

PREPAREDNESS AND RISK MANAGEMENT FOR EXTREME WEATHER PATTERNS ASSURING RESILIENCE AND EFFECTIVENESS ACT OF 2017

NOVEMBER 14, 2018.—Ordered to be printed

Mr. SHUSTER, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 4177]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 4177) to enhance the Federal Government’s planning and preparation for extreme weather and the Federal Government’s dissemination of best practices to respond to extreme weather, thereby increasing resilience, improving regional coordination, and mitigating the financial risk to the Federal Government from such extreme weather, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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## PURPOSE OF LEGISLATION

H.R. 4177, the Preparedness and Risk Management for Extreme Weather Patterns Assuring Resilience and Effectiveness Act of 2017, or the PREPARE Act of 2017, creates an interagency council dedicated to identifying and managing the risks of extreme weather events, increasing resilience and coordination. Federal agencies are directed to develop extreme weather adaptation plans, to proactively mitigate risk and minimize Federal fiscal exposure.

## BACKGROUND AND NEED FOR LEGISLATION

2017 was an historic year for disasters that cost the country an unprecedented \$306 billion in damages.<sup>1</sup> According to the National Oceanic and Atmospheric Administration (NOAA), 2017 exceeded the previous record for extreme weather damages by nearly \$90 billion. In addition to Hurricanes Harvey, Irma, and Maria; wildfires in the West burned almost 10 million acres of land.<sup>2</sup> The cumulative costs associated with wildfire damages last year was almost \$18 billion, tripling the previous record.<sup>3</sup>

According to the Federal Emergency Management Agency (FEMA), only three years since 2000 have seen less than 100 disaster declarations.<sup>4</sup> In 2011, there were 242 such declarations, as well as 1,096 deaths linked to natural catastrophes and \$24.1 billion in damage.<sup>5</sup> From 1988 to 2013, the National Weather Service estimated that all hazard damages totaled \$474.4 billion, for an annual average of \$18.2 billion.<sup>6</sup>

These impacts call attention to the Federal government's role as a leader in coordinating and informing government efforts related to disasters. Enhancing resilience through hazard mitigation may help reduce costs and impacts. As such, many government agencies have developed strategies for enhancing resilience.

In the February 2013 update to the Government Accountability Office (GAO) High-Risk Series Report, GAO recommended a centralized strategy for coordinated response, including the need to monitor and verify agency effectiveness at responding to disasters, and the need to pass data and recommendations along to State and local governments.<sup>7</sup>

## The PREPARE Act:

- Creates an interagency council to set goals and priorities for resilience, preparedness, and risk management at the Federal level;
- Assists State, local and tribal governments in managing their preparedness and risk by accessing the interagency council for recommendations and resources;
- Requires the interagency council to craft recommendations on how to respond to the GAO High Risk report; and

<sup>1</sup> Smith, Adam B. "2017 U.S. billion-dollar weather and climate disasters: a historic year in context." January 8, 2018. Available at <https://www.climate.gov/news-features/blogs/beyond-data/2017-us-billion-dollar-weather-and-climate-disasters-historic-year>.

<sup>2</sup> Id.

<sup>3</sup> Id.

<sup>4</sup> Federal Emergency Management Agency, "Disaster Declarations by Year." Available at <https://www.fema.gov/disasters/year>.

<sup>5</sup> National Weather Service, "Summary of Natural Hazard Statistics for 2011 in the United States." Available at <http://www.nws.noaa.gov/om/hazstats/sum11.pdf>.

<sup>6</sup> National Weather Service, "Weather Fatalities." Available at <http://www.nws.noaa.gov/om/hazstats/sum11.pdf>.

<sup>7</sup> GAO, "High-Risk Series: An Update, GAO-13-283 (Washington, D.C.: February 2013).

- Compels each agency to submit a disaster response plan and merge the plans to create a coordinated Federal-level response to severe weather events, ensuring each agency can conduct business effectively during a disaster.

*Interagency council on extreme weather resilience, preparedness, and risk identification and management*

The interagency council is to be comprised of 15 or more representatives from the White House and other executive departments and agencies, including the Office of Management and Budget (OMB), Council on Environmental Quality (CEQ), Department of Homeland Security, Department of Transportation, Environmental Protection Agency, and the National Oceanic and Atmospheric Administration (NOAA).

The council will coordinate with groups in the Federal government focused on extreme weather mitigation and recovery to avoid duplication of efforts, including the Mitigation Framework Leadership Group, the Recovery Support Function Leaders Group, and others. They will work with agencies to incorporate extreme-weather mitigation into everyday agency activities, including agency extreme weather plans, strategic and budgetary planning, and communication of localized extreme-weather risk. The council will support regional, State, and local action to assess extreme weather-related vulnerabilities and cost-effectively increase resilience, preparedness, and risk management of communities and critical economic sectors. The council is charged with facilitating the development, sharing, and integration of meteorological and extreme weather science, and related disciplines, into agency policies, including policies on risk evaluation and planning.

An annual report to Congress is required on how the government-wide goals and priorities are being met, including recommendations to enhance effectiveness and describing the progress of coordination efforts. The legislation also requires the Director of OMB to issue guidance to agencies on developing extreme weather plans and policies to remove barriers to State and local extreme weather mitigation.

The PREPARE Act is intended to ensure better planning and coordination among Federal agencies to cope with extreme weather events and facilitate information sharing with State and local governments to help increase emergency preparedness.

The GAO recommends the alignment of these programs and efforts to help better identify priority actions, facilitate consensus among stakeholders, provide reliable resources, and identify areas for improvements.<sup>8</sup> In addition to saving lives, other benefits can include infrastructure investments that protect against disaster impacts, enhancement of resilience to all disasters, and the creation of other economic opportunities.<sup>9</sup>

#### HEARINGS

The Subcommittee on Economic Development, Public Buildings, and Emergency Management, held the following hearings and

<sup>8</sup> GAO, "Climate Change: Selected Governments Have Approached Adaptation through Laws and Long-Term Plans," GAO-16-454 (Washington, D.C.: May 2016).

<sup>9</sup> Id.

roundtable discussions on subjects related to matters contained in H.R. 4177 during the 114th and 115th Congresses:

*Rebuilding after the Storm: Lessening Impacts and Speeding Recovery*, held on January 27, 2015. The purpose of the hearing was to launch an assessment of the rising costs of disasters, the cost effectiveness of disaster assistance, strategies to reduce disaster losses, and the appropriate roles of government and the private sector, and to consider reforms to save lives through improved alerts and warning systems and search and rescue.

*What is Driving the Increasing Costs and Rising Losses from Disasters?* held on March 18, 2015. The purpose of the roundtable was to examine and discuss data related to disaster costs, the trends observed over time, and the projections for the future given the policies in place today.

*The State of Pennsylvania and FEMA Region III are Leaders in Mitigating Disaster Costs and Losses*, held on May 28, 2015. The purpose of the roundtable was to examine disaster costs and losses, focus on hazards impacting Pennsylvania and the region, and identify best practices for mitigating and avoiding disaster impacts.

*Federal Disaster Assistance: Roles, Programs and Coordination*, held on June 17, 2015. The purpose of the roundtable was to examine and discuss Federal disaster assistance programs, the requirements and effectiveness of those programs, and coordination among various agencies and stakeholders.

*Controlling the Rising Cost of Federal Responses to Disaster*, held on May 12, 2016. The purpose of the hearing was to begin exploring potential solutions and the principles that should be driving solutions to lower the overall costs of disasters and to help avoid devastating losses.

*Building a 21st Century Infrastructure for America: The National Preparedness System*, held on Thursday, March 16, 2017. The purpose of the hearing was to assess the development, successes, and challenges of the National Preparedness System and based on input from key stakeholders, understand how well the preparedness grant program is building national preparedness capabilities.

*Building a 21st Century Infrastructure for America: Mitigating Damage and Recovering Quickly from Disasters*, held on April 27, 2017. The purpose of the hearing was to examine how to protect infrastructure against future disaster damage, how to lower the overall disaster costs, and to identify challenges facing the FEMA in responding to, recovering from, and mitigating against disasters, both natural and manmade.

*Emergency Response and Recovery: Central Takeaways from the Unprecedented 2017 Hurricane Season*, held on November 2, 2017. The purpose of the hearing was to explore initial lessons learned from the 2017 hurricanes, and identify key challenges and obstacles that remain in the way of recovery. The discussions helped inform discussions regarding long-term solutions and legislative proposals with the goal of helping to speed smart recovery in the impacted communities.

*Impacts of the 2017 Wildfires in the United States*, held on March 20, 2018. The purpose of the hearing was to explore the

lessons learned from the catastrophic 2017 wildfires, inform long-term policy solutions, and highlight the importance of mitigation, including provisions contained in the *Disaster Recovery Reform Act* (DRRA).

#### LEGISLATIVE HISTORY AND CONSIDERATION

On October 31, 2017, Congressman Matt Cartwright (D-PA) introduced H.R. 4177, to enhance the Federal Government’s planning and preparation for extreme weather and the Federal Government’s dissemination of best practices to respond to extreme weather, thereby increasing resilience, improving regional coordination, and mitigating the financial risk to the Federal Government from such extreme weather, and for other purposes. The bill was referred primarily to the Committee on Transportation and Infrastructure, and in addition to the Committee on Oversight and Government Reform.

On November 2, 2017, the PREPARE Act was ordered reported by voice vote by the Committee on Oversight and Government Reform.

On April 12, 2018, the Committee on Transportation and Infrastructure met in open session and ordered the bill reported favorably to the House by voice vote with a quorum present.

#### COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no recorded votes taken in connection with consideration of H.R. 4177.

#### COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in this report.

#### NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

#### CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the enclosed cost estimate for H.R. 4177 from the Director of the Congressional Budget Office:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, April 17, 2018.*

Hon. BILL SHUSTER,  
*Chairman, Committee on Transportation and Infrastructure,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4177, the PREPARE Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

KEITH HALL,  
*Director.*

Enclosure.

*H.R. 4177—PREPARE Act of 2017*

Summary: H.R. 4177 would:

- Authorize the establishment of an interagency council to provide recommendations on and best practices for planning and preparing for extreme weather;
- Direct agencies to incorporate extreme weather plans into their operations and mission objectives; and
- Require agencies to include their most recent extreme weather plans in their performance plans.

CBO estimates that implementing H.R. 4177 would cost \$12 million over the 2019–2023 period, assuming appropriation of the necessary amounts.

Enacting H.R. 4177 could affect direct spending by some agencies because they are authorized to use receipts from the sale of goods, fees, and other collections to cover operating costs. Therefore, pay-as-you go procedures apply. Because most agencies can make adjustments to the accounts collected as operating cost change, CBO estimates that any net changes in direct spending by those agencies would be negligible. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 4177 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 4177 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

Estimated Cost to the Federal Government: The estimated budgetary effect of H.R. 4177 is shown in the following table. The costs of the legislation fall within all budget functions that contain salaries and expenses.

	By fiscal year, in millions of dollars—						
	2018	2019	2020	2021	2022	2023	2019– 2023
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Estimated Authorization Level .....	0	3	3	2	2	2	12
Estimated Outlays .....	0	3	3	2	2	2	12

Basis of estimate: For this estimate, CBO assumes that the legislation will be enacted near the beginning of fiscal year 2019 and that spending will follow historical patterns for similar activities.

Federal agencies are required to perform essential functions under a broad range of circumstances, including severe weather. Through the National Preparedness Framework, agencies have developed a series of policy and planning documents to prevent, protect against, mitigate, respond to, and recover from many different types of threats and hazards.

CBO expects that complying with the legislation's provisions would increase the administrative expenses of federal agencies. H.R. 4177 would establish the Interagency Council on Extreme Weather Resilience, Preparedness, and Risk Identification and Management, made up of representatives from government entities including the Departments of Agriculture, Defense, Energy, Housing and Urban Development, Justice, and Transportation, as well as the Environmental Protection Agency, Federal Emergency Management Agency, National Security Council, and the Office of Management and Budget. The interagency council also would have steering committees and working groups to address specific issues. It would provide information on best practices for agencies to prepare for and respond to severe weather. In addition, every agency would be directed to include a severe weather plan in its performance plans.

Based on the number of staff assigned to federal officials working with similar interagency councils, CBO estimates that the interagency council would need 14 full-time employees at an annual cost of about \$100,000 each. Additional staff also would be needed at each of the twenty six major agencies at an average annual cost of about \$100,000 for each employee. CBO expects that those employees would initially work on weather-related issues for six months each year with the amount of time they work on those issues declining after the plans are developed. In total, CBO estimates that implementing H.R. 4177 would cost between \$2 million and \$3 million annually.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. H.R. 4177 could affect direct spending by agencies that are not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any changes in direct spending would be negligible. Enacting the bill would not affect revenues.

Increase in long-term direct spending and deficits: CBO estimates that enacting H.R. 4177 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

Mandates: H.R. 4177 contains no intergovernmental or private-sector mandates as defined in UMRA.

Previous CBO estimate: On March 29, 2018, CBO transmitted a cost estimate for H.R. 4177 as ordered reported by the House Committee on Oversight and Government Reform on November 2, 2017. The two versions of the bill are very similar and CBO's estimates of the annual costs are the same, though the time period covered by the two estimates are different.

Estimate prepared by: Federal Costs: Matthew Pickford; Mandates: Andrew Laughlin.

Estimate reviewed by: Kim P. Cawley, Unit Chief, Natural Resources Cost Estimate Unit; H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

#### PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to establish an interagency council to provide recommendations on and best practices for planning and preparing for extreme weather.

#### ADVISORY OF EARMARKS

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee is required to include a list of congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives. No provision in the bill includes an earmark, limited tax benefit, or limited tariff benefit under clause 9(e), 9(f), or 9(g) of rule XXI.

#### DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 4177 establishes or reauthorizes a program of the Federal government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

#### DISCLOSURE OF DIRECTED RULE MAKINGS

Pursuant to section 3(i) of H. Res. 5, 115th Cong. (2017), the Committee finds that enacting H.R. 4177 does not direct the completion of a specific rulemaking within the meaning of section 551 of title 5, United States Code.

#### FEDERAL MANDATE STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

#### PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt State, local, or tribal law. The Committee states that H.R. 4177 does not preempt any State, local, or tribal law.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act are created by this legislation.



## APPLICABILITY OF LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

## SECTION-BY-SECTION ANALYSIS OF LEGISLATION

*Section 1. Short title, Table of Contents*

Section 1 provides that the Act may be cited as the “Preparedness and Risk Management for Extreme Weather Patterns Ensuring Resilience and Effectiveness Act of 2017” or the “PREPARE Act of 2017”.

*Section 2. Interagency Council on extreme weather resilience, preparedness, and risk identification and management*

Section 2 establishes an Interagency Council composed of senior officials from CEQ, the Office of Science and Technology (OSTP), OMB, and FEMA, among others. The Council will establish, develop, recommend, coordinate, and track implementation of government-wide goals and priorities related to extreme weather resilience, preparedness, and risk identification and management (“extreme weather resilience”), taking into account the GAO High-Risk Series, the National Preparedness Goal, and the National Global Change Research Plan, among others.

*Section 3. Agency planning for extreme weather-related risks*

Section 3 requires the head of each agency, in coordination with FEMA to avoid duplication of the National Planning Frameworks, to submit a comprehensive plan integrating extreme weather resilience into the agency’s operations and overall mission, every two years. The Director of OMB is required to review and integrate all agency extreme weather plans on a government-wide basis, and consolidate and transmit the plans to Congress.

*Section 4. Website*

Section 4 requires the establishment of a website to provide information, data, and tools on current and future risks related to extreme weather resilience to support State, local, and private sector decision makers. The website will identify interagency progress and propose the next steps towards responding to the threats posed by extreme weather, including the best available meteorological science for use in extreme weather resilience planning and decision-making.

*Section 5. Providing adequate resources and support*

Section 5 requires the Director of OMB to ensure that each agency provides adequate resources to the council, including administrative services and personnel support, as appropriate, for the website and to otherwise carry out the Act.

*Section 6. Inventory*

Section 6 requires the council to conduct and publish an inventory of all regional offices, centers, and agency programs that are

assisting with extreme weather resilience at the State or local level every two years.

*Section 7. Meetings*

Section 7 requires the council to convene a meeting of the representatives of the offices, centers, and programs included in the inventory, and invite other local and regional stakeholders to participate and develop plans to coordinate these efforts, including evaluating progress and identifying opportunities for collaboration, barriers to planning and management, and gaps in research.

*Section 8. Progress updates*

Section 8 stipulates that, within 90 days of each meeting under Section 7, each agency will submit information to the council describing progress in aligning Federal extreme weather resilience efforts at the State and local level, and the benefits of such regional coordination and collaboration.

*Section 9. Definitions*

Section 9 contains definitions for terms used in this Act including “agency”; “agency extreme weather plan”; “extreme weather”; “Interagency Council”; “mitigation plan”; “National Global Change Research Plan”; “National Oil and Hazardous Substances Pollution Contingency Plan”; “National Preparedness Goal”; “National Preparedness Report”; “preparedness”; “resilience”; “senior official”; “State”; “United States Global Change Research Program”; and “United States Global Change Research Program Annual Report”.

*Section 10. Requirement to include agency extreme weather plan in agency performance plan*

Section 10 requires that a description of the most recent agency extreme weather plan, as required under section 3, be included in the performance plan of an agency.

*Section 11. Sunset and repeal*

Section 11 provides that the Act ceases to be effective and is repealed 5 years after the date of enactment.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

H.R. 4177 makes no changes in existing law.

