Another thing that I would ask all of you is, when we talk about FEMA and these programs, we act like we are operating in a vacuum, but we really aren't. There are a lot of politics that surround this, and a lot of that is related to accepting climate change, and how to address climate change, and whether climate change even exists or not.

I would ask the two representatives from associations if you have similar problems like that among your members, and if you do, how do you try to address it or get beyond it?

Ms. HARSHMAN. This is Carolyn. For several years, because of the politicized aspects of climate change, we didn't have a caucus or working committee that was tasked with that. The effects of climate change were built into things like flood control and other caucus areas that we did spend a lot of time on. And just recently, over the last couple of years, we do have a dedicated group that is looking specifically at climate change. We also have a new mitigation caucus that includes climate resilience and adaptation.

And so, I think that, as the gates are sort of being lifted on some of the political sensitivities, the association is definitely standing up, and there are lots of our members eager to be working towards a solution, and really delighted that they have been able to be, you know, let free to be able to maybe write ordinances, help jurisdictions prepare climate adaptation plans, and things like that.

One of the things I would like to mention—it kind of ties over a couple of the other subjects that we have been touching on—and part of what I alluded to in my presentation is that, as a recovering land-use planner, I can tell you that, after working in that field, planners are not trained on hazards. There is one little piece of the general plan that talks—in the safety element, that talks about if you have earthquake faults, and you are prone to tornadoes, and things like that. But planners don't really perceive that they have responsibility for doing anything about that. And as a result, it just gets passed off to the emergency manager, who now has to clean up the mess.

And so, I think, until we really address that sort of elephant in the room, we will continue to have two professions that should be more closely aligned and, instead, they hardly know each other exists.

Ms. TITUS. Thank you. That is a really good point.

Ms. Bornemann?

Ms. BORNEMANN. In the past couple of years, NEMA has reorganized ourselves, as well. We have several policy committees that just take a real focused look at different areas of the field. And last year, our previous president created the Resilience Committee, recognizing that there needed to be a focused effort on hazard mitigation, but also climate adaptation.

When we look at the emergency management of the future—hopefully I will be still doing this in 30 years—in 30 years, I expect that the disasters and hazards that we are presented with today will likely be different.

When we talk with emergency managers throughout the country, it is in front of their face. Climate change is in front of their face, especially anybody that has been doing this for a period of time. They see the change right in front of them. And so, honestly, we don't see politics play into some of the planning and work that we do, because it is right there, and there is really just no denying it. But we are very focused on how we can adapt to climate change.

Ms. TITUS. Well, I am glad to hear that. These discussions shouldn't be ideological, they should just be based on science and facts. It sounds like that is what your two associations are doing.

I may come back to ask about how the three levels of Government, as well as the different agencies, horizontally can coordinate better. But at this point I will go to, let's see, Mr. Guest.

Mr. GUEST. Thank you, Madam Chairman. And first I want to thank all of our witnesses for being here today. I want to take the few moments that I have to talk a little bit about the FEMA mitigation buyout program, and specifically how these programs impact rural America.

Mississippi and other rural States often struggle to get local governments and our citizens to participate in the FEMA mitigation buyout program, so, we know that these programs are extremely

successful. These programs result in the avoidance of future damages. I think studies have shown that, for every dollar that is spent on land acquisition, we avoid roughly \$5 in future damages, particularly those damages that would be caused by things such as flooding.

But when looking at these programs, we know that the FEMA buyout programs are weighted more heavily toward urban communities, and they are—and that is the reason, is because often we see in these urban communities that—we see the mitigation is often streamlined through larger resources at the local level. I think there were some statistics I saw that showed roughly 75 percent of mitigation buyouts have occurred in urban communities, and only 25 percent in rural communities. And the average completion of these projects can often be extremely lengthy in nature. I think it is approximately 5 years for the completion of these mitigation buyout programs.

And so, under the current FEMA buyout system, it seems that we are unintentionally underserving some of our rural and low-income areas. The current structure, which reimburses local governments, benefits the high-revenue areas, because they can afford to take on the debt, and they can afford to hold that debt until the lengthy process of reimbursement occurs.

We have also seen recently private companies that specialize in mitigation practices that are frequently being utilized by both State, local, and the private sector to quickly and efficiently complete mitigation strategies, and often do so at a lower cost.

So, my question—and I will start with you, Mr. Currie, and then ask others if they would like to weigh in—I would like you to provide your thoughts on public-private partnerships, how we can best utilize the P3s to conduct mitigation buyouts, to do so in a more efficient way, and to see that we are best spending FEMA dollars.

And specifically, if you can talk about how those relate to rural America, where the reimbursement structure and cost sharing of these programs are at times counterproductive to participation in the programs themselves.

Mr. CURRIE. Thank you, Congressman. Great question. I think you have set that up really well.

The first thing I would say is that buyout programs, like all mitigation programs, are incredibly complicated, and there is a really complex process. Unlike building infrastructure, and making it more resilient, there is a whole sort of local political process you have to go through with the buyout, all sorts of studies, cost-benefit evaluations, things like that. It makes it very, very difficult to do, first of all, even for large urban communities.

But you think rural communities, it is all about an issue of capacity and funding, which you have set up. These are already difficult. So, which communities are going to be less likely to be able to navigate that process, and have the resources to do it? It is going to be rural communities, poorer communities, vulnerable communities, things like that.

So, I could not agree more, that these programs are incredibly technically complicated, and even more so for rural and small communities.

Mr. GUEST. Would any of our other witnesses care to kind of weigh in on these programs, particularly the relationship that they have to some of our rural communities, and the fact that it makes it much more difficult for rural communities to participate in programs, which are very, very beneficial?

I think the benefit of these programs is clearly proven. No one is trying to say that these programs don't, in the long run, save dollars, because clearly they do. But are there any ideas that members of this panel have as to how we can make these programs more accessible, and include more rural communities in these types of programs that FEMA has to offer?

Ms. BORNEMANN. Yes, sir. As you probably know, the State of Vermont is a very rural State, and we really appreciate when we are able to exercise flexibility within the hazard mitigation programs. We need to have a maximum flexibility to be able to apply these programs in a way that fits the jurisdictions within our State.

In Vermont, for example, at the State level, we utilize contract support, and make it available to local jurisdictions that don't have the resources to contract for those resources themselves. I don't have enough money to put hazard mitigation planners in every single jurisdiction. I would love to. But we do utilize some contract support in leveraging those public-private partnerships to make that available on behalf of and to local jurisdictions.

I would say the level of FEMA scrutiny and in micromanagement on some of these hazard mitigation projects is just crushing sometimes, especially when you are a community of 2,000 people—that is where I live, I live in a community of 2,000 people. They just don't have the capacity to be able to manage a project like that, yet they are getting repetitive damage every other year or every year.

Making measured changes to the Hazard Mitigation Grant Program to treat it more like a block grant, and give States a little bit more flexibility to be able to apply the same hazard mitigation guidance and the same intent of the law, but at the State level, and being able to apply it utilizing that support at the State level, would be really beneficial.

Mr. GUEST. Thank you.

Ms. HARSHMAN. I would just——

Ms. BORNEMANN. Thank you.

Mr. GUEST. Yes, ma'am.

Ms. TITUS. The gentleman's time is expired.

Ms. HARSHMAN. Oh.

Ms. TITUS. Thank you. We have got Ms. Holmes Norton.

Ms. NORTON. Thank you, Madam Chair. Can you hear me?

[No response.]

Ms. NORTON. Can you hear me?

Ms. TITUS. Yes.

Ms. NORTON. OK. I appreciate this important hearing on FEMA's priorities, and I particularly appreciate our witnesses and their testimony. It has been very useful.

My first question is for Mr. Currie. I noted a New York Times article in June 2021 that reported that White disaster victims and communities receive more aid from FEMA than people and commu-

nities of color, even when the amount of damage to their homes and property is the same. I was befuddled by that.

Mr. Currie, how does GAO's December 2021 recommendation to FEMA on improving the process for identifying potential barriers to access racial inequality—no, I am phrasing that wrong.

How does GAO's December 2021 recommendation to FEMA on improving their process for identifying potential barriers to access take racial inequality into account?

Mr. CURRIE. Thank you, Congresswoman, for the question.

So, what we looked at in that report is we went out to answer that question and see to what extent FEMA—not just FEMA, but SBA and HUD, too—look at the outcomes of their programs to see who they are affecting and how they are affecting different groups.

What we found is that none of the agencies really collect the kind of data on the outcome to really identify what the barriers are for certain communities. And that is a problem because, if you don't collect the data, then you can't measure it, and certainly, if you can't measure it, you can't fix it.

But we have also identified a number of barriers in FEMA's process for Individual Assistance that apply to everybody, but particularly probably land harder on communities of color and vulnerable populations. For example, the Individual Assistance program, the one you register for when you are a survivor of a disaster, is incredibly complicated and confusing to survivors.

I will just give you one example. The letters that FEMA provides when somebody registers whether they are going to get assistance often will say "denied" or "not eligible," even if the person may be eligible, they just need to provide additional documentation, or additional information, or wait for insurance to pay out, and things like that.

So, all these things—there are a lot of other examples I have in the process, and all these little things are disincentives. When you get a communication like that from the Federal Government, it doesn't incentivize people to continue on. So, the burden is on the survivor to keep pulling from FEMA, give more information, give more information. And ultimately, some of them just stop trying to get the assistance.

So, I think we have made a number of—we think it needs to be much more simple for survivors, and integrated across agencies, and the burden shouldn't be on the survivor to prove for months and months that they are eligible for the assistance.

Ms. NORTON. So, have you made it more simple?

Mr. CURRIE. We are working on it, and we have made—in that 1 report on Individual Assistance, we have made 15 recommendations to FEMA on different parts of their process.

Now, what they have said is they are working on all those things, and they are reengineering the program completely. So, they are tackling it, step by step. But it is complicated. And as you know, Congresswoman, they don't move quickly.

I think they get it. They understand the problem, and you see it in their Strategic Plan. You see the new Administrator is committed to equity. But like anything else, you are not going to fix a problem that was created over many years overnight. But I think

they are on the right track. But continued oversight of them to make sure they do it, and not just talk about it, it is key.

Ms. NORTON. It certainly is.

Ms. Bornemann, in your testimony you stated that—and here I am quoting you—“Layering additional grant requirements to address equity concerns can become an equity issue by applying a one-size-fits-all approach to all States.” Could you please explain to me in what way adding equity requirements to a grant application might create racial inequality issues?

Ms. BORNEMANN. Yes, ma’am. So, the point being made there is that the more complex a system or a grant is to access makes it inherently an equity issue, because the folks with the greater resources have the ability and resources to be able to access those grant programs and to meet the grant requirements. And the folks that don’t have the resources, maybe from a rural community, maybe from historically underprivileged communities, they don’t necessarily have the resources to be able to meet those grant requirements.

We have talked a lot about this within NEMA, in addressing where equity—and equity, I know, is a term that gets thrown around quite a bit. But where grant programs are more complex and have additional requirements can actually be a barrier to entry. And therefore, if we can identify them, then we can address them. And that is really what the point was there.

Ms. NORTON. Well, how would you propose to streamline Federal and State emergency collaboration?

Ms. TITUS. I think—if you can answer that briefly, but the time has expired.

Ms. NORTON. Well, if the time has—

Ms. BORNEMANN. I could keep you here all afternoon.

Ms. TITUS. OK, well, we better not, then. We better go on to Mr. Gimenez, and we can come back to that later.

Ms. BORNEMANN. Thank you, ma’am.

Ms. TITUS. Thank you.

Mr. GIMENEZ. Thank you, Madam Chair. I just find this conversation fascinating, being that I was the emergency manager for the city of Miami during Hurricane Andrew.

And one of the comments was that, 20 years ago, that maybe they did things very well. I don’t think they did things really well 20 years ago, back during Hurricane Andrew. And it took us in the city of Miami, and then later in Miami-Dade County, it takes over a decade to close out an account, which is crazy.

And so, I guess my question—my questions are—yes—I am going to make comments.

OK, number one, the forms need to be a lot easier. The problem, I think, is that the forms are made out by the people—we started out with all these acronyms, right? The forms are made out by the people inside the Agency, not really for the people that are the customer.

So, I am wondering, do you have focus groups every time you put out a form, which ask, “Do you understand what this form says?” Something as simple as that? Anybody from FEMA?

[No response.]

Mr. GIMENEZ. Anybody?

When a form is produced, do you actually go out to the customer and find out if the form is actually understood by the customer?

Ms. BORNEMANN. Sir, I am not from FEMA, but I just want to—I do want to note that there are often times where NEMA, the National Emergency Management Association, will have opportunity to provide comment and to provide feedback on the accessibility of policies and different program changes.

But that is a really excellent suggestion and definitely something I would like to take back to our organization to take a look at, as well.

Mr. GIMENEZ. And by the way, don't use your people either, because your people understand FEMA a lot better than most people do. And so—

Ms. BORNEMANN [interposing]. Right.

Mr. GIMENEZ [continuing]. You need to go into the public and say, "I have this form, we want it to do this. Do you understand it, that it wants to do this, or you think it is something else?" Because a lot of these forms are really intimidating, especially if they come from the Federal Government.

The second thing is we need to make this a heck of a lot easier. And maybe my idea would be to empower the States more, and empower the counties more, to be more accountable to the process, and to actually be more like a block grant that is given. You get an estimation of what the damages are, and then you give a block grant to these States of what they actually need, and then they have to justify it at the end, not so much this process that—and all these hoops that we have to go through.

By the way, at the end, it is going to cost us more, because it takes us so many years to actually put out a process, and to get something built or rebuilt, that all these prices just keep escalating. And so, the process that FEMA has today is just astronomical.

Does anybody know how much FEMA spends on administrative overhead?

[No response.]

Mr. GIMENEZ. I will bet you it is a lot. OK. And maybe that money would be better spent in other ways, and push this thing down to the States and to the localities.

As an end user, I can tell you that FEMA was one of the most burdensome, bureaucratic agencies that I have ever dealt with. And that is not a good testament either to the localities, or to the people, or to the people who are trying to—these people have already gone through enough, and now we are making them go through another disaster, which is called "go through trying to get the money out of FEMA." You thought the hurricane was bad? This is going to be worse. And that is what I found during my time as mayor and emergency manager down in South Dade.

And so, like, I had a bunch of comments. I really don't have too many questions. So, with that, I yield back. Thank you.

Ms. TITUS. Thank you, Mr. Gimenez. We will now go to Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Madam Chair. I have a couple of comments to make. I am listening to this very intently, and I have several concerns.

One is, we now have 365 days a year fire alarms in California. And I understand that about 40 percent of FEMA employment declined deployment to California, which leads me to believe that you have a problem with personnel. It is low morale, the burnout. So, what are you doing about getting new candidates for employment, and where are you looking for them?

And is the training sufficient, and what about the training? The training is different, as it is in the East, for hurricanes. California has fire, floods, earthquakes, and the heat because of climate change.

So, what are you doing to promote better employees with training, more employment for people who want to work for FEMA, and where are you doing such a thing, Mr. Currie?

Mr. CURRIE. Yes, ma'am, thank you. So, at GAO we have looked at a number of things related to FEMA's workforce and wildfires. So, let me kind of take that one by one.

So, on the training issue, I think they have faced challenges trying to get their folks qualified and trained at the level they need to be effective in their deployment. So, we have made a number of recommendations behind the scenes to try to address that issue. Earlier we talked about there needing to be more comprehensive reform around making sure we can train people before a disaster so they are ready to go after a disaster.

I do want to say something about the wildfires, though, because I think you make a really good point. Prior to 2017, wildfires were common, but what was happening is FEMA disaster declarations for a wildfire were not as common. So, after 2017, there has been a ton of them, where the FEMA programs now are being used to respond and recover to wildfires in the Western United States and other parts of the country, too.

The problem is that everything in a wildfire is different. The response and the recovery programs, they don't work the same for a wildfire as they do for a flood or a hurricane. And this is something we reported on a couple of years ago, and recommended that FEMA really look at all its programs to figure out what it needs to do to tailor these programs to better fit wildfires. For example, housing after a disaster. After a wildfire, the house is gone, and it is going to be gone for a long time. So, how and where you house folks is totally different than how you might house people after a flood, when the structure may be intact, and they are able to use a mobile unit, or something else like that.

So, I think a lot of work needs to be done tailoring these programs more specifically to wildfires, as well.

Mrs. NAPOLITANO. Well, I have a great concern of the mental health of the employees, because if they are overburdened or burnt out, they certainly need some help. What do you do with the employees who need mental health services?

Mr. CURRIE. So, what FEMA has told us that they are doing is they are trying to stagger these deployments for people, so they have a break.

So, what was happening in 2017, for example, there were some people that deployed to Hurricane Harvey, then deployed immediately to Hurricane Irma, then immediately to Hurricane Maria, then immediately to the California wildfires. And so, what they

have tried to do, since their disaster season—there is no season anymore, it is all year—is to try to factor in these breaks to give people some downtime, but also continue—

Mrs. NAPOLITANO [interposing]. Good.

Mr. CURRIE [continuing]. Hiring more people and getting more people trained, so they don't have to keep redeploying the same people is a part of that, as well.

Mrs. NAPOLITANO. Well, I wonder if you would let us know, or have FEMA let us know, if you are conducting any recruitment, so we can notify our colleges and universities of the employment opportunities.

Certainly, I am concerned about the low morale. And you are right, being without a break certainly could have an impact on them.

Does FEMA talk to the other agencies on a regular basis, or this is something that is just catch-as-catch-can?

Mr. CURRIE. This is an area that we have also identified as a challenge.

FEMA, as we have talked about, has its own very complicated programs. But for a State or a locality, they are often absorbing a number of other very complicated Federal programs from HUD, from SBA, from Treasury, other agencies.

There is some informal coordination, but, unfortunately, the programs are not synchronized and harmonized in a way that makes them easier to use. In fact, oftentimes what we hear from States and localities is that it just exponentially increases the complexity when more agencies are involved.

Mrs. NAPOLITANO. Well, they need to keep each other in touch with their own rules and regulations, so they can talk in tandem.

Thank you, Madam Chair. My time is up.

Ms. TITUS. Yes, I know that Mr. Graves is concerned about that, when it comes to HUD coordination. And we will hear from him here in a minute, I know.

And when you go to recruit at college campuses, we want to be sure that you are going to our historic Black colleges and minority-serving institutions, so we can help to build a diversity in that workforce.

Next, we have Mr. LaMalfa.

Mr. LAMALFA. Thank you, Madam Chair, for the hearing today. FEMA is always a key issue, especially in our Western States, as well.

A lot of chatter about climate change, climate change, every committee, every conversation, yet we suffer out here with forests that are not managed. We had a million-acre Dixie fire just last year, and several other fires in the six-digit range, and as well, the Camp fire in Paradise was a big one. I will be talking about that in a moment here. Yet we can hardly get the Forest Service and others to get out of their tracks to actually manage the lands in a way that will give us some way to battle fire and contain fire much more easily. So, it is talk on one side, but not much action. But Forest Service has time this week to go down and shoot cattle from helicopters in New Mexico. They managed to find time to do that. Pretty freaking amazing.

Anyway, to our folks in FEMA, when we look back at the Camp fire in Paradise, there was an issue post-fire, where there were a lot of damaged trees, dead trees, and blackened trees that were left behind because, I think, FEMA really had a lot of practice with those protocols on what you do with still-standing trees and treating them as debris. So, you had many, many acres in an area that were still considered dangerous and left behind.

So, we were able to update those policies, and get the debris cleaning to apply to more of those trees, which was helpful, so, I appreciate that effort. But it did take a lot of effort with local groups and local inputs about these kinds of realities after a wild-fire, et cetera. So, what it really underlined is that we need FEMA to have more flexibility to adapt to situations, and not have a slow-down in bureaucracy and checking forms—and it has been alluded to several times in this conversation.

So, let me toss that out to Ms. Bornemann and Ms. Harshman, about some of the things that FEMA could be doing, and how our committee might be able to help to be more flexible in disaster response and not just having to deal with forms and checking boxes, but immediate needs. Because what we are talking about is, in this situation with housing, post the Camp fire in Paradise and other ones, is that getting the FEMA trailers that were sometimes—well, indeed, needed in this case, and in other fires. It took a lot—it was a lot of difficulty with that.

So, please allude to what we can do to increase the flexibility, and still have accountability on that.

Ms. HARSHMAN. This is Carolyn. Just a couple of quick notes on that.

Some of the challenges that the local jurisdictions have—and the majority of our members are from local government jurisdictions, a variety of different Government entities—one of the challenges that they have is, when they are going to be reimbursed by FEMA or some other Federal entity, that there is a fairly comprehensive purchasing process that they have to go through, and they have to get bids, and then they can't just go through their regular hiring practices. And so—

Mr. LAMALFA [interrupting]. Yes, that has been very difficult to get—

Ms. HARSHMAN [continuing]. Lots of times—

Mr. LAMALFA [interrupting]. To get the land set aside to do the bond, and then the land has to meet a certain specification. Then it becomes terrifically expensive, where maybe flexibility on getting—well, it is the temporary deal, usually 1 year, 1½ years, 2 years. That is what we need.

Ms. HARSHMAN. True, and that is part of the challenge, is that some of the creative solutions the local jurisdiction might come up with are the relationships that they have with maybe someone providing temporary housing, or a school that is not being used for the next 2 or 3 years while it is going through redevelopment.

Mr. LAMALFA. Are you bound by statutes? Are you bound by statute from being able to do it that flexibly? Do you have to check boxes, so to speak, on that? What slows that ability down to be a little more adept on that?

Ms. HARSHMAN. Well, and I am sure Erica can speak to this, as well, it is the Federal regulations that are going to be reimbursed by the Federal Government, that there are purchasing requirements that are much more arduous than what the local jurisdiction usually does, which is typically a list of three. They have vendor lists that they rely on for everything. They don't have to go to outside bidders, in terms of outside of the State, outside of the county.

So, the regulations are very different, because we are watching—the Federal Government is watching—

Mr. LAMALFA [interrupting]. Is this something you see as a complaint across the board that makes it more difficult for FEMA personnel—makes their jobs more stressful?

Because we get the calls, people are frustrated, or even angry. They are still living on someone's couch or in hotel space. Is this something that we could be helping to legislate with you to take the burden off you, as well as get a better result for people?

Ms. HARSHMAN. Well, I am here to represent the Association of Emergency Managers, and not FEMA. We certainly have many FEMA members.

Mr. LAMALFA. OK.

Ms. HARSHMAN. So—

Mr. LAMALFA. Mr. Currie, can you jump in on that real quick? I am sorry, time is so short.

Ms. HARSHMAN. No worries.

Mr. LAMALFA. Thank you. Mr. Currie, can you jump in on that?

Mr. CURRIE. Yes, sir. I think—and the GAO, we evaluate FEMA. This issue of housing and wildfire-specific programs, it has been a challenge.

First of all, FEMA's programs were typically used in the past for floods and hurricanes and things like that. So, some options just don't make sense. And so, part of this is just Agency applications of the existing programs. A lot of these things are new.

So, for example, the Paradise fire, housing was a huge challenge because, first of all, you couldn't live near some of those locations because they were toxic.

Mr. LAMALFA. Right.

Mr. CURRIE. And then second of all, when you tried to relocate people, you couldn't find housing, because it is so expensive. And there was no housing in the area. So, they came up with campground options, as I am sure you are aware of, as a secondary option.

So, part of this is that these programs were not really designed for these types of, like, urban-wild interfaces that are just destroyed. And they need to be, given how many fires we are facing. And so, that is what we have recommended, is these programs that were designed for floods and hurricanes, they need to be tailored for the wildfire situation, because these are not a surprise.

I mean, it is not a surprise that we are going to have housing shortages in northern California after a wildfire.

Mr. LAMALFA. Yes.

Mr. CURRIE. So, we need to preplan and prepare better.

Ms. TITUS. Thank you.

Mr. LAMALFA. That would be helpful. Thank you, I appreciate that.

And although we had some fits and starts, FEMA really did listen to us, and responded about as well as possible in the situation.

So, thank you, Madam Chair. I will yield back.

Ms. TITUS. All right, Mr. Garamendi.

Mr. GARAMENDI. Thank you, Madam Chair, and for the witnesses. It is very, very important to all of us. Mr. LaMalfa and I share much of the problems that he just talked about in our current districts. Going forward, it seems to me that a lot of questions that have been raised have to do with the bureaucracy, the rules, the regulations that FEMA has.

About—let's see, that would be 2013—this committee addressed some of those by establishing the section 428 alternative procedures program, presumably for the purpose of trying to provide flexibility at the local level. Some of that had to do with upfront funding by FEMA for the recovery programs and for the mitigation programs, so that the small counties, cities, and others who are unable to fund it themselves would have the money to do so. It really hasn't worked at all.

And I would like to get at it, because it might be a solution to much of what we talked about here: giving the local governments the authority and the responsibility of putting the program together and the funding to do it. So, let's go at this, Mr. Currie. If you would, opine on this briefly, if you have studied it. If you have not, we tried to put this in legislation that you would study it. We may have to go back at that.

And then I would like to go to Ms. Bornemann, and your view on the section 428 programs.

Mr. CURRIE. Yes, sir, I will answer that.

So, we have looked at section 428 several times, both in the context of the post-Hurricane Sandy recovery in the Northeast, but also more recently in Puerto Rico and the Virgin Islands. And I think it has been a mixed story.

What you said is absolutely right. I think the goal of that was to create a process where we could upfront, maybe in the first year, come up with a complicated cost estimate, and then allocate the funding all at once, and be done with the back-and-forth for a decade that we usually have. We have had—that has not been the case.

For example, in Puerto Rico, frankly, sir, it has actually been more complicated, I think. We have spent 4 to 5 years trying to get to a cost estimate upfront, and all the work and engineering and technical work that has gone into that, and both sides, I think, have been really kind of hesitant to kind of come up with a final number. So, just getting to that obligation upfront has been incredibly difficult, let alone the stage where we are just actually going to start work on these projects and go back and forth to verify the cost.

So, frankly, I think we almost added a way more complicated part upfront. That is not what was intended in the law, but I actually think this is something that gets more towards just FEMA execution of the law. I think the law was pretty clear in what it was trying to do. I just don't think it has been executed that way.

Mr. GARAMENDI. Thank you.

Ms. Bornemann?

Ms. BORNEMANN. I am going to speak from a little bit of experience here with section 428, because Vermont implemented the first section 428 project after [inaudible] right here, in the office complex that I am sitting in. It was a project that was in recovery from Tropical Storm Irene, which devastated Vermont in 2011.

And it was successful here. But, we have to say that the issue with the section 428 procedure is that FEMA is generally very involved, and it speaks to what Mr. Currie just said. It was supposed to be a simple process to streamline Public Assistance. But if FEMA is going to be as involved as they are in developing the cost estimate and project management as with the regular Public Assistance process, most locals don't really want to take that gamble, and they don't want to close the door on recovery cost overruns that are pretty common when you are looking at recovery from a disaster, as well as trying to build back in a way that makes that structure, or whatever you are trying to put back, more resilient.

It is a huge gamble, especially for rural communities. And so, there may be ways that we can work together to make that legislation be, in implementation, what it was meant to be. But it is very risky for us.

Mr. GARAMENDI. It just seems to me that the fundamental problem is that the local government has to come up with a plan—engineering, construction—and then held to that number with no flexibility provided by FEMA. Is that correct?

Ms. BORNEMANN. That is—yes, that is the crux of the issue.

And again, especially when you are looking at large projects that are multimillion-dollar projects, it is very easy for the cost estimate in 2013 to look very different in 2018, when you are trying to close on that project.

Mr. GARAMENDI. Understood. And that is what change orders are all about in every construction project that I have ever seen over the last many, many decades. Change orders.

So, if there was a procedure that provided the flexibility on the cost or the change orders that might occur, could the section 428 program resolve many of the issues that have been discussed here today?

Ms. BORNEMANN. Oh, that is a really good question—

Ms. TITUS. Well, we will have to ask you to keep it brief, because the time is expired.

Ms. BORNEMANN. I was going to—

Mr. GARAMENDI. Chair, I yield back. We will get at this. It is not going to go away. Thank you.

Ms. TITUS. That is right. OK, thank you. Now, Mr. Graves.

Mr. GRAVES OF LOUISIANA. Thank you, Madam Chair, and I appreciate the witnesses, and I really appreciate you all having this hearing today.

Director Currie, I am curious if you could talk about some of your all's recommendations related to DisasterAssistance.gov. I know you talked about this a little bit.

We had numerous instances where we had folks that had applied for DisasterAssistance.gov. They were just denied, weren't given any reason. The reality is it wasn't a final denial. It was a lack of information, or incomplete applications. There was not a process for these people to go back and amend applications. Has GAO

made recommendations in terms of the user friendliness or just applicability of DisasterAssistance.gov?

Mr. CURRIE. Yes, sir, we have. We dove into the Individual Assistance process and the “.gov” interface to it, as you mentioned, and we found a number of challenges with usability in that process. You mentioned one of them.

One of them was just how they communicate with the survivor through a letter that often says denied or ineligible. But that doesn’t mean a denial. It could just mean, for example, that the person’s insurance needs to pay first, or they need to provide more documents. But the effect of that is sort of chilling, because if you get a letter from the Federal Government that says denied, you are going to think denied, you are not going to continue the process. And that is what we found, is that people that could have been eligible maybe didn’t even get the amount they would be eligible for, or didn’t continue the process. And that is just one of many things.

Mr. GRAVES OF LOUISIANA. Well, thank you. I appreciate it.

And then something else I wanted to bring up, and I know the Chair mentioned this earlier, and I know that Congressman Carter is also interested in it.

And that is right, I just called you out. You saw that, Troy?

And so—but we have got this issue. Congressman Carter and I both have been dealing with constituents that have been just tremendously impacted from Hurricane Ida last year. And you have got the immediate assistance that may be available from SBA or FEMA. And then you have got HUD that comes in, later on.

I mean, look, we worked really hard to get funds included in the C.R. back in September for the 2021 disasters. HUD hadn’t even allocated the funds yet. And as you know, allocation simply means you are going to get this much to the State, which then the States have to go through, do action plans, apply. So, here we are, appropriated money in September. It is now February, and they haven’t even allocated the funds. After they make the allocation, we are probably looking at—and I am probably being generous—about 9 months before the State can actually start cutting checks. I mean, so these are, meanwhile, disaster victims.

So, can you just speak to, kind of, the handoff with the different agencies, whether it be SBA who starts, or FEMA, depending on the loan or grant situation, and then HUD?

And if you all have made recommendations about just stopping the Federal Government from continuing to victimize these people that are victims?

Mr. CURRIE. Yes, sir, definitely. And there is no better State than Louisiana to understand all the Federal programs over the last few years—

Mr. GRAVES OF LOUISIANA [interrupting]. You could have stopped at Louisiana. You could have stopped at Louisiana.

Mr. CURRIE. Yes. So, yes, we have pointed this out.

So, there are multiple levels of problems. I mean, there are problems within FEMA in its own programs and the timeframes and the different regulations. But then there are problems across the Department.

So, I think what is key to understand is these programs were never designed to work together. They were all created separately.

There are separate regulations. They have separate timeframes. They have separate execution. They have separate documentation requirements not designed to work together. But they are used together in disasters routinely now. It used to be they weren't. Now they are. So, that is a problem that has to get addressed.

But on the HUD issue, just one example, it has been bad in Louisiana, but I will give you an example of Puerto Rico. Those funds, they haven't even really started to be spent yet from 5 years ago. It has taken that long to get a HUD rule and plan together and start executing the funding.

So, what we hear from States and locals is: How are we supposed to plan recovery projects, let alone invest in mitigation projects, which are even more complicated, if we have no idea when we are going to get the money, or if we are going to be able to use it together?

Mr. GRAVES OF LOUISIANA. So, I am going to show you this. This is our Restore Louisiana website [displaying the website on his laptop]. We appropriated \$1.7 billion in late 2016 and early 2017. Here we are, over 5 years later, and this is how much they have made available to homeowners: \$666 million out of \$1.7 billion, 5 years later.

This performance is inexplicable, and Madam Chair, I want to thank you. I know you had worked with us on the bill we did with Congresswoman Stacey Plaskett, trying to help put this all under FEMA's roof, so that way, you have one agency that is out there doing more of the immediate and the long term, and giving States a larger role. I know Mr. Rouzer has a bill, as well, and I just want to re-urge that we continue looking at this. I think it is a really important issue that we have seamless handoff, and have our Government stop revictimizing some of these survivors or flood victims.

And I apologize to the other two witnesses. We are going to be submitting questions for the record for you, but thank you for your participation.

I yield back.

[Pause.]

Mr. CARTER OF LOUISIANA. You are muted. Dina, if you are speaking, you are muted.

Ms. TITUS. Oh, I am sorry, excuse me. That sounded so brilliant, too. I am sorry you all missed that.

[Laughter.]

Ms. TITUS. I was just saying to Mr. Graves we hear that the problems are coordination vertically and horizontally across agencies, and among the different levels of Government.

They often find, though, that when people get in these silos, jurisdiction becomes so critical. Nobody wants to give up power, personnel, jurisdiction. You have to kind of break those down. So, I am committed to working with you, Mr. Graves, to continue to do this sort of work, because I think that it is important, and there is a lot of it ahead of us.

We will now go to Mr. Carter.

Mr. CARTER OF LOUISIANA. Thank you very much, Madam Chair and Ranking Member. I stand in concert with my colleague from Louisiana, my dear friend, Mr. Graves.

We, oftentimes, in the immediate aftermath of Katrina, found ourselves tag-teaming, fighting for Louisiana residents, asking what we thought and what we agreed—and even later, everyone agrees—were just very basic, simple questions of why so much redtape? Why insult to injury? Why add more redtape and more difficulty to what is already a very difficult time for people?

As Garret mentioned, many times it was applications that were not completely filled out, or maybe a box that was not checked properly, and there was no appeal process to come back and fix it without us painstakingly getting involved and really getting people back to the table. Well, the fact of the matter is, people who have already been hurt by a storm should not have added insult by having a bureaucracy that swallows them up.

So, I have got a question: What steps can be done to help FEMA be more user-friendly, to take out some of the redtape, and minimize some of the changing policies?

We know our State and local governments are developing public policy projects, and we need to make sure that they dovetail, and they work together, and not cause a further logjam. So, can you share with me some thoughts on how FEMA could do a better job, and how we might help them do a better job?

Mr. CURRIE. Yes, sir, it is Chris Currie.

Ms. BORNEMANN. I—

Mr. CURRIE. Oh—

Ms. BORNEMANN. Sorry.

Mr. CURRIE. Sorry.

Ms. BORNEMANN. No, go ahead.

Mr. CURRIE. All right, I will start quick, so you have time.

So, I think that, first of all, the mindset and the culture has to change, that these programs need to be focused on service delivery and efficiency. And there was an Executive order that the President issued in December, focusing on Federal Government programs and improving service delivery. FEMA's disaster programs is one of them.

But you can't just talk about it. You have got to get in there, and you have got to pick apart these programs, and look at every part of the process, look at the barriers that are within them. We have pointed out many of them in our reports. And then you need to completely reengineer them and retrain the staff so there is a cultural shift in how they are run.

It is no different from how a business would want to shift its focus to customer service. That is what needs to be done, program by program. And then, across these departments, they need to look at how they can work together to streamline and harmonize these programs. It can be done with effective leadership. It has just got to be a priority.

Mr. CARTER OF LOUISIANA. Mr. Currie, let me interrupt you for a second. Are there plans to do that?

Because, very respectfully, we have storms that come every year. They come stronger, they come faster, they come bigger, they come harder. And this is not new to us. And these kind of battles that we have had with FEMA or other Federal agencies, it seems like we are having the same conversations every time. Some of the

things are so basic and so elementary that it really should not require rocket science to move them.

Mr. CURRIE. Yes.

Mr. CARTER OF LOUISIANA. So, I hear you, that there shouldn't be more talk, there should be more action. Can you share with me some ideas that we can help facilitate that will become action items in advance of the next series of natural disasters?

Mr. CURRIE. Well, I think part of this is asking FEMA through oversight, through hearings like this, but also through requests for information, or meetings, or whatever, press them on specifics about what they are doing within these programs to break down some of these barriers.

It is great to implement some of these things in the Strategic Plan, and talk at a high level about priorities. But that takes a while to trickle its way down into the programs and into the people that run them. This requires a cultural change.

We have a number of recommendations on areas that they are working on. I think they do get it. They understand they need to—there is a lot of pressure on them to—

Mr. CARTER OF LOUISIANA. I am not just dumping on them. I am not just dumping, because I think they have heard us, and they have tried, and they have made adjustments as we brought it to their attention.

But some of the adjustments are so elementary that, one, they should not have needed our intervention. But two, some of the changes appear to be partial, and then they slip right back to the old way they were doing it. It needs to be memorialized in a policy change, and not just, oh, the congressman called, and therefore, we fixed it.

And real quickly, before I go, because my time is going to be up, I asked this question before, and I am going to double down on it. As cyberattacks increase, is the GAO studying the potential for cyberattacks during a natural disaster?

And if not, is there something that is going to be done that you are going to look into that? Because that is one step away from something that we can find ourselves in a very devastating position in the middle of a natural disaster, and some terrorist group decides to take advantage of an otherwise strained system. Have you given some thought to that? Are there some things going on that you can share with us?

Mr. CURRIE. Thank you, sir. I am not aware of any study or any evaluation we have done of cyberattacks specifically during a natural disaster. We have done work on cybersecurity across all the agencies that would be involved in a disaster. But I will take that back and talk to our cybersecurity experts, and I can get back to you on our plans for that, or whether we need to work together to do that in the future.

Mr. CARTER OF LOUISIANA. I would definitely do that. I suspect that it is something that we should be concerned about, and suspect that there may be some work going on. And if we can collaborate among agencies to make sure that we have the best practices in place to be prepared, I would greatly appreciate it.

I yield back, Madam Chair. Thank you very much.

Ms. TITUS. Thank you—

Mr. GRAVES OF LOUISIANA. Madam Chair, if you don't—just one point on what Mr. Carter just brought up.

We had thousands of constituents that essentially got hacked. Somebody else applied for their disaster assistance, and then our constituents that were real disaster victims were blocked out. He made a great point.

Ms. TITUS. Thank you. Thank you, Mr. Carter and Mr. Graves.

We now go to Miss González-Colón, who can certainly talk about this issue from her perspective and her district in Puerto Rico.

Miss GONZÁLEZ-COLÓN. Thank you, Madam Chair and Ranking Member, and I think this is a timely hearing and the witnesses are sharing with us their expertise. And I was hearing Mr. Garamendi and Mr. Graves, and I cannot agree more. I know that, beside the witnesses today, there are numerous stakeholders presenting written briefs for the record, whose input I will deeply appreciate.

Unfortunately, Puerto Rico has become too familiar with FEMA over the past 5 years and the current COVID emergency, the 2019 and 2020 earthquakes, and of course, our top of the list, Hurricane Maria in 2017. And our recovery is on track to be one, if not the largest, in FEMA's history.

FEMA has allocated more than \$41.6 billion, and obligated \$38.8 billion, and outlaid \$15.8 billion to the island. However, in 2020, 3 years after Maria, no permanent work has started yet. Major obligations for long-term infrastructure rebuilding only began being announced in late 2020, and today we are still in planning and having RFPs status.

So, many of my constituents have expressed a lot of frustration with these delays, and the risk of having clawbacks on already-approved benefits. I think greater agility and accountability are imperative.

There are recent bills, such as Mr. Graves' H.R. 539, the Preventing Disaster Revictimization Act, and my H.R. 2016, the Federal Disaster Assistance Coordination Act, that both passed the House already, and H.R. 2020, the Post-Disaster Assistance Online Accountability Act, need to be considered to address these issues.

And I do have a lot of questions, but I know the time is difficult here. But my first question will be to Director Currie.

In your written testimony—and happy to see you again—in your written testimony, you review the prior GAO findings on workforce issues and speed of disbursement in the report on the recovery efforts in Puerto Rico in May of last year. You made two recommendations.

First, that FEMA should, in coordination with the Government of Puerto Rico and other Federal agencies, identify and assess risks to the remainder of the recovery, including internal and external factors such as the capacity to carry out projects, and for example, taking into consideration if we have the resources to start and finish projects within a time limit, or if more time is needed.

And the second one, that FEMA should identify potential actions to manage risks to the remainder of Puerto Rico's recovery, and continuously monitor those risks.

My questions will be: What response or followup has there been to those recommendations?

Second, would your office make such a followup, should the committee require one, or should we require FEMA to report to us the response?

Should the committee, as part of the [inaudible] establish a timetable for FEMA to report what they are doing about those recommendations?

I think those should be direct questions, and I do have more.

Mr. CURRIE. Sure, I—yes, I think that it would be a good idea to hold FEMA accountable to those recommendations.

And let me just say that at GAO, we are very focused on the recovery in Puerto Rico. Almost 5 years later, September, we have done several reviews on it. We are starting up another one. I plan to go back to Puerto Rico next month. I have been there five times since Hurricane Maria. The Federal Government potentially is going to spend well over \$50 billion there. So, it is a huge priority for GAO, but not just from the amount of money that is being spent.

I am very concerned about the long-term recovery. Congressman Graves made a good point earlier, and he said that it is one thing to get the money obligated, but that doesn't actually mean that money is being spent, and shovels are working, and projects are going. And my concern about the situation in Puerto Rico, unlike other States that have the funding and the upfront money, is that there is not going to be the capacity, the funding, and the people to do all of this work. We are having labor shortages across the entire country, and I think we are going to have huge challenges actually executing a lot of this work.

So, we stand behind those recommendations to FEMA. I think this needs to be a huge area of focus continuing in the future. And we are not going anywhere, ma'am. We are going to continue to focus on this, and do oversight on it.

Miss GONZÁLEZ-COLÓN. Thank you.

I know my time has expired. But Madam Chair, I think we should look into that opportunity for the committee to ask for those responses for FEMA, including [inaudible] if we need to.

And I do have other questions for the record, and those are for FEMA, but I will submit it in written form.

Thank you, Madam Chair, and thank you, all the witnesses.

Ms. TITUS. Thank you. I want to thank the witnesses for their testimony. I think it has been a very interesting conversation.

There seems to be a lot of consensus among those who testified, as well as the members of the committee who were asking questions. But we have got a lot of work to do, but I think we will be able to accomplish that, and want to look at FEMA as it meets those requirements or suggestions that have been made by GAO.

We can go back to Mr. Currie's four points. I think that summarizes very well what we need to work on. Most of it comes down to bringing FEMA into the 21st century: changes we need to make in the workforce; doing away with the confusion and redtape; streamlining complex projects and working with all levels of Government and all agencies of Government; and finally, building in resistance and mitigation to any kind of changes that we should make. So, I look forward to doing that.

I welcome any members of the committee to make suggestions, introduce legislation. You have my commitment that we will try to work with the chairman of the committee to push some of this through, because, as you heard from him early on, he is concerned about these things, as well.

COVID affected all of us. It is a national disaster. So, you overlay that with wildfires, like Nevada's—the driest and the hottest State in the country, and getting worse—tornadoes, earthquakes, floods, it is all there, and it is coming faster and harder.

So, that is my commitment to you, and I appreciate you all tuning in this morning for the hearing.

Now, let me get my script here for the conclusion. While I am doing that I would like to say that Aaron has left us in good hands.

I want to introduce our new staffer, who is Lauren Gros. She has a degree from Georgetown. She worked for Rick Larsen's office, and comes to the committee as a legislative assistant, and will be our main person on the committee. So, we welcome her.

I am looking for it here. Let me see what we have left to do.

All right, that concludes our hearing. I want to thank, as I have already done, all the witnesses for their testimony. It has been very helpful.

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 you might have and might be submitted for the record in writing.

I also ask unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing.

Without objection, so ordered.

Has anybody got anything they want to say?

All right. The committee is adjourned. Thank you very much.

[Whereupon, at 3:47 p.m., the subcommittee was adjourned.]

SUBMISSIONS FOR THE RECORD

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

Thank you, Chair Titus, and thank you to our witnesses for being here today.

On a bipartisan basis, this committee has worked to improve FEMA and the federal government's emergency management system.

The goal is to help communities prepare for, mitigate against, and respond and recover from disaster.

It helps no one when communities must spend significant resources to figure out how to fill out FEMA paperwork and navigate the process.

That is why I introduced bipartisan bills, including the Preventing Disaster Revictimization Act and the SPEED Recovery Act, to help individuals and communities cut through the red tape in FEMA assistance.

I look forward to hearing from the GAO and stakeholders today on their priorities.

Thank you, Chair Titus. I yield back.

Statement of the American Flood Coalition, Submitted for the Record by Hon. Dina Titus

The American Flood Coalition (AFC) applauds Chairwoman Titus, Ranking Member Webster, Chairman DeFazio, and Ranking Member Graves for holding this subcommittee hearing to solicit stakeholder perspectives on top 2022 Federal Emergency Management Agency (FEMA) priorities. AFC is grateful for the opportunity to submit written testimony for the record.

Comprised of more than 280 members across 21 states, AFC is a nonpartisan group of political, military, business, and local leaders that have come together to drive adaptation to the reality of higher seas, stronger storms, and more frequent flooding. AFC is a coalition of people on the front lines of flooding: cities and towns, state and local elected officials, military leaders, businesses, and civic groups. Together, we seek to advance national solutions that support flood-affected communities and protect our nation's residents, economy, and military installations.

While much work remains to be done, AFC recognizes and appreciates FEMA's efforts over the past year to support flood-affected communities, particularly as the agency tackles challenges including the COVID-19 public health emergency, devastation caused by wildfires and extreme weather events, and additional urgent demands on the agency's staff and resources.

While FEMA has many responsibilities and priorities, AFC's comments focus on the agency's essential work to build resilient communities and ensure equitable, timely, and thoughtful recovery in the wake of major flooding. We urge the agency to build on its progress to date by prioritizing the following areas in the year ahead.

Continue and expand efforts to instill equity across all FEMA programs. AFC commends FEMA's work to evaluate its programs and policies to further the agency's goal of delivering equity for all, including through its April 2021 Request for Information (RFI)¹.

As the agency reviews responses to the RFI and other comments submitted by stakeholders, AFC emphasizes that participation in such agency processes remains a privilege. In the wake of a flood, many individuals often cannot advocate for themselves and their communities. Survivors have valuable feedback to contribute but likely lack the time and capacity to submit comments or attend meetings because they are rebuilding homes and businesses, while coping with the emotional and

¹Federal Register, "Request for Information on FEMA Programs, Regulations, and Policies," April 22, 2021.

physical toll of the disaster. Similarly for community-based organizations, seeking to improve federal processes, undertaking a comprehensive review of proposed federal legislation, or submitting comments by a deadline can be virtually impossible while simultaneously supporting flood victims.

With these realities in mind, FEMA must recognize underserved community members' time constraints and create spaces to meet community members where they are. Additional engagement strategies, such as providing childcare at meetings or seeking input from residents at an existing community event, can make a meaningful difference. AFC cannot overstate the importance of directly engaging flood-affected communities to better understand their unique challenges and needs.

Beyond these important recognitions and the urgency of community engagement, AFC's RFI comment letter² provides overarching themes and specific policy recommendations to help FEMA deliver on its goal of equity for all.

Expand access and technical assistance for Hazard Mitigation Assistance (HMA) Programs. AFC urges FEMA to provide robust technical assistance for all grant programs, in addition to targeted application and project assistance to underserved communities. We also encourage Congress to review the statutory definition of "small and impoverished" communities and to consider adjusting federal cost-share ratios so that FEMA programs can better support more high-need areas.

Smaller, rural, and underserved communities often lack the time and expertise to decipher FEMA's complex application processes. They also typically lack resources to hire external consultants to outsource this work. As a result, underserved communities are less able to develop competitive applications and can be effectively shut out of FEMA's HMA funding opportunities. A recent survey of AFC's membership affirmed that capacity challenges are among the greatest hurdles to securing federal funds to execute resilience projects.

These realities were reflected in the applicant pool and ultimate grant recipients for FEMA's inaugural Building Resilient Infrastructure and Communities (BRIC) program. More than \$3 billion in project applications were submitted for just \$500 million in available funding, which demonstrates both significant demand for mitigation dollars and an extremely competitive application process. These dynamics remain true even with the administration's commitment to allocate \$1 billion for BRIC funding in 2021,³ as well as an additional \$200 million in annual funding for the next five years codified under the Infrastructure Investment and Jobs Act (P.L. 117-58).⁴ Of 991 total applicants for BRIC's 2020 grant cycle, only 98 were small and impoverished communities.⁵ Furthermore, five of the nation's wealthiest states received 70% of the \$500 million in available funding, while small, impoverished communities were awarded just \$36 million in total.⁶

Another major hurdle to applying to FEMA's HMA grant programs is that many entities cannot cover local cost-share requirements. Most HMA grant recipients must pay for 25% of a project's cost while the federal government covers the remaining 75%. Under current law, communities defined as "small and impoverished" benefit from an increased 90% federal cost-share, but that definition remains extremely narrow. AFC urges the subcommittee to explore expanding this definition so that more communities could qualify for an increased cost share. We also encourage Congress to provide a higher federal cost-share for the highest-need communities, as this would significantly increase FEMA's HMA programs impact among small, rural, and underserved communities.

AFC believes that robust technical assistance is fundamental to addressing such barriers and ensuring BRIC's overall success. While we commend FEMA's increased efforts on this front, we note that in the 2020 BRIC cycle, only eight communities were supported through the BRIC program's non-financial direct technical assistance.⁷ This is likely because most localities are unaware that such resources are available and often lack the capacity to seek out and manage assistance. Reframing technical assistance to be "opt out" rather than "opt in"—so that FEMA and state governments proactively approach communities and offer direct assistance—would be a welcome shift.

² Regulations.gov, "Comment submitted by the American Flood Coalition," July 22, 2021

³ The White House, "FACT SHEET: Biden Administration Invests \$1 Billion To Protect Communities, Families, and Businesses Before Disaster Strikes."

⁴ Congress.gov, "Infrastructure Investment and Jobs Act."

⁵ FEMA, "FY2020 Building Resilient Infrastructure and Communities Application Submissions."

⁶ E&E News, "Climate grants meant for poor places went to rich states."

⁷ FEMA, "Building Resilient Infrastructure and Communities FY 2020 Subapplication Status."

*Implement the Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act (P.L. 116-284).*⁸ Finally, AFC urges FEMA to advance regulations for the STORM Act's Hazard Mitigation Revolving Loans Funds, which received \$500 million in seed funding under the Infrastructure Investment and Jobs Act (P.L. 117-58).⁹ AFC commends Congress for creating this new program and for providing funding to help states establish revolving loan funds for resilience projects.

In particular, we appreciate that among other eligible uses, STORM Act revolving loans could support local government activities such as zoning, land-use planning studies, and establishing and enforcing building codes. AFC also supports the program's prioritization of projects that increase regional resilience, consider the regional impacts of hazards, and harden major economic sectors or critical national infrastructure. AFC encourages FEMA to proceed with rulemaking so that counties and local governments can begin accessing funding and more proactively manage their flood risk.

Once again, AFC appreciates the subcommittee's attention and interest on these pressing issues, as well as FEMA's work to drive meaningful progress across our outlined priorities to date. AFC stands ready to work with both Congress and FEMA on shared efforts to build stronger, more resilient communities.

Statement of June Isaacson Kailes, Disability Policy Consultant, Submitted for the Record by Hon. Dina Titus

SUGGESTED SOLUTIONS FOR CHANGING THE TRAINING ENVIRONMENT—
CONTENT, PROCESS, AND DELIVERY MECHANISMS

My work focuses on building critical disability practice competencies and capabilities in health care and emergency management by using actionable details. These details operationalize the equity and specificity needed to include people with disabilities and others with access and functional needs. Much of her work converts the laws, the case laws, regulations, and guidance into tangible building blocks, tools, and operating procedures that close service gaps, prevent civil rights violations, and deliver inclusive, equally effective services.

GAO has been making recommendations about FEMA workforce development since 2015. For example: *"The FEMA Administrator should create a staff development program for FEMA's disaster workforce that, at a minimum, addresses access to training, delivery of on-the-job training and mentoring, use of performance evaluations, and consistent developmental opportunities regardless of deployment status."* FEMA Disaster Workforce: Actions Needed to Address Deployment and Staff Development Challenges GAO-20-360 May 04, 2020.

However, FEMA personnel are just one part of the emergency preparedness workforce development audience. One of the significant issues is the lack of coordination and integration among the many federally supported preparedness training programs. (see links to these programs at <https://www.fema.gov/emergency-managers/national-preparedness/training>)

"Funding for the Congressionally-authorized National Domestic Preparedness Consortium (NDPC) is an annual appropriation through the Homeland Security National Training Program Cooperative Agreement ... Congress has invested millions of dollars into the development of the NDPC, ensuring that all US emergency responders/receivers have access to high-quality training. This funding allows the NDPC to develop and deliver training at no direct cost to state and local agencies."

"Traditionally, Continuing Training Grant (CTG) recipients have not shown the ability to sustain training beyond the initial funding period. As such, many of the CTG developed courses, if deemed to have ongoing need and relevance, have been assumed by existing NDPC members who have the facilities, infrastructure, and ability to sustain them." <https://ndpc.us/about/congress-and-the-ndpc/> (online 2-22-2022)

While there may be a high-level coordinating body for training activities, each of the individual programs seems committed to "stay in its lane" and not meaningfully collaborating on the content or course development. Asking any entity to integrate with any other federally supported group seems to result in a range of responses

⁸Congress.gov; "Safeguarding Tomorrow through Ongoing Risk Mitigation Act or the STORM Act."

⁹Congress.gov; "Infrastructure Investment and Jobs Act."

from “that’s not our role” to “we cannot change someone else’s course material or delivery methods.”

This is particularly problematic for new, emerging, and evolving content areas such as integrating people with access and functional needs. However, given the continuously evolving preparedness issues such as pandemic response, wildfire, and the yearlong disaster season, it seems clear that the training process needs to become better coordinated and more flexible, nimble, and responsive.

It is well past time to update the national preparedness training environment—content, process, and delivery mechanisms—to address 21st century needs, platforms, and opportunities.

If FEMA is going to be able to address workforce development priorities, FEMA’s multiple training programs, activities, and funding support need to be placed in the context of overall federal investment in preparedness training. FEMA should not continue to reinforce or fund training “silos.”

While this issue is probably widespread across many areas of emergency management, to illustrate the point, I would like to address one specific area as an example. Some of the recommendation from the FEMA National Advisory Council (NAC) were included in the May 2017 report to the FEMA administrator. https://www.fema.gov/sites/default/files/2020-08/fema_nac-report_06-2017.pdf

“IV. Training for Incorporating People with Disabilities and others Access and Functional Needs, including Children (3 recommendations)

Issue 8: There is a lack of emergency management, response, and recovery training incorporating people with access and functional needs and children. This puts these populations at risk. *Note: the NAC has made previous recommendations regarding this issue (see 2016–28 and 2017–09) and it remains unresolved.*

Recommendation 17–26: FEMA should create and support a Center of Excellence (CoE) type training program for emergency management personnel that enables experts to acquire, adopt, disseminate and deliver content specializing in how to fully integrate the needs of individuals with disabilities and others with access and functional needs and children into all aspects of emergency planning, response, recovery and mitigation.

Recommendation 17–27: FEMA should more fully integrate content related to persons with disabilities, access and functional needs and children into all existing and future emergency management trainings. To fulfill this objective, FEMA should map and prioritize FEMA courses delivered to emergency management personnel and first responders . . .”

As noted in the May 2017 report, the FEMA National Advisory Council (NAC) made earlier recommendations regarding this issue, yet it remained unresolved.

There has been little progress in almost five years since these NAC recommendations were made. Outdated and potentially damaging information remains in FEMA course and exercise content. This seriously undermines the significant progress that has been made in whole community inclusion in emergency preparedness. Integration of course and exercise content needs to consistently conform with contemporary planning, response, and recovery priorities to end counterproductive teaching of outdated, old model, old school, “special needs” content.

Funding support is needed for a timelier way to incorporate access, and functional needs content consistently and routinely into all appropriate course materials. Attention to covering the issues in the appropriate depth, beyond just a separate and special course, is needed for appropriate workforce development. This may also be true for other emerging and evolving emergency preparedness issues.

The process of how contractors are selected and utilized needs to be examined. A tremendous amount of time and resources is spent fixing, redoing, and repairing uninformed contractor work specifically related to access and functional needs. Contractors often lack expertise on the diversity of the populations included in access and functional needs, how to translate the nuanced words into applied practice, etc. FEMA should partner with led organizations (such as the Partnership for Inclusive Disaster Strategies <https://disasterstrategies.org/>) to establish rigorous criteria for identifying and evaluating course developers, trainers, and reviewers to ensure they are truly subject matter experts (including relevant specialized experience).

Use training evaluation methods that measure the effectiveness of delivery, performance, impact, and outcomes rather than just rating the process: how many attended, how many answered so many post-test questions correctly, and the learners’ reactions to and satisfaction with the training and presenters. A quality companion product focused on just-in-time training should also be developed for whatever training is created or revised. This is because the people we trained yesterday won’t be

there tomorrow. The gold standard should include metrics related to performance in the trenches.

The Committee may also want to ask GAO to look at preparedness training issues in a broader context beyond just FEMA. To make recommendations about rewarding agencies for collaborative activities, streamlining course development and delivery, reducing redundancy and inconsistency, and identifying training gaps and new opportunities, which will move beyond the long-entrenched current approaches to workforce development.

Moving forward, FEMA needs to be a part of the solution, not a part of the problem.

Statement of the National Association of Home Builders, Submitted for the Record by Hon. Dina Titus

I. INTRODUCTION

NAHB represents more than 140,000 members who are involved in land development, building single-family and multifamily housing, remodeling and other aspects of residential and light commercial construction. NAHB's members construct approximately 80 percent of all new housing built in the United States each year.

NAHB's mission is to enhance the climate for housing and the building industry, including providing and expanding opportunities for all people to have access to safe, decent and affordable housing. Due to the wide range of activities they conduct on a regular basis to house the nation's residents, our members are often required to comply with various regulatory and incentive-based programs to address issues related to climate change and resilience.

NAHB is leading the way to improve resiliency and the performance of new and existing homes. As a longtime leader in the drive to make homes more energy efficient, NAHB has also repeatedly demonstrated a commitment to sound federal disaster and floodplain management policies and cost-effective, market-driven solutions that maintain housing affordability while balancing the needs of growing communities with the need for reasonable protection of life and property.

II. BACKGROUND

The unusual number of significant natural disasters over the past several years has been sobering. At the same time, they have ignited a nationwide dialogue about risk, resiliency and mitigation. NAHB has been actively engaged in these discussions for many years and we have taken a leadership role in improving the resiliency and performance of new and existing homes. In fact, NAHB and its members have a long history of supporting, developing and participating in many state and local initiatives, as well as various federal activities aimed at reducing disaster losses and improving resiliency. We have repeatedly demonstrated our commitment to working with all levels of government to promote and implement sound disaster and floodplain management policies and improve the resiliency of the homes we build and the communities we serve. In doing so, we take pride in helping to develop cost-effective, market-driven solutions that maintain housing affordability while balancing the needs of growing communities with the need for reasonable protection of life and property.

As stakeholders in both the public and private sectors wrestle with finding the right balance of regulations and programs to protect homes and their occupants from severe weather events and hazards, some argue that more should be done. But most additional efforts come at costs that not only curtail homeownership and significantly hinder housing affordability, but also can severely impact state and local economies. This is because these policies can greatly influence how existing structures and cities are reengineered, rebuilt and/or remodeled and impact how and where new homes and communities are built. Depending on how they are developed and implemented, they can also be inflexible and overly protective, fail to target areas of highest risk, reduce the availability of buildable land, tax limited resources, and have significant cost implications that can have a detrimental impact on housing affordability in many areas of the country.

With this as a backdrop, NAHB has identified one specific priority and six general themes that should be woven into each of FEMA's actions as it "Builds the FEMA our nation needs and deserves."

- Complete Endangered Species Consultation for the National Flood Insurance Program
- Acknowledge that Structures Built to Modern Codes are Resilient

- Identify and Promote Opportunities to Mitigate/Modernize Existing Buildings
- Provide Incentives to Mitigate/Modernize Existing Buildings
- Recognize and Retain State/Local Land Use Authority
- Embrace and Improve Stakeholder Engagement
- Provide Updated Resources and Data

III. NAHB'S SUGGESTED PRIORITIES

a. *Complete Endangered Species Consultation for the National Flood Insurance Program*

Over the last decade, FEMA has been locked in an ongoing legal battle regarding how specific NFIP programs, such as a letter of map revisions and minimum eligibility requirements for community participation demonstrate compliance with the Endangered Species Act (ESA). Most recently, in 2017, the National Marine Fisheries Service (NMFS) issued a biological opinion (BiOp) that concluded the implementation of the NFIP, as it exists today in the states of Oregon and Washington, violates the ESA's prohibition against any discretionary federal action that may result in "jeopardizing the continued existence of" an endangered or threatened species or the "destruction or adverse modification" of designated critical habitat. NMFS's rationale as to why the NFIP violates the ESA is that the very existence of the program encourages future land development and construction activities in and around floodplains—areas that *may* serve as important critical habitat for certain federally-protected aquatic species. Because of these purported important ecological functions, it claims the federal government could prohibit or at least restrict future land development or construction activities from occurring within floodplains.

Although FEMA is taking steps to address this issue by developing a national programmatic framework for ESA compliance, this task is long overdue. Equally problematic, FEMA's interim regulatory guidance to address ESA compliance, issued in 2016, creates a wholly new process that does not exist under the ESA or under the Service's consultation regulations and creates significant implementation problems across the board. In short, the Agency's regulatory guidance attempts to illegally pass off FEMA's responsibilities as a federal "action agency" and instead foist its obligations upon non-federal entities (i.e., local governments or private landowners) to perform the ESA's consultation functions. Instead of performing its duties under the ESA's consultation regulations, FEMA expects non-federal permittees to obtain documentation from the FWS that their proposed activities will have no impact upon federally protected species or their designated critical habitat and then provide FEMA with copies of FWS's "no effect" letters.

Alternatively, FEMA's interim regulatory guidance directs non-federal entities who request certain letters of floodplain map revision that could impact an endangered species or designated critical habitat, to first obtain an expensive and complicated ESA §10 Incidental Take Permit (ITP). This completely contravenes Congress's intent that ITPs only apply to private landowners whose proposed activities actually result in the "take" (i.e., death or injury) of an endangered species. Likewise, it confuses the ESA's existing authorization process, as ITPs are not intended to be used for private activities that have a "federal nexus" (e.g., activities that require federal approval or funding), such as a request to FEMA to revise floodplain maps, which federal courts have already determined trigger the ESA's consultation requirements. Clearly, FEMA's approach fails to recognize the Agency's own role and responsibilities under the ESA as a federal "action agency" whose activities are subject to the ESA §7 consultation process. Rather than developing creative ways to avoid its ESA responsibilities, FEMA needs to comply with the ESA's consultation regulations. If it is unwilling or unable to do so, it should work with Congress to seek targeted legislative reforms to NFIP or even the ESA to better define which portions of the NFIP are discretionary federal actions and thereby when ESA consultations are required. Whichever approach to demonstrating compliance with the ESA is chosen, NAHB urges FEMA to avoid outcomes that needlessly harm NFIP participating communities and developers' and builders' efforts to provide safe and affordable housing.

b. *Acknowledge that Structures Built to Modern Codes are Resilient*

Building codes are designed to establish minimum requirements for public health and safety for commercial and residential structures (i.e., be disaster resistant). Despite this, FEMA continues to place undue effort on increasing their stringency. Not only is this unnecessary, as structures built to modern codes are shown to be more resilient, but also doing so oftentimes makes new homes unattainable for many home buyers. Instead of improving new construction, which is the focus of most

building codes, FEMA should acknowledge that modern building codes are resilient and pivot its attention to improving the resilience of existing structures.

Although they have existed in various forms for decades, building codes in the United States achieved a milestone in 2000 when the three regional code organizations were consolidated into the International Code Council (ICC) and their codes were combined to create the first set of “I-Codes,” which were published in 2000. While there are other building codes available, the I-Codes are the most widely used model building codes, with some form of the International Building Code (IBC) adopted in all 50 states and versions of the International Residential Code (IRC) adopted in 49 states. The I-Codes are modified through a formal public consensus process every three years. This has resulted in the publication of a new edition in 2003, 2006, 2009, 2012, 2015, 2018 and 2021. Work has commenced on the 2024 version of the code and final votes will take place in the fall of 2022.

When the I-Codes were created, a number of major improvements were immediately made to the traditional building code requirements within the residential building code to address issues observed after Hurricane Andrew in 1992 and the California earthquakes of 1989 and 1994. Although additional improvements have been made since the I-Codes’ debut in 2000, the number of changes incorporated into the newer editions of the IRC that dramatically impact structural reliability and occupant life safety within residential structures have greatly diminished. In other words, the modern building codes (e.g., post-2000) have proven to be resilient and the need for triannual updates is not necessary for improved resilience.

Despite this, many believe that homes built following the “latest published edition” of the building code equate to more resilient homes, but that is not necessarily the case when compared to those built to previous editions of the IRC. Homes built to modern building codes—defined as any edition of the IRC—have been shown to be resilient. Evidence from FEMA and others demonstrate the IRC, throughout its history, has been very effective in preventing the destruction of homes due to various storms and earthquakes and significantly reducing damage to wall and roof coverings. Further, because many of today’s new homes are built with additional sustainable and high-performance building features, they are even more durable and resilient.

The successful performance of the IRC is also an indication of the “maturing” of building codes as they have gone through the iterative process of refinement since 2000. While tweaking the code to reflect technological advances will continue, it is clear that major changes aren’t as necessary as they used to be. Similarly, because the codes are nearing a point of diminishing returns in terms of the cost/benefit ratio, additional updates may not be cost-effective. Homes can be built to withstand any disaster, but homes cannot yet consistently be built to withstand any disaster *and* be affordable. New homes built to modern codes are efficient. New homes built to modern codes are safe. New homes built to modern codes are resilient. FEMA must embrace this fact throughout its efforts and actions. Instead of taking every opportunity to increase the stringency of building codes (whether such updates are necessary or not), FEMA should trust the code development process and resultant codes and focus its energy on improving the resiliency of the existing housing stock.

c. Identify and Promote Opportunities to Mitigate/Modernize Existing Buildings

The American housing stock continues to age and due to the recent decrease in production, there is increasing pressure to keep existing homes in service longer—homes that may not perform as well or be as resilient as newer homes. One hundred and thirty million homes out of the nation’s housing stock of 137 million were built before 2010, and therefore, most were not subject to the modern building codes that are now in effect. Equally problematic, the latest Census statistics show the number of homes built before 1970 that are taken out of commission is only about six out of every 1,000 being retired per year. These low rates of replacement mean that the built environment in the U.S. will change slowly and continue to be dominated by structures that are at least several decades old.

Older homes are less resilient and energy efficient than new homes. They were not built to the stringent requirements contained in modern codes, use (and lose) more energy, and are more susceptible to damage from natural disasters. Many of FEMA’s post-disaster investigations support this conclusion. For example, FEMA’s Mitigation Assessment Team Report regarding Hurricane Sandy reads, “Many of the low-rise and residential buildings in coastal areas [that had observable damage] were of older construction that pre-dates the NFIP.” Similarly, the Insurance Institute for Business and Home Safety stated in its preliminary findings report for Hurricanes Harvey and Irma that, “[t]otal destruction from wind occurred to mobile homes, as well as older site built conventional homes,” and “[n]ewer homes generally performed better than older buildings.”

Clearly, these statistics and studies demonstrate that improvements in construction practices and building codes have made significant strides in improving the efficiency and resiliency of new construction and that further gains will be difficult and costly. As FEMA takes steps to mitigate the effects of future natural disasters, it needs to create opportunities to facilitate upgrades and improvements to the older homes, structures and infrastructure that are less resilient to natural disasters.

- *Support Voluntary Compliance*

Mitigation efforts that recognize and promote voluntary above code compliance for improved resilience in lieu of mandates have been proven to produce results, show value to consumers and are cost-effective. In other words, they are driven by the market. FEMA is strongly urged to develop and provide workable solutions to facilitate and promote the use of voluntary means to increase the resiliency of the existing housing stock.

Because one size never fits most, it is important that builders, home buyers and homeowners have choices when it comes to finding strategies to increase the resiliency of their homes. One reason federal mandates are ineffective is because they fail to take into account the needs or desires of consumers and others, and typically lack the flexibility needed for realistic, widespread application. Flexibility allows builders to choose the specific efficiency component(s), program or green certification that best suits their needs and the desires of the home buyers based on their ability to afford and willingness to pay. In other words, having options versus requirements allows the market to function as intended.

As a result, voluntary, above-code programs such as the ICC700 National Green Building Standard, Leadership in Energy & Environmental Design (LEED) Resilient Design Pilot credits, RELi 2.0 pilot, FORTIFIED Home and the U.S. Resiliency Council (USRC) rating all have widespread participation. Numerous similar initiatives have also been successful and many homeowners voluntarily take other steps to improve their home's performance. The popularity of these programs has led to proven track records in improving home resiliency. For example, over 345,000 units have been certified to the ICC 700 National Green Building Standard to date and 36,000 homes have the FORTIFIED designation. In addition to increasing resiliency, these programs provide value to consumers through insurance discounts, peace of mind and other benefits. The many choices also allow stakeholders to pick and choose the specific elements that fit their needs and budgets, which make voluntary alternatives inherently cost-effective.

- *Provide Cost-Effective Options*

In September 2015, FEMA released a publication that describes alternative mitigation measures intended for a variety of housing types that could not feasibly be elevated.¹ In the guidance, FEMA specifically acknowledged that the techniques had applicability in single-family homes, 1–4 family midrise multifamily residential buildings and high-rise multifamily residential buildings. This publication was intended to fulfill the requirement of Section 26 of the Homeowner Flood Insurance Affordability Act (HFIAA) passed by Congress in 2014, which directed FEMA to: (1) issue guidelines for property owners that provide alternative methods of mitigation efforts (other than building elevation), to reduce flood risk to residential buildings that cannot be elevated due to their structural characteristics; (2) inform property owners how the implementation of these methods may affect NFIP risk premium rates; and (3) take into account, when calculating the risk premium rate, the implementation of any mitigation method identified in the FEMA guidelines. However, FEMA's adherence to this mandate is only partially complete.

First, the alternative mitigation options identified in the publication are extremely limited and only marginally more realistic for many properties than the elevation requirement they are designed to avoid. Second, FEMA has yet to complete its work on those measures that could more reasonably be implemented in a broader array of situations, such as Wet Floodproofing (Elevate Building Utilities, Floodproof Building Utilities, and use of Flood Damage-Resistant Materials), Dry Floodproofing (Passive Dry Floodproofing System) and Barrier Measures (Floodwall with Gates and Floodwall without Gates, Levee with Gates and Levee without Gates). While these clearly provide a more reasonable range of options to reduce flood risks, FEMA continues to conduct further analysis to determine the appropriate premium reduction associated with each measure.

NAHB urges FEMA to prioritize the release of these analyses, as they will not only have a direct impact on the affordability of NFIP premiums today, but also will

¹FEMA, *Reducing Flood Risk to Residential Buildings That Cannot Be Elevated*, FEMA P-1037 / September 2015.

help incentivize the necessary mitigation and building activities to minimize risk moving forward. If we are to collectively work to provide resilient affordable housing where it is needed, local jurisdictions must have information about the full range of mitigation activities available and not be forced into a costly and less effective choice because it is the only option they feel they have. At a minimum, FEMA should revise its flood insurance rating to provide premium reductions for all of the mitigation measures documented in *Reducing Flood Risk to Residential Buildings that Cannot be Elevated*, not just the interior modification/retrofit measures. If these activities are shown to reduce risks, there is no reason not to recognize the benefits.

Further, FEMA should continue to conduct research into other cost-effective mitigation techniques. At a minimum FEMA should develop a comprehensive database of flood damage assessments and observations collected from its various MAT teams or other field teams that could be used by FEMA, its industry partners or research institutions to improve the understanding of how buildings perform under a variety of flood conditions and use that data and information to target and refine the NFIP construction standards to be more cost-effective.

Finally, recognizing that many households do not have the interest or means to conduct larger scale renovation projects, NAHB, in concert with FEMA, the International Code Council, and the Insurance Institute for Business & Home Safety, is developing a series of Tech Notes that describe different types of retrofit techniques that can be used to increase the resiliency of existing buildings. Importantly, these focus on strategies that require minimal costs (generally less than \$1,000 for a typical home) but have a significant impact on reducing damage. The first six topics include sealed roof decks, attachment of roof coverings, flashing and sealing of roof penetrations, use of hurricane shutters, use of impact resistant doors and methods of preventing ice dams. These resources help homeowners understand their options, recognize that certain mitigation options can be cost-effective, and compel them to take action, and we urge FEMA's continued support of their development.

d. Provide Incentives to Mitigate/Modernize Existing Buildings

Incentive programs that offset the increased costs for above-code and mitigation activities are an important tool to reduce the barriers that many resiliency opportunities pose and encourage more homeowners to invest in home modernization. For example, due to the high initial costs associated with purchasing and/or installing certain features to increase their home's resiliency, many homeowners are unable to finance desired or necessary upgrades and, without assistance, would likely forego the improvements. Incentives that are available at the federal and state levels, as well as those that could be offered through the real estate valuation and transaction processes, can address this issue, produce results and have proven to be attractive alternatives to mandates. FEMA should identify, embrace, support and promote a wide range of incentives and incentive programs to help improve overall resiliency.

For example, the Disaster Recovery Reform Act of 2018 includes a number of actions related to improving the ability of existing structures to withstand catastrophes, such as the National Public Infrastructure Pre-Disaster Mitigation Program, which provides federal funding for pre-disaster mitigation. Increasing the resiliency of the existing housing stock would be a prudent use of this funding stream. Likewise, the Building Resilient Infrastructure and Communities grant program is an important tool, but portions of it need to be reworked so that it recognizes and incentivizes a wider range of mitigation options.

States also play a role in enticing positive behavior—efforts that can be compounded with FEMA support. One alternative that has been used in several states is providing insurance discounts to homeowners who conduct specific activities. In Texas, the state's hurricane insurance pool, the Texas Windstorm Insurance Association, offers premium discounts of 19 percent to 33 percent for building code compliance. In Rhode Island, insurers are required to waive the hurricane deductible for insured homeowners who voluntarily implement mitigation measures that are specified in the insurance regulation. In Alabama, tax credits of up to \$3,000 are available for retrofitting a taxpayer's legal residence to make it more resistant to hurricanes, tornadoes, other catastrophic windstorm events, or rising floodwaters.

In addition, the Alabama state legislature established the Strengthen Alabama Homes Act in 2011 to provide grants to qualified homeowners to retrofit their homes to reduce property damage caused by hurricanes or other catastrophic windstorm events. Currently, the response to the program has been so overwhelming that the program administrator has temporarily stopped taking new grant applications.

Clearly, these state programs have proven to be popular, as they provide value through loss reduction, yet enable and facilitate broader participation through re-

duced costs. The recognition and expansion of programs like these is one way to engage participation while offsetting the hefty costs associated with upgrades.

There are also a number of other opportunities to facilitate, incentivize, and offset the costs of voluntary above-code construction and/or pre-disaster mitigation that could be achieved by FEMA working with its federal partners and/or other collaborations. These options include working with Fannie Mae and Freddie Mac to make modifications to property valuation and financing protocols; ensuring loans, grants and other federal funding programs are accessible and widely applicable; and providing insurance premium reductions within the National Flood Insurance Program (NFIP), among others.

Under current practice, in most instances, mortgage companies, appraisers and real estate professionals do not consider the costs or benefits associated with various resiliency or energy efficiency upgrades. This creates a disincentive to take proactive steps to reduce a home's exposure, as those expenditures are not necessarily considered to add value. If the improvements are not included in the appraisal or appraised value of the structure, not only is the buyer uninformed about the home's qualities, his or her willingness to pay more can be significantly diminished.

In an effort to spur private investment in efficiency and resiliency, the value and benefit of the above code practices and mitigation measures should be incorporated into standard real estate lending practices and real estate listings. By recognizing and valuing the upgrades, appraisers can consistently give weight to these improvements, lenders may reconsider qualifying loan ratios, realtors can promote their benefits, homeowners would get assurances that the investments they have made will retain value and be recognized in resale and homes would be more likely to get the upgrades needed to improve their performance.

Similar to the valuation process and state insurance discounts, recognizing improved resiliency can also be done by tweaking the NFIP. Currently, all improvements to fortify a home against flood hazards do not result in flood insurance premium discounts. For example, in its "Reducing Flood Risk to Residential Buildings That Cannot Be Elevated" document, FEMA outlines several alternative actions that can be taken in lieu of elevation. Of the measures discussed, however, only 50 percent of them are eligible for flood insurance premium reductions.

e. Recognize and Retain State/Local Land Use Authority

FEMA has frequently stated that it has no authority over local land use decisions and that state and local governments maintain primary authority over local land use and building practices to not only maintain their self-interests, but also because they have better knowledge of local conditions and needs. Indeed, one of the strengths of the NFIP, for example, is that it allows states and communities to dictate actions based on their individual risks and circumstances. Officials at all levels of government must work together so that lives, homes, schools, businesses and public infrastructure are protected from the damages and costs incurred by flooding and other disasters, local communities must retain the ability to provide the first line of defense in terms of land use policies and practices. They are in the best position to determine the risks and challenges they and their citizens face and follow code adoption, implementation, and enforcement processes that reflect their available resources and needs.

Resiliency, risk avoidance, and mitigation planning should be viewed in the same context; it is best undertaken by localities who know their communities best. FEMA must not intrude on a locality's ability to conduct community planning, economic development, coastal zoning planning and other planning activities; instead, it must take care to ensure such state and local prerogatives are not undermined and that any FEMA activities are complementary to these local actions.

To do so, FEMA could be of great help in providing resources, information and technical assistance. For example, FEMA could ask communities what assistance they need and fulfill those requests. Likewise, the Agency could provide benefit to mitigation planning by improving data tracking and integration—working with state or local agencies that track relevant data on sea level rise or flood levels and integrating their data to produce more accurate risk for the future and cataloging and disseminating that data. FEMA could also help incentivize the necessary mitigation and building activities to minimize risk in the future by providing state and local jurisdictions with the best available information about the full range of mitigation activities available so they are not forced into implementing the most costly or least efficient choice possible because it is the only one they feel they have. Local, state and federal governments all are looking for approaches to mitigate the effects of potential climate and natural disaster risk events. FEMA must be aware of such initiatives and develop policies and take actions that support, not conflict, with these efforts.

f. Embrace and Improve Stakeholder Engagement

FEMA administers a number of programs and priorities aimed at preparing for, and responding to disasters, hazards, and other emergencies. It also manages the National Flood Insurance Program (NFIP), including overseeing the development and updating of the 100-year floodplain maps, disaster assistance, and mitigation. In each of its past several strategic plans, FEMA has set out goals to improve collaboration and work with stakeholders. While NAHB believes this interaction has improved, more work needs to be done. FEMA must continue to prioritize its outreach, solicitation of feedback, and engagement of residential building experts and other members of the public.

For example, in completing its work, FEMA relies on a myriad of guidance documents, handbooks, policy statements and other directives to explain its programs, expectations, and policies. Because many of these documents are used to direct the activities of landowners and citizens, they have the force and effect of the law and its implementing rules, and, hence, meet the definition of “regulation” outlined in E.O. 13771, yet FEMA has not consulted the public in their development. Examples include the *Guidelines and Standards for Risk Analysis and Mapping*, *Community Rating System Coordinator’s Manual*, and *Community Resilience Indicators and National-Level Measures*. Not only have these documents not been vetted through the public, but many people do not know they exist and many are difficult to locate, yet the agency expects the public to be knowledgeable and comply. FEMA is strongly urged to revisit its standard protocol for advising the public of potential policy changes and soliciting feedback. Only through providing opportunities for adequate notice and comment, timely updates, and broad outreach will the agency be able to reach its constituency and ensure its programs are effective and workable on the ground.

Similarly, although FEMA recognizes the value and need of bringing communities together to create more resilient places, the Agency rarely calls upon the expertise of the home building industry to help direct its actions. NAHB’s members possess a wealth of experience and knowledge that is directly related to much of FEMA’s work. Building technology, construction techniques, and best practices are the language of the trade, yet FEMA has failed to regularly involve NAHB or its representatives on projects affecting residential construction.

Building homes and communities are our members’ livelihoods, whether those homes are constructed in urban areas, mountainous topography, for low-income residents, or within the 100-year floodplain. Our staff and members have the experience and expertise to help ensure FEMA programs and practices that affect residential construction are effective, cost-efficient and workable on the ground. But to do so, NAHB needs to be at the table—appointed as a member of project review panels or Mitigation Assessment Teams or otherwise have its input solicited at early stages of any FEMA or FEMA-funded project affecting residential construction.

g. Provide Updated Resources and Data

The increased focus on sea level rise, climate change, more intense storms and recent flooding events further illustrate the need for the public to have ready access to good data and information so that they can make informed decisions. NAHB urges FEMA to not only engage with, but also to provide the necessary resources to builders, developers, building code officials and others to enhance their knowledge of the national model codes and acceptable and realistic mitigation strategies. This will help to expand opportunities and improve compliance with the construction codes and land development requirements that will lead to enhanced resiliency in communities across the country.

- *Maps*

Current, accurate and scientifically sound Flood Insurance Rate Maps (FIRMS) are essential components of the NFIP, as they are the backbone for depicting the location of the 100-year floodplain. FEMA has spent countless hours and federal resources to develop and maintain its floodplain-mapping program over the last four decades. Despite technical advances in the field and numerous efforts by Congress and the Administration to advance public policy in the area through the establishment of the Technical Mapping Advisory Committee (TMAC), creation of the Map Modernization Program, or its successor FEMA’s Risk MAP Program, continuing technical and funding challenges have stymied attempts to modernize national mapping efforts. As the maps and the mapping process continue to evolve, there remain ongoing concerns about how the maps are made, what information is used and depicted, and how corrections are made. FEMA is urged to focus efforts on updating the maps and creating and following a plan to ensure the maps are maintained and updated on a regular basis. In doing so, the Agency must ensure that minimum con-

struction requirements and mapping standards reflect the variation in flood risk across the country. Requirements developed based on observations, data and modeling for the Gulf Coast and Florida should not be imposed on coastal areas in the Northeast, around the Great Lakes, or in riverine flood plains where the geography is vastly different.

- *RR 2.0 Mitigation Details*

FEMA has initiated a long-term effort to transform the NFIP to make it more consumer friendly and better reflect the actual risks properties face. Through Risk Rating 2.0, FEMA intends to create a more accurate and fair calculation of structure-specific risks and improve the policy application process—efforts that it hopes will compel more property owners to purchase flood insurance.

To do so, FEMA is reassessing and recalculating the factors it looks at when determining flood insurance rates. The shift will move the NFIP from the current practice, which looks at risk across broad bands associated with flood zones and categories of properties to create an individualized picture of each property's risk. Information used to determine the new rates will include property-specific information, such as distance to the coast or other water sources, exposure to different types of flood risk, and the cost to rebuild the home, among others.

Despite this program going into effect on October 1, 2021, for new policies and April 1, 2022, for renewals, FEMA has yet to fully disclose the basis for premium rates to the public, such as information about how location, elevation, and other factors are translated into rates and has deliberately been discrete about how premiums are being determined. Further, after repeated requests, the Agency has also failed to share the details regarding which mitigation practices can create policy credits, making it difficult for the nation's home builders to take steps during the construction process to reduce rates for future homeowners. Rate transparency is a vital component of the program and the public's perception of it. FEMA is strongly urged to disclose the rating factors and premium calculation methodology, along with details about what practices may result in mitigation credits prior to Risk Rating's full implementation.

IV. CONCLUSION

NAHB appreciates the opportunity to provide this statement regarding FEMA's priorities for 2022. NAHB and its members understand the importance of building safe, strong, and resilient communities while also considering market-driven solutions that maintain housing affordability. NAHB looks forward to future opportunities to discuss how FEMA can protect homes and their occupants from severe weather events and hazards without detrimentally impacting housing affordability. If you have any questions or need additional information, please contact Heather Voorman.

Statement of the Reinsurance Association of America, Submitted for the Record by Hon. Dina Titus

Chair Titus, Ranking Member Webster, and members of the Subcommittee, thank you for the opportunity to submit a statement for the record for today's hearing entitled, "FEMA Priorities for 2022: Stakeholder Perspectives."

The Reinsurance Association of America (RAA) is the leading trade association of property and casualty reinsurers doing business in the United States. RAA membership is diverse, including reinsurance underwriters and intermediaries licensed in the U.S. and those that conduct business on a cross border basis. The RAA represents its members before state, federal and international bodies.

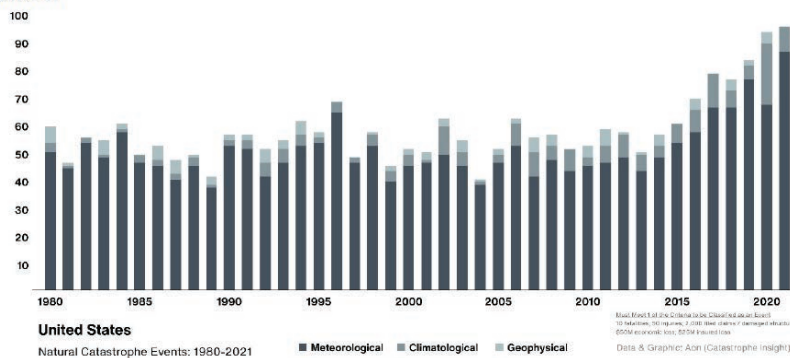
The RAA encourages the Subcommittee, full Committee, Congress, and Administration to improve America's community resilience in the face of climate and natural disaster risks, including the risk of flooding. The RAA specifically recommends that legislation establish Community Disaster Resilience Zones (CDRZ). Our CDRZ proposal would direct public and incentivize private sector investment to help improve infrastructure resilience, including affordable housing resilience, for communities that are the most in need and most at risk from natural disasters. Our CDRZ proposal is described in detail below. The RAA also supports a long-term reauthorization of the National Flood Insurance Program (NFIP) and flood insurance reforms.

CLIMATE CHANGE AND NATURAL DISASTER RISKS

The RAA’s longstanding policy recognizes climate change and the impacts of climate change, and the RAA is committed to working with policymakers, regulators, and the scientific, academic, and business communities to assist in promoting awareness and understanding, as well as addressing the risks associated with climate change. A copy of the RAA’s climate change policy can be found on our website and in Appendix A of this statement.¹ At the federal, state, and local levels, it is especially critical that the private sector address significant natural disaster risks associated with floods, wildfire, earthquake, or other devastating natural disaster events. Urgently addressing these risks is particularly important as the frequency, severity, and costs of many natural disasters continue to increase due to climate change.

The U.S. Department of Commerce National Oceanic and Atmospheric Administration’s (NOAA) National Centers for Environmental Information reported that, “The U.S. has sustained 310 weather and climate disasters since 1980 where overall damages/costs reached or exceeded \$1 billion (including CPI adjustment to 2021). The total cost of these 310 events exceeds \$2.155 trillion.”² According to NOAA, “Each state has been affected by at least 1 billion-dollar disaster since 1980.”³ Tables 1–4, by Aon’s Catastrophe Insight division, demonstrate the increase in the number of natural disaster events and overall and insured losses in the U.S. and globally from 1980 to 2021. In 1980, the U.S. had 60 natural loss events that resulted in \$60 billion in overall losses, including \$5 billion in insured losses, compared to 210 natural loss events globally that resulted in \$191 billion in losses, including \$8 billion in insured losses.⁴ Fast forward to 2021, and the U.S. had 96 natural loss events that resulted in \$172 billion in overall losses, including \$95 billion in insured losses, compared to 401 natural loss events globally that resulted in \$353 billion in losses, including \$134 billion in insured losses.⁵

Table 1.



¹ https://www.reinsurance.org/Advocacy/RAA_Policy_Statements/
² <https://www.ncdc.noaa.gov/billions/>
³ <https://www.climate.gov/news-features/blogs/beyond-data/2010-2019-landmark-decade-us-billion-dollar-weather-and-climate>
⁴ Catastrophe Insight division, Aon plc, February 2021
⁵ Catastrophe Insight division, Aon plc, February 2021

Table 2.

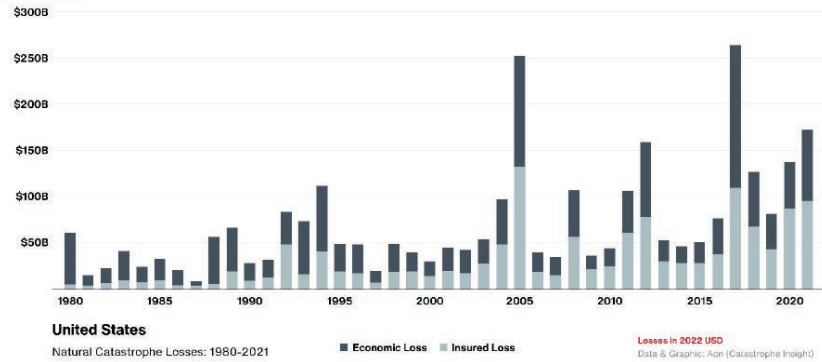


Table 3.

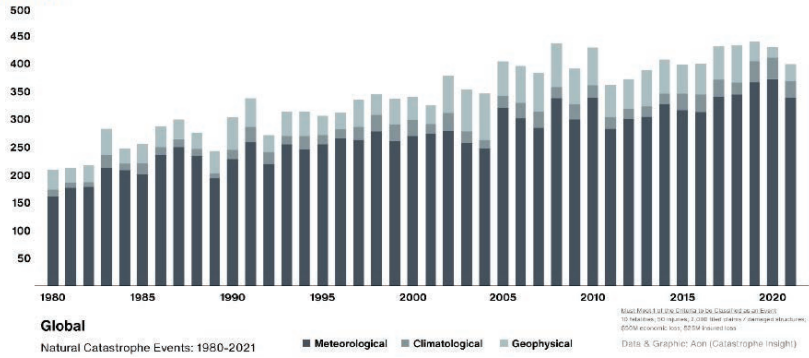
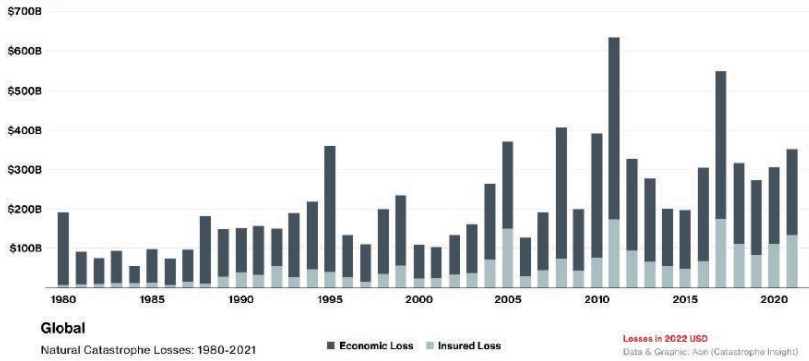


Table 4.



Insurance is a critical component for economic and social recovery from the effects of extreme weather and climate driven events. In the financial services sector, property casualty insurers and reinsurers are the most exposed to natural disasters, especially those impacted by climate and weather. The industry would be at great financial risk if it did not understand global and regional climate impacts, variability and developing scientific assessment of a changing climate. Integrating this information into the insurance sector is an essential function. Insurance pricing also is a mechanism for conveying the consequences of decisions about where and how we build and where people choose to live.

Our industry is science based. Blending the actuarial sciences with the natural sciences is critical to providing the public with the financial resources needed to recover from natural catastrophic events. As the scientific community’s knowledge of climate change continues to develop, it is important for (re)insurers to incorporate that information into the exposure and risk assessment process and that it be conveyed to stakeholders, policyholders, the public and public officials that can or should address adaptation and mitigation alternatives. Developing an understanding about climate and its impact on various risks—for example, wildfires, droughts, heat waves, the frequency and intensity of tropical hurricanes, thunderstorms, and convective events, rising sea levels and storm surge, more extreme precipitation events and flooding—is critical to our role in translating the interdependencies of weather, climate risk assessment and pricing.

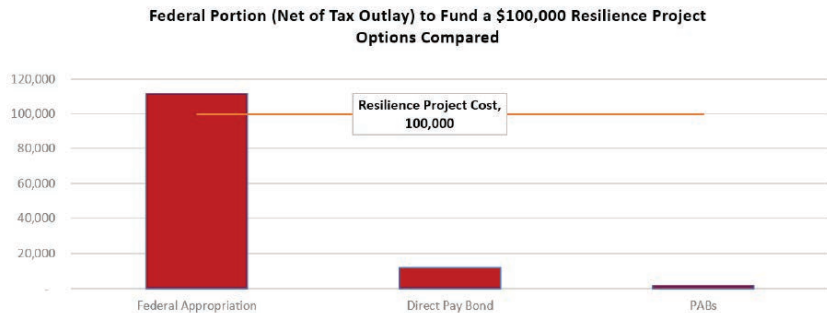
Climate-related and natural disaster risk exposure is broad-ranging. These risks are widespread, geographically diverse, and include a range of natural disaster perils impacting homeowners and renters, property owners, servicers, mortgage investors, taxpayers, and communities. It is important to ensure that these risk exposures are addressed and mitigated. Natural hazard mitigation includes physical enhancements and insurance to better protect residential properties and other infrastructure against damage caused by natural disasters. For government programs, government-sponsored enterprises, private sector financial institutions, and taxpayers, financial mitigation also is important to protect against any mortgage credit default risk associated with natural disaster risk.

The RAA believes a variety of solutions should be used to improve community resilience to the benefit of all those in the value chain of climate and natural disaster risk exposure. The RAA also believes that it is important to address geographic, natural disaster peril, and socioeconomic diversity. Some traditional solutions, like property insurance protections for homeowners certainly can and should be utilized, but new analytical capabilities that increasingly and intelligently can help reduce risk and direct resources to achieving that goal also should be pursued.

INVESTING IN RESILIENCE FOR AMERICA’S COMMUNITIES IS CRITICAL, LOGICAL, AND SMART

Dedicated federal appropriations in the form of grants are one option but limited, and for the federal government, the costliest mechanism to pay for resilience projects. Table 5 provides an example of the cost to federal taxpayers to fund a \$100,000 resilience project using federal appropriations versus direct pay bonds and private activity bonds. For fiscal year 2020, FEMA made \$700 million available for hazard mitigation grant programs but received over 1,200 applications requesting an estimated \$4 billion.⁶ There is demand, but traditional appropriation funding is inadequate.

Table 5.



Source: RAA, July 2021

In December 2019, the National Institute of Building Sciences issued its U.S. Department of Housing and Urban Development-funded “Natural Hazard Mitigation Saves” report.⁷ The report describes that federal disaster mitigation has saved \$6

⁶ <https://www.fema.gov/grants/mitigation/building-resilient-infrastructure-communities/fy2020-subapplication-status#2020-chart>

⁷ <https://www.nibs.org/projects/natural-hazard-mitigation-saves-2019-report>

for every \$1 invested since 1995. Other mitigation-related activities, such as updating building codes to ensure resilient structures, and investments can save between \$4 and \$11 for every \$1 spent. Investing in mitigation can reduce the impact of future disasters on lives, property, and the economy. Congress and the Administration can increase these investments by directing both public and incentivizing private sector resources to support infrastructure, including housing, resilience projects.

Reducing the impact of climate and natural disaster risk in the first place, followed by other protections like traditional insurance and risk transfer—particularly to benefit vulnerable homeowners and renters in rural and urban areas—should be a top public and private-sector priority for climate and natural disaster resilience and risk management.

As a member of the BuildStrong Coalition, the RAA supports the Coalition’s work to further the achievements of the bipartisan “Disaster Recovery Reform Act of 2018,” which significantly increased America’s investment in pre-disaster mitigation to help communities protect against disaster risk. The RAA specifically supports the Coalition’s objectives, including to:

- Enact the “Resilient Assistance for Mitigation for Environmentally Resilient Infrastructure and Construction by Americans Act,” or the “Resilient AMERICA Act” (H.R. 5689), introduced by Chairman DeFazio, Ranking Member Graves, Subcommittee Chair Titus, and Subcommittee Ranking Member Webster;⁸
- Increase disaster mitigation funding for FEMA’s Building Resilient Infrastructure and Communities (BRIC) program;
- Provide incentives for state and local communities to strengthen and enforce building codes;
- Invest in risk-reducing enhancements to improve the resilience of lifeline infrastructure;
- Create incentives and investments that help to improve resilience;
- Encourage the use of American-made products for resilience projects; and
- For state, local, and tribal governments, provide resources and eliminate barriers to enhance resiliency and protect against all hazards.⁹

The RAA also is a member of the SmarterSafer Coalition and supports the Coalition’s priorities for Congress in relation to infrastructure legislation:

- Enhance infrastructure-related research, including that which pertains to climate risk, and match new findings from new research with advanced pre-disaster mitigation plans and investment in pre-disaster mitigation.
- Invest in natural and climate resilience infrastructure projects.
- Improve infrastructure resilience in America’s floodplains, as envisioned in the “Flood Risk Management Act” (S. 1688), the “Flood Resiliency and Taxpayer Savings Act” (H.R. 481) and the “Built for Future Disasters Act of 2021” (H.R. 2632); and consider and address the racial inequities inherent in federal disaster assistance and hazard mitigation assistance programs that reflect and perpetuate discriminatory practices and historic redlining.
- Facilitate and strengthen public-private partnerships, such as transferring risk to private financing, insurance, and reinsurance to shift some of the financial burdens associated with climate change from the government’s balance sheet to willing private sector participants to improve the implementation of federal programs.
- Direct federal funds to outcome-driven projects that strengthen communities and reduce long-term risk, such as requiring stronger minimum design standards and incorporate forecasts of future conditions for federal infrastructure investments, as envisioned in the “Build to Last Act” (S.1282/H.R.2760).¹⁰

The RAA endorsed the “Insurers’ Principles of Climate Change Adaptation” released by the Insurance Institute for Business & Home Safety (IBHS), which “outline the steps policymakers—in collaboration with the insurance industry and other private sector stakeholders—should take to improve the resilience of American homes, businesses, and communities.” Details about the Principles can be found online, but an overview is as follows:

- Principle 1: Climate Change Adaptation is Necessary;

⁸ <https://transportation.house.gov/news/press-releases/tandi-leaders-introduce-bipartisan-legislation-to-help-communities-prepare-for-and-respond-to-disasters/>;

<https://www.congress.gov/bills/117/congress/house/bills/5689/text?q=%7B%22search%22%3A%5B%22resilient+america+act%22%2C%22resilient%22%2C%22america%22%2C%22act%22%5D%7D&r=3&s=2>

⁹ <https://buildstrongamerica.com/about-us/>; <https://homeland.house.gov/imo/media/doc/2021-06-08-EPRR-HRG-Testimony-Williams.pdf>

¹⁰ <https://www.smartersafer.org/about-us/>;

<https://www.smartersafer.org/2021/07/15/smartersafer-infrastructure-priorities-letter/>

- Principle 2: Building Codes and Land Use Support Tomorrow’s Resilience;
- Principle 3: Prioritize Funding for Increasing Resilience of Existing Structures;
- Principle 4: Make Resilience Available for All;
- Principle 5: Leverage Climate Data and Analytics to Support Climate Change Adaptation; and
- Principle 6: Enhance Resilience for Public Infrastructure and Facilities.¹¹

The RAA also supports legislation to use the tax code to provide homeowners and business with incentives to improve building resilience and better protect against the natural disaster risks they face, including:

- The “Disaster Mitigation and Tax Parity Act” (S.2432/H.R.4675) provisions that, like federal disaster mitigation grants, would exempt from federal taxation state disaster mitigation grants that help people protect their homes against windstorms, earthquakes, or wildfires; and
- The “Strengthening Homes and Eliminating Liabilities Through Encouraging Readiness (SHELTER) Act (S.1805/H.R.3925) to provide individuals and businesses a disaster mitigation tax credit, specifically 25% of qualifying mitigation expenses of up to \$5,000.¹²

FEMA’s BRIC and other programs, U.S. Department of Housing and Urban Development programs, the U.S. Department of the Treasury’s Capital Magnet Fund, and other federal programs should direct funding resources toward achieving housing climate and natural disaster resilience for “extremely low- and very low-income households” that face significant natural disaster risk and particularly that expose taxpayer-backed federal housing programs to climate and natural disaster risks.¹³ In general, the RAA also recommends that the Financial Stability Oversight Council (FSOC) and all of its members prioritize climate and natural disaster resilience efforts for federally funded and federally-backed residential properties in communities that are the most in need and most at risk from significant natural disaster(s).

THE RAA’S COMMUNITY DISASTER RESILIENCE ZONES PROPOSAL

Low-income and minority neighborhoods are disproportionately impacted by natural disasters.¹⁴ This fact should be a priority consideration for policymakers and the private sector as we work to understand and address the climate and natural disaster-related risks facing communities across America. The RAA has developed an innovative approach to addressing climate and natural disaster resilience, specifically to improve infrastructure resilience in the face of natural disasters and address socio-economic disparities. The RAA urges Congress and the Administration to include our proposal as part of infrastructure or other legislation that may be come law during the 117th Congress.

In general, the RAA’s proposal would create a federal structure that directs public and incentivizes private-sector funding for resilience projects to communities most in need and most at risk from significant natural disaster(s). More specifically, it would:

- 1) Address the impact of climate change through data-driven analysis;
- 2) Establish Community Disaster Resilience Zones (CDRZ) for communities most in need and most at risk from significant natural disaster(s); and
- 3) Direct and incentivize public and private-sector investment in the CDRZ to improve infrastructure resilience.

Under the proposal, CDRZ communities would be provided a menu of funding and financing options to pay for resilience projects to better protect them against significant natural disaster risk(s). Climate and natural disaster resilience projects could include:

- Nature-based solutions designed to increase climate and natural disaster resilience, such as the creation of open space, the restoration of wetlands, coastal barriers, beaches, and natural protections;
- Retrofit existing facilities to increase climate and natural disaster resilience, including the construction of emergency storm shelters, safe rooms, upgraded roofs, and other risk-reducing and community-resilience enhancing actions;
- Construction of new facilities with design and construction features that provide climate and natural disaster resilience;

¹¹ <https://adaptingtoclimate.com/>

¹² [https://www.cassidy.senate.gov/newsroom/press-releases/cassidy-bennet-introduce-new-tax-credit-for-working-families-small-businesses-preparing-for-natural-disasters-;](https://www.cassidy.senate.gov/newsroom/press-releases/cassidy-bennet-introduce-new-tax-credit-for-working-families-small-businesses-preparing-for-natural-disasters-)

<https://cris.house.gov/news/documentsingle.aspx?DocumentID=2386>

¹³ [https://www.hudexchange.info/programs/htf/;](https://www.hudexchange.info/programs/htf/)

<https://www.cdfifund.gov/programs-training/programs/cmf>

¹⁴ <https://www.americanprogress.org/wp-content/uploads/2013/08/LowIncomeResilience-2.pdf>

- Retrofit, construction, or other updates to lifeline infrastructure, including water, electric, and communications infrastructure, that increase the infrastructure's climate and natural disaster resilience; and
- Programs that provide funding to property owners to retrofit existing structures, including single-family homes, multifamily homes, and commercial buildings, with design and construction features that provide climate and natural disaster resilience.

The RAA's legislative proposal has a few core components to help achieve these objectives:

- I. Codify, enhance, and utilize FEMA's National Risk Index for Natural Hazards (NRI) data to find the intersection of risk, vulnerability, and low community resilience scores, as the basis to identify and establish the CDRZ that reflect diversity among the states by geography and type of peril, such as fire storm/wildfire, tornado, hurricane, flooding, ice storms, earthquake, wind, hail, and drought.
- II. Within CDRZ, coalesce a variety of funding mechanisms, providing a menu of financing enhancements and tax incentives that can focus federal, state, local, charitable, and private-sector investment in resilience projects. To help fund resilience projects in CDRZ the proposal would establish:
 - CDRZ *taxable direct pay bonds*, like Recovery Zone Economic Development Bonds, which were one of three types of Build America Bonds that Congress created in 2009 as part of financial crisis economic recovery legislation (these bonds are federally subsidized bonds issued by state and local governments for local projects that support community resilience);
 - CDRZ *tax-exempt facility private activity bonds* subject to a separate volume cap, like Recovery Zone Facility Bonds (also in the 2009 recovery legislation), and provide for life and property/casualty insurers' exclusion from proration for investments in these CDRZ bonds (the proceeds from these federally tax-exempt bonds would be utilized by private or quasi-governmental entities to fund resilience projects that benefit a public purpose);
 - Federal *transferrable tax credits for individuals* for resilience improvements to housing in CDRZ;
 - Federal *tax credits for charitable contributions* for resilience projects in CDRZ; and
 - Federal tax credits for community-level projects in CDRZ that are tradeable, transferrable, and do not expire, and allow proceeds from the sale of certified tax credits to be used to, for example, meet matching requirements for federally funded resilience projects.

Limited federal funds can leverage non-federal funding if Congress establishes a variety of options to pay for resilience projects. Some CDRZ communities—with good credit issuer ratings and a tax base that can support resilience projects—will be eligible to use taxable direct pay bonds and private activity bonds. CDRZ communities—that are unable to access the debt markets because they do not have a tax base that can support additional borrowing or have reached their debt limits will need Congress to provide options like transferrable tax credits, similar to the Low-Income Housing Tax Credit, and charitable tax credits, versus deductions, to incentivize and direct the business and philanthropic communities to invest and donate funds to pay for resilience projects.

CDRZ resilience project bonds and tax credits are likely to be very attractive to corporations, especially given the increasing corporate focus on investing and charitable contributions to achieve objectives related to Environmental, Social, and Governance (ESG) factors. The insurance industry (property casualty, life, and health) is one of the largest holders of bonds in the U.S. The \$1.2 trillion of \$4.4 trillion in U.S. Treasury, corporate, and municipal bonds held by the insurance industry will mature and need to be reinvested over the next 5 years. Federal bond and tax incentives could encourage investments toward CDRZ resilience projects.

- III. Set aside and unlock federal program funding to invest in resilience projects in CDRZ. This could include waiving, reducing, or allowing other forms of financing, such as the proceeds from the sale of tax credits mentioned above and in-kind and charitable donations, to qualify for matching funds for resilience projects in CDRZ. Allowing a variety of resources to contribute to and invest in resilience projects in CDRZ, as they relate to federal program matching fund requirements, could significantly unlock resources for CDRZ resilience projects. For example, with more flexibility to meet matching fund requirements, CDRZ resilience projects could more likely benefit from

FEMA's BRIC program funding and funding from other federal programs. FEMA, HUD, and other federal agencies also should provide resources, such as financial and technical assistance, to CDRZ communities to help facilitate resilience project planning.

The RAA developed a data analytics tool and the CDRZ legislative proposal that aligns with Congressional interests and President Biden's plan, Executive orders, announcement, and fiscal year 2022 budget proposal¹⁵ to rebuild America's infrastructure, enable green initiatives and smart building to address the impact of climate change, create needed jobs, fuel economic recovery, support historically underserved communities where the need is often greatest, and provide sources of much-needed resilience project funding to states and localities.

The RAA's data analytics tool utilizes publicly available data to very clearly, by county, Congressional district, and census tract in each state, understand where natural perils, older housing stock, and disadvantaged populations converge. The data in the RAA's data analytics tool is from FEMA's NRI supplemented with data from the U.S. Census Bureau's American Community Survey (ACS). NRI includes data that identifies communities by census tract in each state and county that are the most at risk from 18 natural hazards, such as coastal and riverine flooding, earthquake, hail, hurricane, strong wind, tornado, and wildfire.¹⁶ The NRI is different from other natural disaster risk scoring approaches because it scores census tract level loss exposure values (buildings, agricultural and population equivalence), social vulnerability, and community resilience across 18 natural hazard risks, to provide a more holistic view of risk.¹⁷ The RAA urges policymakers to use the same information, particularly to understand the U.S. landscape and pinpoint and prioritize communities that are most in need and most at risk from significant natural disasters, diversified by state, Congressional district, and natural disaster peril.¹⁸

The RAA's proposal was favorably mentioned during four Congressional 2021 hearings:

- March 18, 2021, House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings, and Emergency Management hearing on "Building Smarter: The Benefits of Investing in Resilience and Mitigation";¹⁹
- May 18, 2021, Senate Committee on Banking, Housing, and Urban Affairs hearing on, "Reauthorization of the National Flood Insurance Program, Part I";²⁰
- May 19, 2021, House Committee on Ways and Means hearing on "Leveraging the Tax Code for Infrastructure Investment",²¹ and
- July 20, 2021, Senate Committee on Banking, Housing, and Urban Affairs hearing on, "21st Century Communities: Climate Change, Resilience, and Reinsurance" (RAA testified).²²

HOUSING RESILIENCE

Most Federal housing programs fall under the jurisdiction of the House Committee on Financial Services, which also has an important leadership role to play in prioritizing and directing federal program funding toward housing resilience, which is the third core component of the RAA's legislative proposal mentioned above. Housing, especially affordable housing, that can withstand the most significant disaster(s) that vulnerable communities across the country face is an invest-

¹⁵ <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/>; <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/05/20/executive-order-on-climate-related-financial-risk/>; <https://www.federalregister.gov/documents/2021/05/25/2021-11168/climate-related-financial-risk>; <https://www.whitehouse.gov/briefing-room/statements-releases/2021/05/24/fact-sheet-biden-administration-invests-1-billion-to-protect-communities-families-and-businesses-before-disaster-strikes/>; <https://www.whitehouse.gov/briefing-room/statements-releases/2021/05/26/fact-sheet-the-american-jobs-plan-will-produce-preserve-and-retrofit-more-than-2-million-affordable-housing-units-and-create-good-paying-jobs/>; https://www.whitehouse.gov/wp-content/uploads/2021/05/budget_fy22.pdf

¹⁶ <https://www.fema.gov/flood-maps/products-tools/national-risk-index>

¹⁷ <https://www.fema.gov/flood-maps/products-tools/national-risk-index/overview>

¹⁸ <https://hazards.geoplatform.gov/portal/apps/MapSeries/index.html?appid=ddf915a24fb24dc8863eed96bc3345f8>; <https://www.census.gov/programs-surveys/acs>

¹⁹ <https://transportation.house.gov/committee-activity/hearings/building-smarter-the-benefits-of-investing-in-resilience-and-mitigation>

²⁰ <https://www.banking.senate.gov/hearings/05/11/2021/reauthorization-of-the-national-flood-insurance-program-part-i>

²¹ <https://waysandmeans.house.gov/legislation/hearings/ways-and-means-committee-hearing-leveraging-tax-code-infrastructure-investment>

²² https://www.banking.senate.gov/hearings/21st-century-communities_climate-change-resilience-and-reinsurance

ment in critical infrastructure. Witnesses from a variety of organizations have raised this point in testimony delivered during Congressional hearings, for example:

- “We invest in disaster recovery and resilience work because people of modest means are most likely to be harmed by disasters and tend to be the slowest to recover. Through our Building Resilient Futures initiative, we are working to ensure that sustainable, resilient, affordable housing becomes the norm and that communities are equipped to withstand and recover from disasters. Despite growing interest and commitment, our housing, infrastructure, and regions are not mitigating or adapting at the necessary pace of change. It’s time for America to invest in modern infrastructure that is built to last.”²³

—*Jacqueline Waggoner, Enterprise Community Partners, Inc., House Financial Services Committee hearing, April 14, 2021*

- “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.”²⁴

—*Reese C. May, SBP (The St. Bernard Project), House Transportation and Infrastructure Committee hearing, October 22, 2019*

To that end, the RAA supports provisions in the “Housing is Infrastructure Act” (H.R. 4497), which was introduced by House Financial Services Committee Chairwoman Maxine Waters, that: prioritize applications for the \$75 billion authorized for public housing agencies located in areas that have a plan to increase “climate and natural disaster resilience and water and energy efficiency,” authorize at least \$19.1 billion for “climate and natural disaster resilience and water and energy efficiency” for ten federal affordable housing programs, and authorize at least \$10.7 billion for affordable housing in areas of high and persistent poverty. The RAA also supports the bill’s \$11.9 billion authorization for the National Flood Insurance Program’s (NFIP) Flood Mitigation Assistance Program (FMA).²⁵

The RAA will continue to work with Chairwoman Waters on the “Housing is Infrastructure Act” and other legislation the House Financial Services Committee and this Committee may consider so that it can most impactfully help improve resilience in vulnerable communities that are most in need and most at risk from significant natural disaster(s).

THE PROTECTION GAP, (RE)INSURANCE, AND THE NFIP

Natural Disaster Insurance Protection Gap

Homeowners and renters, property owners, mortgage investors, taxpayers, and communities face risks due to climate change, natural disaster risks, and the lack of insurance coverage or underinsurance of such coverage. There is a serious and significant natural disaster insurance protection gap in the United States. The U.S. Department of the Treasury’s Federal Insurance Office’s Federal Advisory Committee on Insurance (FACI) has a subcommittee that is dedicated to addressing it. Several RAA members serve on both the FACI and the “Subcommittee on Addressing the Protection Gap through Public-Private Partnerships and Other Mechanisms.” During FACI’s December 2019 meeting, the Subcommittee cited statistics to provide examples of the insurance protection gap in the U.S. and issued recommendations that FHFA should consider.²⁶ The National Association of Insurance Commissioners (NAIC) has published alarming statistics about the disaster insurance protection gap. For example, one NAIC statistic cited in the Subcommittee’s presentation is that “Only 1% of properties outside of flood zones have flood insurance, yet half of U.S. floods occur in these areas.” Various studies and reports, including a 2018 report by AIR Worldwide, have warned that the next big earthquake to impact California, likely by 2044, could result in \$170 billion in total damage and almost half would be residential-related loss, \$37 billion of which would be uninsured.²⁷ Given the likelihood of future, significant, and costly natural disasters throughout the U.S. and uninsured residential costs, it is important to have a coordinated effort focusing on closing the insurance protection gap.

²³ <https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=407532>

²⁴ <https://transportation.house.gov/committee-activity/hearings/an-assessment-of-federal-recovery-efforts-from-recent-disasters>

²⁵ <https://financialservices.house.gov/news/documentsingle.aspx?DocumentID=408154>

²⁶ https://home.treasury.gov/system/files/311/December2019FACI_ProtectionGap_Presentation.pdf; https://home.treasury.gov/system/files/311/December2019FACI_ProtectionGap_ProposedRecs.pdf

²⁷ <https://www.air-worldwide.com/Publications/Infographics/Who-Will-Pay-for-the-Next-Great-California-Earthquake/>

Congress, the Administration, the NAIC, state and local officials, and the private sector, including reinsurers, should develop a comprehensive strategy to identify and address the natural disaster insurance protection gap in the U.S. and the risks it poses to homeowners and renters, property owners, individuals, businesses, and federal programs and taxpayers. It also is important to close the insurance protection gap. Congress and federal regulators should help initiate efforts to close the insurance protection gap via traditional insurance and risk transfer. Congress and federal regulators can further facilitate a private market for flood insurance, potentially providing consumers with more flood insurance options. One way to achieve this is for the Federal Housing Finance Agency (FHFA) and HUD's Federal Housing Administration (FHA) to align their regulations and/or guidance for private flood insurance with those issued in 2019 by federal lending regulators.²⁸ (In 2020, HUD issued a proposed regulation to align its regulations and guidance with that of the 2019 federal lending regulators²⁹).

Primary Insurance

Traditional insurance solutions—such as primary property insurance protection, including earthquake, wind, fire, and flood insurance—are critical for people, property, jobs, businesses, and communities to be resilient in the aftermath of natural disasters. That is especially true since federal disaster assistance is provided only when there is a federally declared disaster and typically results in a fraction of what insurance assistance can provide. For example, according to FEMA, in 2019, the average, annual flood insurance premium was \$700 (about \$58 per month), and the average claim payout was \$53,000.³⁰ Meanwhile, in 2019, federal disaster assistance was capped at \$34,900 with an average annual payment of \$6,246.³¹ Ensuring that the protection gap is bridged, and property insurance adequately covers the climate and natural disaster risk(s) involved are of utmost importance. Risk transfer products that protect each stakeholder from climate and natural disaster risks can play an important role.

Reinsurance and Risk Transfer

Reinsurance. Reinsurance is essentially insurance for insurance companies, federal programs, and state insurance programs. It is a risk management tool for insurance companies and government programs to reduce the volatility in their portfolios and improve their financial performance and security.

Reinsurance also is the primary mechanism for spreading risk globally, thereby accessing a greater pool of capital to pay for inevitable catastrophic losses. Consistent with the intent of Congress, reinsurers believe the private sector can and should assume more federal government risk. Reinsurers are willing to offer reinsurance options to a wide variety of government programs to help manage their exposure to losses.

Reinsurance is extensively used by the private markets to diversify risk and protect against future losses. Reinsurance is purchased for essentially four reasons: (1) to limit liability on specific risks; (2) to stabilize loss experience; (3) to protect against catastrophes; and (4) to increase capacity. Depending on the purchaser's goals, different types of reinsurance contracts are available to bring about the desired result. For federal programs, purchasing reinsurance would mitigate the financial impact of any large-scale future losses and help to prevent any future funding lags as it is pre-arranged financing for losses. Reinsurance also allows federal programs to gain financial flexibility and not be forced to rely on emergency federal funding in the event of defaults that could put programs in jeopardy.

Risk Transfer. Risk transfer, including reinsurance, is a successful solution used by both the public and private sector including (re)insurers, financial institutions, and government programs. In addition to federal programs, which are described below, risk transfer also has been used by state programs, including the California Earthquake Authority, California Wildfire Fund, Florida Hurricane Catastrophe Fund, Florida Citizens Property Insurance Corporation. Government risk can and should be transferred voluntarily to the private market. The use of private capital will protect consumers, taxpayers, and communities, while spreading risk throughout the globe to insurers and other capital providers who are willing to assume such

²⁸ <https://www.fdic.gov/news/financial-institution-letters/2019/fil19008.html>

²⁹ <https://www.federalregister.gov/documents/2020/11/23/2020-25105/acceptance-of-private-flood-insurance-for-fha-insured-mortgages>;

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_191

³⁰ <https://www.fema.gov/data-visualization/historical-flood-risk-and-costs>

³¹ <https://www.federalregister.gov/documents/2018/10/22/2018-22884/notice-of-maximum-amount-of-assistance-under-the-individuals-and-households-program>; FEMA communication with RAA, 4/16/2021

risk. Risk transfer will strengthen government programs by giving them the financial flexibility to ensure they continue to remain viable in the long term.

Benefits of Risk Transfer. Risk transfer can help both government agencies and private businesses analyze and manage risk by providing financing stability and reducing the impact of future losses. For a variety of federal programs and operations, the reinsurance market has the capacity and interest to assist the government to appropriately manage its risk. Opportunities exist for the federal government to benefit from the competitive market's risk management services and risk transfer capabilities to deleverage federal program balance sheets and simultaneously increase protections for U.S. taxpayers. Expanded utilization of (re)insurance would reduce systemic risk by further diversifying insurance and credit risks and by transferring more of the enormous exposure currently borne by taxpayers, such as the mortgage default risk to the government sponsored enterprises (GSEs) following a major U.S. earthquake. Reinsurers are poised to work with the Congress and the Administration to expand and maximize the federal government's utilization of the private market to the extent the industry can write the risk.

As noted above, reinsurance is routinely utilized by insurers and government programs to provide a crucial safety net for low frequency, high severity natural and man-made events that result in extreme insured losses. Insurers rely on reinsurers to assume losses for a single event or, in many cases, for an accumulation of losses from hurricanes, earthquakes, winter storms, wildfires, or terrorist attacks. Some historic events illustrate this. Hurricanes Katrina, Rita and Wilma in 2005 caused over \$92 billion in insured losses, and reinsurers bore around 28% of the losses from those events.³² Reinsurers assumed 55% of \$41 billion in insured losses from the terrorist events of September 11.³³ Superstorm Sandy caused \$25 billion in insured losses with reinsurers taking 30% of those losses.³⁴ The pattern of risk transfer for catastrophe-exposed property insurance to the reinsurance market applies across the global insured landscape as well.

Examples of Successful Federal Government Risk Transfer Programs

Several federal government agencies already have risk transfer programs in place. These programs highlight the ways in which risk transfer can succeed for government agencies.

NFIP. The best example of an ongoing federal risk transfer program is the Federal Emergency Management Agency's (FEMA's) NFIP Reinsurance Program. The NFIP Reinsurance Program enables the NFIP to utilize the private market to help manage the financial burden of the NFIP's catastrophic flood risk by providing financial backing for the government's flood risk, protecting taxpayers, and helping the program to be more resilient and pay claims. In 2016, FEMA, launched its NFIP Reinsurance Program via a pilot and, in 2017, transferred \$1.042 billion of the NFIP's financial risk to 25 reinsurers, offsetting some of NFIP's risk to the private sector in lieu of U.S. taxpayers. In the program's first year (2017), FEMA collected from the private reinsurance sector the full \$1.042 billion to help pay the cost of NFIP losses and claims resulting from Hurricane Harvey. This 2017 coverage, which also improved NFIP's financial viability and protected taxpayers, cost \$150 million, and the program successfully renewed the subsequent year. This example is a true testament of successful private public partnerships. Following the 2017 placement, the program was renewed and currently has reinsurance coverage through 2025. For FEMA's traditional reinsurance placements from 2017 through February 2022 and capital market reinsurance placements from 2018 through February 2022, FEMA has paid a total of \$1.75 billion in premium to reinsurers and the capital markets, received \$1.042 billion from reinsurers as previously mentioned, and has up to \$2.664 billion available to collect after a qualifying 2022 loss event.³⁵ The initial 2017 purchase marked key first steps towards helping the NFIP achieve long term resilience and financial stability and was crucial in enabling the reinsurance

³² Holborn Corporation, "Holborn Perspectives, Looking Closer At ... SuperStorm Sandy," December 12, 2012

³³ Holborn Corporation, "Holborn Perspectives, Looking Closer At ... SuperStorm Sandy," December 12, 2012

³⁴ Holborn Corporation, "Holborn Perspectives, Looking Closer At ... SuperStorm Sandy," December 12, 2012

³⁵ <https://www.fema.gov/press-release/20220223/fema-expands-its-reinsurance-program-transfers-450-million-flood-risk>; <https://www.fema.gov/flood-insurance/work-with-nfip/reinsurance>; https://www.fema.gov/sites/default/files/documents/fema_fy-2021-q4-watermark.pdf; https://www.fema.gov/sites/default/files/2020-05/FIMA_Watermark_FY19Q4.pdf; <https://www.fema.gov/sites/default/files/2020-05/fima-watermark-2018-q4.pdf>

program to be a long-term project. (Please see below for more detailed comments on the NFIP).

EXIM. The Export-Import Bank of the U.S. (EXIM) also executed a reinsurance pilot program. In 2016, EXIM solicited risk management analytical services regarding risk sharing structures to assess transferring some of the risks in EXIM's portfolio to the private market. In March 2018, EXIM announced its reinsurance pilot program, which provided for \$1 billion in loss coverage for a significant portion of EXIM's existing portfolio of large commercial aircraft financing transactions. EXIM stated that it was the largest public-private risk-sharing arrangement for a U.S. government credit agency and minimized EXIM and U.S. taxpayers' liability for potential future losses without requiring additional funding. This purchase of reinsurance gives EXIM protection from future losses and financial flexibility for the future.³⁶ In 2021, EXIM announced an expansion of its risk-sharing program.³⁷

FHFA. The Federal Housing Finance Agency (FHFA) also has a credit risk transfer program for the Government Sponsored Enterprises (GSEs), Fannie Mae and Freddie Mac, in support of the U.S. housing market. FHFA launched its credit risk transfer initiative in 2012 (when the GSEs were in their fourth year of conservatorship) to enlist the private sector to reduce taxpayer exposure to the GSEs' mortgage risk. In 2013, the GSEs initiated their pilot \$77 million credit risk transfer transaction, and it has grown since then. Over 50 (re)insurers have participated in FHFA's credit risk transfer programs and assumed U.S. mortgage risk. From the program's 2013 inception through the fourth quarter of 2021, the GSEs have transferred roughly \$157.1 billion of credit risk on unpaid balances of more than \$5.15 trillion of single-family mortgages through the capital markets, reinsurance, and front-end reinsurance transactions.³⁸ The GSEs purchased insurance primarily from diversified reinsurers. These partially collateralized transactions spread across many different reinsurers reduce risk in a variety of ways.

National Flood Insurance Program

The RAA greatly appreciates the leadership of Members of Congress for starting a formal conversation on reauthorization of the NFIP. The RAA has urged Congress to reauthorize NFIP and to enact flood insurance and mitigation-related reforms. The RAA supports a long-term reauthorization of the NFIP and reforms that:

- Continue to strengthen NFIP's financial framework and resiliency so that it can pay claims, particularly after catastrophic events;
- Remove impediments to consumer choice and confirm consumer protections; and
- Modernize the statute to give FEMA additional tools to encourage additional private market participation, including capital, in NFIP to benefit consumers and taxpayers.

The RAA supports the SmarterSafer and BuildStrong coalitions' reform proposals. The RAA also supports the "State Flood Mitigation Revolving Fund Act" (S.2192/H.R.1610—116th) as described in the letter in Appendix B of this testimony.³⁹

Confirm Consumer Protections. Flood insurance uncertainty for consumers, as it relates to continuous coverage and potential rate increases by the NFIP, is an impediment to consumers buying private flood insurance and limits consumers' choices. Insurance agents and brokers have stated that "... the risk of a substantial NFIP rate increase should the consumer later wish to return to the NFIP often makes insurance agents and brokers hesitant to recommend private flood insurance policies."⁴⁰ It is important that Congress and FEMA provide consumers with clarity about continuous coverage compliance so that current and future NFIP policyholders are confident that they have complied with the law's continuous coverage requirements by having an NFIP or private flood insurance policy. For example, if a consumer leaves the NFIP to secure a private flood policy with better coverage and a better price and later re-assumes an NFIP policy, so long as the consumer had continuous coverage, that NFIP policy should be at the same rate and terms as if the consumer had continuously maintained an NFIP policy.

The RAA supports H.R. 4699 introduced by Representatives Kathy Castor (D-FL) and Blaine Luetkemeyer (R-MO) to amend the National Flood Insurance Act of

³⁶ <https://www.exim.gov/news/exim-bank-announces-landmark-risk-sharing-program-private-sector-reinsurers>

³⁷ <https://www.exim.gov/news/exim-increases-taxpayer-protections-announcement-new-broker-partnership-aon-reinsure-portfolio>

³⁸ Aon plc; <https://clarity.freddiemac.com/>; <https://capitalmarkets.fanniemae.com/tools-applications/data-dynamics>

³⁹ <https://www.pewtrusts.org/-/media/assets/2019/03/state-flood-mitigation-revolving-fund-supporters-draft-3-11-2019.pdf>

⁴⁰ <https://financialservices.house.gov/uploadedfiles/hhrg-116-ba00-wstate-heidrickc-20190313.pdf>

1968 (NFIA) to “consider any period during which a property was continuously covered by private flood insurance to be a period of continuous coverage, including for the purposes of NFIP subsidies.”⁴¹ In two previous Congresses, similar legislation had broad bipartisan support. In 2016, by a vote of 419–0, the House passed a similar provision as part of H.R. 2901 and, in 2017, by a vote of 58–0, the House Financial Services Committee passed a similar provision as part of H.R. 1422.

Support NFIP Reinsurance Program. The RAA supports FEMA’s NFIP Reinsurance Program and requests that it be preserved in NFIP reauthorization and reform legislation.⁴² The RAA has long advocated for the NFIP to utilize the private market to help manage the financial burden of the NFIP’s catastrophic flood risk by providing financial backing for the government’s flood risk, protecting taxpayers, and helping the program to be more resilient and pay claims. In 2022, for the sixth consecutive year, FEMA has successfully administered its NFIP Reinsurance Program that transfers risk from the NFIP to the capital markets, specifically through reinsurance placements and catastrophe bond issuances.

Modernize 1968 NFIA Part A Authority. When enacted in 1968, over 50 years ago, the National Flood Insurance Act (NFIA) incorporated two approaches to providing consumers with flood insurance, Part A and Part B. The NFIP operates under Part B with the federal government assuming the full underwriting risk subject to the risk transfer program mentioned above. Congress should modernize Part A of the NFIA and clarify that FEMA can use its authorities simultaneously with the Part B program. Re-purposing and modernizing the statutory language in Part A would give FEMA additional tools to partner with private insurers, facilitate the participation of private insurers in NFIP on a risk-sharing basis, further improve NFIP’s viability, increase the NFIP’s resources to pay claims, and increase flood insurance opportunities for consumers. Part A reforms also can lead to a stronger public-private partnership, give private insurers experience in underwriting flood risk, and help close the flood insurance coverage gap.

The Part A statutory language currently authorizes the FEMA Administrator to facilitate and assist the creation of a pool of insurers on a risk sharing basis with the federal government to provide flood insurance through their network of agents and policyholder relationships. Under the statute, the Administrator defines the qualifications of insurers for the pool and risk capital to be provided. The Administrator is authorized to enter into a contractual relationship with the pool defining the insured risk to be retained and the government’s risk through its reinsurance of the pool. Pursuant to the statute, the financial arrangement recognizes that the NFIP provides subsidies to certain policyholders.

The RAA specifically recommends that NFIP reauthorization legislation include the amendment offered to the “National Flood Insurance Program Reauthorization Act of 2019” and withdrawn by Representative Blaine Luetkemeyer (R–MO) during the House Financial Services Committee’s June 11–12, 2019, mark up.⁴³ The amendment language would: (1) Require FEMA to solicit ideas for risk-sharing demonstration programs; (2) Provide FEMA with authority, but not require it, to conduct risk-sharing demonstration programs; and (3) Make technical amendments to the NFIA Part A authority, which FEMA can use for risk-sharing demonstration programs.

The above-mentioned reforms can further facilitate the development of a private flood insurance market and improve the viability of NFIP. The reinsurance market is interested and has the capacity to underwrite flood insurance risk, including extreme flood risk, in the public NFIP program, private market, and any future public-private flood insurance partnerships. Actions taken in recent years by some states, such as Florida, have demonstrated the interest and benefits of private insurers assuming a broad cross-section of risk, and the same would result from the above flood insurance reforms. Reinsurers stand ready to partner with both the private- and public-sectors as the flood market transitions.

CONCLUSION

The RAA looks forward to continuing to work with Chairman DeFazio, Ranking Member Graves, Subcommittee Chair Titus, Subcommittee Ranking Member Webster, and other members of the Committee on legislation to improve America’s infrastructure, housing, and community resilience in the face of climate and natural dis-

⁴¹ <https://www.congress.gov/bill/117th-congress/house-bill/4699/text?q=%7B%22search%22%3A%5B%22%22%5D%7D&r=7&s=1>

⁴² <https://www.fema.gov/flood-insurance/work-with-nfip/reinsurance>

⁴³ <https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=407747>;
<https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=403829>

aster risks by prioritizing and directing public and private sector resources to communities that are the most in need and most at risk from natural disaster(s), closing the insurance protection gap, and enacting a long-term reauthorization of the NFIP and flood insurance reforms that facilitate the development of a private flood insurance market. Thank you for your consideration of our views and recommendations in this statement for the record. The RAA and its members welcome the opportunity to meet with you about our views and recommendations, work with you to develop CDRZ legislation, or answer any questions you may have.

APPENDIX A

RAA CLIMATE CHANGE POLICY

[RAA Climate Change Policy is retained in committee files and is available online at https://www.reinsurance.org/Advocacy/RAA_Climate_Change_Policy/]

APPENDIX B

NATIONAL SUPPORT FOR THE STATE FLOOD MITIGATION REVOLVING FUND:
AS OF MARCH 8, 2019

[The document is retained in committee files and is available online at <https://www.pewtrusts.org/-/media/assets/2019/03/state-flood-mitigation-revolving-fund-supporters-draft-3-11-2019.pdf>]

**Statement of the Union of Concerned Scientists, Submitted for the Record
by Hon. Dina Titus**

On behalf of the Union of Concerned Scientists' (UCS) more than 500,000 members and supporters, we are pleased to provide our reflections on critical issues that FEMA ought to prioritize for 2022. We thank Chairwoman Dina Titus and Ranking Member Daniel Webster and other members of the Subcommittee on Economic Development, Public Buildings and Emergency Management for allowing guest testimony on this important topic.

Recently, UCS provided extensive comments to FEMA on a variety of topics including minimum standards for the National Flood Insurance Program (NFIP), climate and equity, the technical mapping advisory committee (TMAC), and the BRIC and PA programs.¹

Those extensive comments helped to inform the nine key issues that we believe FEMA should prioritize for 2022. These priority areas include: 1) climate change; 2) equity and Justice40; 3) NFIP minimum standards; 4) flood risk mapping; 5) flood risk disclosure; 6) implementation of the Federal Flood Risk Management Standard (FFRMS); 7) FEMA grant programs; 8) NFIP affordability program; and 9) federal oversight and enforcement.

1) *Climate change: Ensure the latest climate change science informs all aspects of FEMA's portfolio especially as it relates to equity, investments in climate resilience and disaster aid, flood risk disclosure, mapping and NFIP minimum standards.*

The second goal listed in FEMA's recently released strategic plan is to "Lead Whole of Community in Climate Resilience" and the tasks include increasing climate literacy among emergency managers, building a climate resilient nation and empowering risk-informed decision making.² It will take a considerable amount of investment and effort to advance each of these goals. Congress can help to ensure FEMA has the resources and legal guidance to advance these efforts as the cost and

¹ UCS comments on FEMA's RFI on the National Flood Insurance Program's Floodplain Management Standards for Land Management and Use, and an Assessment of the Program's Impact on Threatened and Endangered Species and Their Habitats. January 27, 2022—Docket ID: FEMA-2021-2024. www.regulations.gov/comment/FEMA-2021-0024-0357; RFI on FEMA Programs, Regulations, and Policies, July 22, 2021. Docket ID FEMA-2021-0011-0254. www.regulations.gov/comment/FEMA-2021-0011-0254; FEMA's Technical Mapping Advisory Committee (TMAC) <https://blog.ucsusa.org/shana-udvardy/femas-can-now-actually-say-climate-change/>; BRIC www.regulations.gov/comment/FEMA-2019-0018-0084 and PA www.regulations.gov/comment/FEMA-2020-0038-0089 comments.

² 2022-2026 FEMA Strategic Plan: Building the FEMA our nation needs and deserves. www.fema.gov/about/strategic-plan

human toll of disasters continues to grow in response to climate-driven increases in the frequency and/or severity of extreme weather events and slow-onset disasters like sea level rise.

In 2021, there were twenty severe weather and climate change-related disasters costing \$1 billion or more each.³ The hurricanes, tropical storms and other events caused flooding across the country, including: \$1.2 billion in damages from an atmospheric river in California, during which 15 inches of rainfall fell in some places; up to one foot of rainfall that swamped parts of Louisiana at a cost of \$1.4 billion; two tropical storms, Elsa and Fred, which caused a total of \$2.5 billion in damages; and two hurricanes, Ida and Nicholas, which caused a total of \$76 billion in damages.⁴

The Western wildfires also were quite severe in 2021 in which more than 58,000 wildfires burned more than 7 million acres that totaled \$10.6 billion in damages.⁵ Meanwhile, ongoing, smaller disasters or slow-moving changes—such as sea level rise—are also worsening climate-related risks and are not in the purview of the billion-dollar-plus report.⁶

Over the last few years, multiple studies have provided new data that show how the climate change-driven trend of more frequent and extreme precipitation events can lead to more flooding of communities in many regions of the U.S. For example, a recent Stanford University study found that increases in extreme rainfall in the U.S. caused \$73 billion in flood damages over the last 30 years, a full third of total flood damage costs during that timeframe and consistent with global warming predictions.¹⁵ Anthropogenic sea level rise was also found to have worsened flooding and added roughly \$8 billion in damages to the costs of Hurricane Sandy and extended the flood area affected to include 71,000 additional people.⁷

Most of the eastern and northern parts of the U.S. have seen increases in extreme precipitation over the last century and this trend is projected to continue with significant increases in the frequency and intensity of precipitation events in the winter and spring. These trends will become even more challenging in urban areas that are already vulnerable to flooding during heavy rainfall events given the lack of capacity of sewer and stormwater systems that were designed decades ago.⁸

NOAA's data on new climate normals also shows that relative to the 20th century average, much of the U.S. has experienced an increase in total annual precipitation in recent decades. According to NOAA, *'At least some of that wetness relative to the 20th-century average is linked to the overall climate warming and "wetting" of the atmosphere that's occurred as rising temperatures cause more water to evaporate from the ocean and land surface.'*⁹

In addition, with rising sea levels, high-tide floods are becoming more frequent and reaching farther inland. Hundreds of U.S. coastal communities face growing risks of chronic, disruptive flooding that directly affects people's homes and lives, critical infrastructure, and the economy. More than 300,000 of today's coastal homes, with a collective market value of about \$117.5 billion in 2018, are at risk of chronic inundation in 2045—a timeframe that falls within the lifespan of a 30-year mortgage issued today.¹⁰ Approximately 14,000 coastal commercial properties, assessed at a value of roughly \$18.5 billion, are also at risk during that timeframe. The properties at risk by 2045 house 550,000 people and contribute nearly \$1.5 bil-

³See www.ncdc.noaa.gov/billions/ also see 2021 summary www.ncdc.noaa.gov/billions/events/US/2021

⁴NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2022). www.ncdc.noaa.gov/billions/.

⁵National Interagency Coordination Center (NICC) Wildland Fire Summary and Statistics Annual Report 2021. www.predictiveservices.nifc.gov/intelligence/2021_statssumm/intro_summary21.pdf also see www.ncdc.noaa.gov/billions/events/US/2021

⁶Note that NOAA NCEI combines the Western drought and heatwave and finds that together the cost totaled \$8.9 billion in damages and caused 229 deaths. NOAA NCEI notes that the deaths are associated with the heatwave and that not all droughts are associated with heatwaves. www.ncdc.noaa.gov/billions/events/US/2021

⁷Economic damages from Hurricane Sandy attributable to sea level rise caused by anthropogenic climate change. www.nature.com/articles/s41467-021-22838-1

⁸Maxwell, K., S. Julius, A. Grambsch, A. Kosmal, L. Larson, and N. Sonti, 2018: Built Environment, Urban Systems, and Cities. In Impacts, Risks, and Adaptation in the United States: Fourth National Climate Assessment, Volume II [Reidmiller, D.R., C.W. Avery, D.R. Easterling, K.E. Kunkel, K.L.M. Lewis, T.K. Maycock, and B.C. Stewart (eds.)]. U.S. Global Change Research Program, Washington, DC, USA, pp. 438–478. doi: 10.7930/NCA4.2018.CH11.

⁹NOAA. 2021. The new U.S. Climate Normals are here. What do they tell us about climate change? www.noaa.gov/news/new-us-climate-normals-are-here-what-do-they-tell-us-about-climate-change

¹⁰Union of Concerned Scientists. 2018. Underwater: Rising Seas, Chronic Floods, and the Implications for US Coastal Real Estate. www.ucsusa.org/resources/underwater

lion toward property tax base. While all coastal states face risks, those with the most homes at risk by the end of the century include Florida, with about 1 million homes (more than 10% of the state's current residential properties); New Jersey, with 250,000 homes; and New York with 143,000 homes.

According to the First Street Foundation there are nearly 4.3 million homes across the U.S., inland and coastal, with substantial flood risk today that would result in financial loss. The analysis indicates that if these homes were to be insured against flood risk through the National Flood Insurance Program (NFIP), the rates would need to increase 4.5 times to cover the risk today, and that the cost of expected annual loss of properties in the next 30 years will grow by as much as 61% due to climate change.¹¹

FEMA must work aggressively to incorporate the best available climate change science agency-wide. A bill was introduced last year that would establish a climate change subcommittee under the National Advisory Council to help provide support to FEMA.¹² FEMA should establish a climate change council under its own authority. In coordination with the Technical Mapping Advisory Committee (TMAC) and FEMA's National Advisory Committee,¹³ FEMA should direct the Council to report on FEMA's existing gaps when it comes to climate change and opportunities to incorporate climate change throughout its initiatives. In addition to the gap analysis, FEMA ought to direct the Climate Change Council to: 1) develop a climate adaptation handbook; 2) establish a subcommittee on managed retreat and relocation; 3) draft recommendations on how FEMA can address compound and cascading risks; 4) draft recommendations on how to overcome maladaptation and barriers to adaptation;¹⁴ and 5) establish a subcommittee to address how FEMA can better help local government entities plan for climate change in a strategic, resource efficient, and comprehensive fashion.¹⁵

A climate change council under FEMA is critical given that "Climate change impacts and risks are becoming increasingly complex and more difficult to manage." The complexity encompasses multiple geographical and governmental levels but at the forefront are the issues around compound and cascading climate impacts. The latest IPCC report gives particular attention to how "*multiple climate hazards will occur simultaneously, and multiple climatic and non-climatic risks will interact, resulting in compounding overall risk and risks cascading across sectors and regions. Some responses to climate change result in new impacts and risks.*"¹⁶

2) *Equity and Justice40: Advance equity and Justice40 goals across all aspects of FEMA's portfolio.*

We were pleased to see that FEMA's first goal in its 2022–2026 strategic plan is to "Instill Equity as a Foundation of Emergency Management." We know that climate change disproportionately affects disadvantaged and marginalized communities, in part because of the racism and discrimination long embedded in our eco-

¹¹ https://firststreet.org/press/aal_launch/

¹² H.R.744 and S.280 FEMA Climate Change Preparedness Act. www.congress.gov/bill/117th-congress/house-bill/744/text?r=8&s=1

¹³ www.fema.gov/emergency-managers/risk-management/risk-capability-assessment

¹⁴ The recent United Nations IPCC report noted a few barriers for adaptation in the US including reword; "*misinformation and politicization of climate change science has created polarization in public and policy domains in North America Resultant public misperception of climate risks and polarized public support for climate actions is delaying urgent adaptation planning and implementation (high confidence). (ES-Ch14)*" https://report.ipcc.ch/ar6wg2/pdf/IPCC_AR6_WGII_FactSheet_NorthAmerica.pdf

¹⁵ The recent United Nations IPCC report noted "*Fragmented responsibility for planning, disaster management, and mitigation and adaptation actions hinders the development of integrated and equitable policies (high confidence) and their implementation. While community-level planning tailors adaptation to the local context, misalignment of policies within and between levels of government can prevent implementation. Coordination, planning, and national support are needed as well as sufficient financial resources to implement climate-resilient policies and infrastructure (high confidence). (14.7.2)*" https://report.ipcc.ch/ar6wg2/pdf/IPCC_AR6_WGII_FactSheet_NorthAmerica.pdf

¹⁶ See SPM.B.5 in IPCC, 2022: Summary for Policymakers [H.-O. Pörtner, D.C. Roberts, E.S. Poloczanska, K. Mintenbeck, M. Tignor, A. Alegria, M. Craig, S. Langsdorf, S. Lösche, V. Möller, A. Okem (eds.)]. In: Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegria, M. Craig, S. Langsdorf, S. Lösche, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press. In Press. https://report.ipcc.ch/ar6wg2/pdf/IPCC_AR6_WGII_SummaryForPolicymakers.pdf

conomic, political, and social systems.¹⁷ Studies find that White Americans and those with more wealth often receive more federal dollars after a disaster than do minorities and those with less wealth¹⁸ and that disaster relief in the U.S. worsens the growing gap between White and Black wealth.¹⁹ President Biden’s Executive Order (EO) 14008 on “Tackling the Climate Crisis at Home and Abroad” notified federal agencies to better address the needs of low-income, communities of color, and historically disadvantaged communities to ensure an equitable economic future.²⁰ The EO also tasked the Council on Environmental Quality (CEQ) with developing the Climate and Economic Justice Screening Tool (CEJST), recently released in beta form. A well-designed tool supported by high-quality data and informed by the perspectives of EJ communities will be an excellent resource for FEMA to help ensure that 40 percent of overall benefits of Federal investments, including FEMA investments, are targeted towards disadvantaged communities.²¹ FEMA will need to work creatively and swiftly to utilize the CEJST and its own Risk Index to implement Justice40 and respond proactively to climate and other hazards.

FEMA’s Flood Mitigation Assistance Program is one of the pilot programs selected to undertake an initial implementation of the Justice40 Interim Implementation Guidance to maximize the benefits that are directed to disadvantaged communities.²² The results of this pilot program should be made publicly available, and the lessons learned should be applied agency wide.

FEMA must integrate its equity goals with other objectives such as updating the minimum NFIP standards to ensure that more protective floodplain management standards do not reinforce or exacerbate existing challenges with safe and affordable housing, displacement and gentrification. Raising minimum floodplain standards can leave low-income homeowners with few options if they are unable to afford the investments needed to mitigate flood risks. Further, our nation’s history of mortgage redlining and other forms of structural racism has left communities of color at higher risk of being exposed to flood risks and/or with less public investment in measures to protect against flooding.²³ FEMA must direct resources to these disadvantaged and marginalized homeowners and communities based on need and in line with Justice40 commitments, rather than relying on metrics that prioritize the market value of properties, which tend to reinforce existing inequities and channel investments to wealthier communities. It should also collect and track demographic information over time to monitor trends and ensure that Justice40 goals are being met. FEMA should work together with the Department of Housing and Urban Development (HUD) to evaluate the impact of floodplain management measures on public housing as well.

Finally, FEMA must also work to implement the recommendations included in FEMA’s National Advisory Committee (NAC) report on equity.²⁴ The NAC makes a critical point that FEMA provides federal disaster assistance based on the amount of damages and not on need that is not on those communities who have the least amount of access to information, technology and resources making grant programs often inaccessible to these communities. The NAC recommends that FEMA create an equity standard by which FEMA could better assess whether the grants increase or decrease equity over time. Another salient recommendation by the NAC is for FEMA to establish a Native American Working Group staffed with experts from Tribal and Indigenous communities that could better inform FEMA on the emergency management capacity in tribal nations. We respectfully ask that Congress follow up on FEMA’s progress on implementing the NAC recommendations and encourage FEMA to release a NAC equity report annually.

¹⁷ See Miyuki Hino, M. and E. Nance. 2021. Five ways to ensure flood-risk: research helps the most vulnerable, <https://media.nature.com/original/magazine-assets/d41586-021-01750-0/d41586-021-01750-0.pdf>

¹⁸ How Federal Disaster Money Favors the Rich. www.npr.org/2019/03/05/688786177/how-federal-disaster-money-favors-the-rich

¹⁹ As Disaster Costs Rise, So Does Inequality. Junia Howell, James R. Elliott. December 4, 2018, <https://doi.org/10.1177/2378023118816795>

²⁰ Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad

²¹ See *The Equitable and Just National Climate Platform’s February 18, 2022 press release*, <https://ajustclimate.org/pressrelease.html?pld=1025>

²² www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf.

²³ Redfin. 2021. A Racist Past, a Flooded Future: www.redfin.com/news/redlining-flood-risk/

²⁴ FEMA NAC report www.fema.gov/sites/default/files/documents/fema_nac-report_11-2020.pdf

- 3) *NFIP minimum standards:*²⁵ *FEMA must advance the best, science-based minimum standards to reduce flood risk while also ensuring that these standards are informed by communities that are hit first and worst.*

With the establishment of NFIP in 1968, the intent of Congress was to ensure that minimum floodplain standards incentivize local and state governments to reduce flood risk by making science-informed decisions about how and where they build. There are 22,000 communities in NFIP with a total of 5 million policies that bring in \$4 billion dollars in annual revenue.²⁶ While roughly 1,500 communities have adopted higher standards through the Community Rating System (CRS),²⁷ assessments of NFIP have found that, nationwide, there is a 70% to 85% rate of community compliance with the standards and 58% to 70% of buildings are built in full compliance with the standards.²⁸ While these percentages are less than reassuring, the bigger picture is that the NFIP minimum standards are inadequate to “stop and reverse the long-term trend toward increasing flood damage” for several reasons that the Association of State Floodplain Managers’ (ASFPM) No Adverse Impact (NAI) report summarizes.²⁹

These poor compliance rates are for minimum floodplain management standards that haven’t been updated for over four decades.³⁰ The delay in updating these minimum standards that only have an average grade for compliance has only exacerbated risky land use in our nation’s floodplains.

Meanwhile, human-caused climate change and long-standing socioeconomic inequities are worsening flood risks for many communities. We only need look at the National Oceanic and Atmospheric Administration’s (NOAA) annual billion-dollar disasters report to know that the nation is failing at reducing flood risk.³¹ These statistics are not happening in a vacuum: Since FEMA first drafted the minimum standards, the climate has changed tremendously due to anthropogenic global warming caused by the burning of fossil fuels. Part of the challenge is that climate change is fueling more extreme events³² that continue to establish new climate “normals”.³³ This fact only underscores the urgency and need for FEMA to swiftly advance the best, science-based minimum standards to reduce flood risk while also ensuring that such standards are informed by those communities that are hit first and worst.

In addition, given the outsized role that floodplains, waterways, and adjacent areas play in the maintenance of ecosystem services such as water filtration, flood protection, and maintenance of biodiversity, FEMA must work to provide regulatory and nonregulatory incentives to protect these areas. Moreover, many of those areas act as buffers from climate change impacts such as increasing temperatures and spatial deterioration, protecting essential habitat and ecosystem structure and function, and species themselves—including those that are not threatened or endangered, and should remain so. To ensure the continuity of ecosystem services, the

²⁵ See UCS comments on FEMA’s RFI on the National Flood Insurance Program’s Floodplain Management Standards for Land Management and Use, and an Assessment of the Program’s Impact on Threatened and Endangered Species and Their Habitats. January 27, 2022—Docket ID: FEMA–2021–2024. www.regulations.gov/comment/FEMA-2021-0024-0357

²⁶ See CRS. 2021. Introduction to the National Flood Insurance Program (NFIP). <https://sgp.fas.org/crs/homesec/R44593.pdf>

²⁷ See FEMA. N.D. Community Rating System. www.fema.gov/floodplain-management/community-rating-system

²⁸ *Ibid* at 3. <https://sgp.fas.org/crs/homesec/R44593.pdf>

²⁹ ASFPM. 2017. NAI How-to Guide for Floodplain Mapping How-to Guide for No Adverse Impact Hazard Identification and Floodplain Mapping. https://s3-us-west-2.amazonaws.com/asfpmlibrary/FSC/NAI/NAI_Hazard_ID_Mapping_2017.pdf

³⁰ See Federal Register, Vol. 86, No. 194, Tuesday, October 12, 2021. www.govinfo.gov/content/pkg/FR-2021-10-12/pdf/2021-22152.pdf

³¹ NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2022). www.ncdc.noaa.gov/billions

³² IPCC, 2018: Summary for Policymakers. In: Global Warming of 1.5 °C. An IPCC Special Report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)]. World Meteorological Organization, Geneva, Switzerland, 32 pp. www.ipcc.ch/sr15/chapter/spm/

³³ Dahl, K. 2021. New NOAA Data Shows Just How Abnormal Our Climate Has Become <https://blog.ucsusa.org/kristy-dahl/new-noaa-data-shows-just-how-abnormal-our-climate-has-become/> and NOAA: The new U.S. Climate Normals are here. What do they tell us about climate change? May 4, 2021. www.noaa.gov/news/new-us-climate-normals-are-here-what-do-they-tell-us-about-climate-change

protection of species and biodiversity, and the maintenance of existing wildlife habitat, FEMA must take action to prevent negative impacts on natural processes.

4) *Flood Risk Mapping: FEMA must advance regulatory and nonregulatory mapping that is informed by the latest climate science.*

The Government Accountability Office (GAO) found that, while FEMA has increased the development of its regulatory Flood Insurance Rate Maps (FIRMs) and other non-regulatory flood risk products through its Risk Mapping, Assessment, and Planning (Risk MAP) program, it has many hurdles to ensure that these products “reflect current and future flood hazards.”³⁴ GAO notes that the flood risk products fail to include heavy rainfall and the best available climate science, and that FEMA does not have an updated plan to meet the new timeframes, goals, and performance measures. It’s been ten years since the Biggert-Waters Flood Insurance Reform Act of 2012 that directed FEMA, with the assistance of the Technical Mapping Advisory Committee (TMAC), to use the best available climate science to update the FIRMs, including an assessment of the impact of future changes in sea levels, precipitation and intensity of hurricanes, and of future development on flood risk.³⁵

FEMA must provide regulatory and nonregulatory/advisory map products that are based on the latest climate change science and future conditions, so that communities, homeowners, and potential home buyers understand their actual current and future flood risk and so that local governments have the support from the federal government in implementing higher minimum NFIP standards. While we recognize that mapping future conditions for riverine areas will be more challenging than for coastal communities, FEMA has abundant resources to advance this process including its own Technical Mapping Advisory Committee (TMAC), other federal agency data and staff through the Flood Resilience Interagency Working Group (IWG), and other methodologies and models in the public and private sectors.³⁶

In 2019 FEMA established the Future of Flood Risk Data (FFRD) program to help provide more flood risk data than what is in the FIRMs and to transition towards a mapping product that shows graduated risk instead of their dated binary approach.³⁷ FEMA must use this new FFRD program to swiftly advance GAO’s recommendations as well as provide advisory layers that reflect future flooding based on climate change projections for both coastal and riverine areas as feasible.

Regarding TMAC, FEMA and Congress must ensure that this technical expert group is incentivized to be bold in its recommendations when it comes to the committee’s work on future conditions. As mentioned above, the nation is already reeling from back-to-back disasters and extreme weather events, many of which include flooding. TMAC must lean in on climate science and on the work by the U.S. Global Change Research Program’s (USGCRP) National Climate Assessments (NCA). Specifically, TMAC must be encouraged to advance its work on future conditions of riverine flooding and on developing and advancing equity as a key goal. TMAC can better ensure its work is more equitable by expanding its outreach to stakeholders by conducting webinars and other approaches.

We respectfully ask that Congress follow up on FEMA’s progress on their implementation of TMAC recommendations to ensure these important advances in mapping are happening in a timely fashion and appropriate ample funding to FEMA to rapidly advance its mapping efforts.

5) *Flood risk disclosure: FEMA must improve the public’s understanding of flood risk by implementing regulatory and nonregulatory flood risk disclosure measures so that potential buyers and renters understand the risk they’re buying into.*

Congress and FEMA must work in concert to improve flood risk disclosure. Ideally, a flood risk disclosure policy provision would be included in the next reauthorization of the NFIP. Bills such as H.R. 5256, H.R. 5802 and previous NFIP reauthorization bills have flood risk disclosure policies that could be advanced.³⁸

However, FEMA could also advance flood risk disclosure as it works to update the decades old NFIP minimum standards. For example, FEMA could:

³⁴ GAO. 2021. FEMA Flood Maps: Better Planning and Analysis Needed to Address Current and Future Flood Hazards. www.gao.gov/assets/gao-22-104079.pdf

³⁵ *Ibid.*

³⁶ UVM. 2022. Vermont Flood Costs Could Exceed \$5.2 Billion. www.uvm.edu/news/gund/vermont-flood-costs-could-exceed-52-billion also see <https://firststreet.org/flood-factor/>

³⁷ GAO. 2021. FEMA Flood Maps: Better Planning and Analysis Needed to Address Current and Future Flood Hazards. www.gao.gov/assets/gao-22-104079.pdf

³⁸ See H.R. 5256 www.congress.gov/117/bills/hr5256/BILLS-117hr5256ih.pdf at Section 1328. Disclosure of flood risk information prior to transfer of property. Also see H.R.5802 (and companion bill s.3128). www.congress.gov/117/bills/hr5802/bills-117hr5802ih.pdf

- *establish flood risk disclosures for sellers and lessors as a condition of participation in the NFIP.* These flood risk disclosures must include all past flooding events and damages (including claims and disaster assistance data) from these events and future projections of flooding due to climate change or planned development. For coastal flooding, UCS developed the “Know Your Risk” guide for potential homebuyers that speaks to the many different important questions one ought to ask before purchasing a home.³⁹ The unfortunate reality is that the FIRMs are out of date and do not reflect actual risk, never mind the future risk due to climate change.
 - *establish flood risk disclosures for dams and levees.* People may be unaware that they live downstream of a dam or levee and therefore do not understand the risk they face or the evacuation procedures if either structure should fail. Future home and business buyers looking to purchase a property below a dam or adjacent to a levee have the right to know the risk they are buying into. Dams⁴⁰ and levees have several things in common, including that they are aging and are costly to fix, they are not adequately regulated, and climate change is pushing the limits of the design life cycle of both. The Biggert-Waters Flood Insurance Reform Act of 2012 required that FEMA coordinate with the Technical Mapping Advisory Committee (TMAC) to incorporate “residual risk” of areas that are protected by levees, dams, and other flood control structures, as well as the level of protection provided by those structures, on NFIP flood maps. In TMAC’s 2016 report, the authors provided an overview of the many challenges and issues needing attention on this front, including the lack of public access to dam failure inundation information.⁴¹ Not mapping dam or levee failure inundation areas can have major consequences such as more development downstream, thereby turning a once low hazard structure into a high hazard structure and putting even more people at risk. FEMA must ensure that all aspects of dam and levee safety data are publicly available, including inspections, emergency action plans, and perhaps most importantly, inundation maps.
- 6) *Federal Flood Risk Management Standard (FFRMS) implementation: FEMA must implement the FFRMS throughout its programs.*

President Biden’s Executive Order 14008 reinstated the Federal Flood Risk Management Standard, (FFRMS), which directs all agencies to ensure that any federal taxpayer-funded activities be designed and constructed to be protected from future-expected flood conditions. FEMA must implement the FFRMS so that projects are designed with a higher margin of safety against flooding. FEMA can look to the Flood Resilience Interagency Working Group (IWG) for support on this front.⁴²

7) *FEMA grant programs:*

We thank the Transportation and Infrastructure (T&I) Committee for introducing the bipartisan Resilient Assistance for Mitigation for Environmentally Resilient Infrastructure and Construction by Americans Act, (Resilient AMERICA Act) which will strengthen FEMA’s disaster mitigation and resilience programs. In particular, we are very appreciative of the committee’s leadership to increase the Disaster Relief Fund (DRF) set aside from 6 percent to 15 percent.

Regarding the Building Resilient Infrastructure and Communities (BRIC) program, we would like FEMA to incorporate additional criteria that would better emphasize smaller flood resilience projects, target resources to those communities that need it most, and increase resources for technical assistance and planning.

Regarding wildfire assistance we look forward to FEMA efforts to develop and update its policies, and training to improve response and recovery from large-scale and severe wildfires in the future.⁴³

As mentioned earlier, FEMA can improve its grant programs by ensuring they are more equitable, that is, that resources are targeted to those communities who need it most. FEMA will need to work swiftly to adopt the Justice40 goal. FEMA could

³⁹ UCS. 2018. Know Your Risk: A Home-Buyer’s Guide to Asking Smart Questions about Tidal Flooding. www.ucsusa.org/sites/default/files/attach/2018/06/know-your-risk-brochure-LDF.pdf

⁴⁰ CRS. 2019. Dam Safety Overview and the Federal Role. <https://crsreports.congress.gov/product/pdf/R/R45981>

⁴¹ FEMA. 2016. Technical Mapping Advisory Council (TMAC) Annual Report. www.fema.gov/sites/default/files/documents/fema_tmac_2016_annual_report.pdf

⁴² White House. 2021. Readout of the First White House Flood Resilience Interagency Working Group Meeting on Implementation of the Federal Flood Risk Management Standard. www.whitehouse.gov/ceq/news-updates/2021/08/27/readout-of-the-first-white-house-flood-resilience-interagency-working-group-meeting-on-implementation-of-the-federal-flood-risk-management-standard/

⁴³ See GAO. 2022. FEMA Opportunities to Help Address Mission and Management Challenges www.gao.gov/products/gao-22-105786

adopt a two-fold process by first using a screening tool to help identify communities and second by targeting technical assistance to these communities to help them submit eligible and successful BRIC applications for example. To help identify communities, FEMA can use its own Resilience Analysis and Planning Tool (RAPT) (which provides resilience indicators at three geographic scales, county, census tract, and tribal territory) in concert with the Climate and Economic Justice Screening Tool.⁴⁴

Given FEMA's staff shortages and other challenges related to endless disasters, we encourage Congress to provide FEMA with the resources it needs to address the multiple recommendations by GAO.⁴⁵

8) *Flood insurance affordability: Congress must work in concert with FEMA to establish a flood insurance affordability program.*

FEMA's new Risk Rating 2.0 (RR 2.0) flood insurance pricing system better reflects the actual flood risk of a specific property but will mean that roughly 77% of policyholders will see increases in their premiums as RR2.0 rolls out. People with low to moderate incomes living in the nation's floodplains are less likely to be able to afford flood insurance and those without flood insurance will have less resources to recover after a disaster. President Biden proposed investing \$358 million in fiscal year 2022 to help people with low incomes purchase flood insurance and to increase risk mitigation measures to reduce flood damages.⁴⁶ FEMA and Congress must work to leverage options to reduce the cost burden to policy holders, especially those who are least able to afford the premiums. Among others, over the last few years, studies by FEMA,⁴⁷ the Government Accountability Office,⁴⁸ the National Academy of Sciences,⁴⁹ and, most recently, the Congressional Research Service (CRS)⁵⁰ have provided analysis on different options for creating means-tested affordability program under NFIP. Current and past bills also have policy provisions that could be advanced in the next reauthorization of NFIP.⁵¹

FEMA and Congress ought to move swiftly to advance the establishment of a flood insurance affordability program to reduce the cost burdens on those that are least able to afford flood insurance. Such a program ought to incentivize mitigation measures as well to further reduce the cost burden and increase resilience to the next flood. Reducing the cost burden of flood insurance would have many benefits to homeowners and community and federal governments, and would help to meet the Administration's intent of the Justice40 goal.

9) *Federal oversight and enforcement: FEMA must improve its enforcement of NFIP minimum standards.*

Over the years, analyses have shown that FEMA has been challenged with ensuring communities' compliance with the minimum NFIP standards. FEMA assesses a community's compliance through Community Assessment Visits or "CAVs." GAO's comprehensive study of FEMA's enforcement of the minimum standards found that some high-risk communities were not visited between 2008 and 2019 and that many were only visited one time.⁵²

A recent New York Times investigative report found that many local governments continue to fail to enforce basic floodplain management regulations. The report, based on an analysis by researchers at University of California, Davis, shows that many local governments do not appear to be meeting one of the basic minimum standards required to maintain their NFIP status: that the ground floor of every new or repaired building be at least as high as the maximum height expected of a major flood.⁵³ The study found that a quarter of a million insurance policies in

⁴⁴ Climate and Economic Justice Screening Tool <https://screeningtool.geoplatform.gov/en/>

⁴⁵ GAO. 2022. FEMA Opportunities to Help Address Mission and Management Challenges www.gao.gov/products/gao-22-105786

⁴⁶ See Frank, T. 2021. Biden Budget Includes Plan to Help Poor Buy Flood Insurance, www.scientificamerican.com/article/biden-budget-includes-plan-to-help-poor-buy-flood-insurance/

⁴⁷ www.fema.gov/media-library-data/1524056945852-e8db76c696cf3b7f6209e1adc4211af4/Affordability.pdf

⁴⁸ GAO. 2016. National Flood Insurance Program: Options for providing affordability Assistance www.gao.gov/assets/680/675132.pdf

⁴⁹ NAS Report 1: www.nap.edu/catalog/21709/affordability-of-national-flood-insurance-program-premiums-report-1 and NAS Report 2: www.nap.edu/catalog/21848/affordability-of-national-flood-insurance-program-premiums-report-2

⁵⁰ <https://crsreports.congress.gov/product/pdf/R/R47000>

⁵¹ See section 103. Targeted means-tested assistance in HR 5802 (and companion bill S.3128). www.congress.gov/117/bills/hr5802/BILLS-117hr5802ih.pdf

⁵² GAO. 2020. National Flood Insurance Program: FEMA Can Improve Community Oversight and Data Sharing. www.gao.gov/products/gao-20-396.

⁵³ NYT. 2021. "Cities Are Flouting Flood Rules. The Cost: \$1 Billion," by Christopher Flavelle and John Schwartz www.nytimes.com/2020/04/09/climate/fema-flood-insurance.html

these communities are in violation of the NFIP requirements and this breach in compliance over the last decade has come at a \$1 billion cost to federal taxpayers.

Revised minimum standards will mean nothing if there is not adequate federal oversight of FEMA and the agency's enforcement of these standards.

FEMA will need to address the outstanding compliance issues in multiple ways, including ensuring there are more trained staff and resources to do the work, there is better data sharing between FEMA and the communities, and that the CAVs are up to date and completed.⁵⁴

IN CLOSING

Thank you for considering the nine issues we believe FEMA ought to prioritize in 2022. As the subcommittee advances recommendations for FEMA, UCS looks forward to being a resource. Please do not hesitate to contact us with any questions the subcommittee may have by reaching out to Shana Udvardy or Todd Wolf.

**Statements from 10 Stakeholder Organizations, Submitted for the Record
by Hon. Dina Titus**

Statements from the following 10 organizations are retained in committee files and are available online at <https://docs.house.gov/meetings/PW/PW13/20220216/114401/HHRG-117-PW13-20220216-SD002.pdf>:

1. Association of State Floodplain Managers, Inc.
2. BuildStrong Coalition
3. International Association of Fire Chiefs
4. National League of Cities
5. National Low Income Housing Coalition
6. Natural Resources Defense Council
7. National Rural Electric Cooperative Association
8. The Pew Charitable Trusts
9. The Refuge Resource Group
10. SmarterSafer Coalition

⁵⁴ *Ibid.*, at 44.

APPENDIX

QUESTION FROM HON. ELEANOR HOLMES NORTON TO ERICA BORNEMANN, DIRECTOR,
VERMONT EMERGENCY MANAGEMENT, ON BEHALF OF THE NATIONAL EMERGENCY
MANAGEMENT ASSOCIATION

Question 1. How would you propose to streamline federal and state emergency collaboration by using a state-by-state approach, while still ensuring that FEMA grants achieve our racial equity goals?

ANSWER. This question relates to comments made during the hearing and points made about giving states funding tools to be able to build capacity in their recovery and mitigation programs. For example, allowing for the rollover of management costs from disaster to disaster will institute stability in the programs and allow them the room to focus efforts on reaching populations historically underserved, marginalized, or disadvantaged. Furthermore, outreach to these communities is key to establishing trusting relationships that allow greater access to programs meant to help survivors receive assistance expeditiously. Such outreach, however, must be tailored within each state as they know their populations best.

The emergency management profession is routinely asked to do more with the same or less resources. If we want to promote progress in addressing racial justice, marginalized, and underserved populations with the issues those groups face in disaster response and recovery, we must invest in programs with those specific goals in mind. Congress should consider designating certain funding opportunities and expanding eligibility for existing programs that will boost aid to address needs, whether that be in the management rollover costs, or other grant funds. Furthermore, processes should be simplified for programs such as the Hazard Mitigation Grant Program (HMPG) where long timelines exacerbate impacts to communities that most need to break the cycles of disaster. By making some of these modest adjustments, emergency managers will have the tools to address populations that have been underserved, marginalized, as well as affected by racial inequality. This is a more equitable approach versus existing one-size-fits-all solutions.

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