**FEMA Resiliency Program Hearing 5-1-24**

The U.S. House of Representative’s Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing this morning (May 1, 2024) titled, “Disaster Mitigation: Reviewing the Effectiveness and Costs of FEMA’s Resilience Programs.” (A video recording of the meeting is available at <https://www.youtube.com/watch?v=ws2HyHjVUqI>)

The topic was the Federal Emergency Management Agency’s (FEMA) allocation of hazard mitigation funding as the agency still seeks an additional $9 billion in supplemental funding. The common question throughout today’s 65-minute hearing was what steps FEMA is taking to more evenly distribute that money among the states.

The sole witness was Ms. Victoria Salinas, Senior Official Performing the Duties of Deputy Administrator at FEMA’s Office of Resilience.

**Chairman Scott Perry** (R-PA), in his opening remarks, said the hearing’s focus was the cost and benefit of FEMA’s increasing emphasis on hazard mitigation funding through several grant programs. These include the Hazard Mitigation Grant program, the Building Resilient Infrastructure and Communities program (BRIC), and the Flood Mitigation Assistance Grant program. There is also hazard mitigation funding through its public assistance and individual assistance programs.

Perry noted that over the past five fiscal years, FEMA has obligated more than $9.5 billion for mitigation grant funding, “a lot of money and obviously we have several concerns.” Among them:

* A failure to see how that $9.5 billion helped save taxpayer money when there were 60 climate related disasters costing at least $1 billion each during 2020-2022.
* The types of mitigation projects including planting trees and improving wildlife habitat are questionable to FEMA’s mission to reduce disaster costs and save lives.
* FEMA continues to struggle to make hazard mitigation funding available to communities that need it the most.
* The grant application process is complicated and a barrier to small communities with limited means, such as grant writers, to apply for funding.
* In the BRIC program, five states accounting for 30% of the nation's population received 50% of the funding, while 24 smaller states accounting for 21% of the nation's population combined, were only awarded 5% of funding.

“Is there any accountability whatsoever for this? How can FEMA justify its allocation of funds? We want to dig into how FEMA determines which projects have the merit to receive mitigation funding and whether the process targets funding to projects that actually mitigate against disasters,” Perry said

**Ranking member Dina Titus** (D-NV), in her opening remarks, defended “the proactive mitigation strategies…with demonstrable returns on investment” at the direction of Congress. Every $1 invested in mitigation results in up to $13 saved post-disaster, according to the National Institute of Building Sciences. She said it was only relatively recently that FEMA began funding pre-disaster mitigation programs to states (rather than just post-disaster), with the start of the BRIC program in 2020 and funding last year of the new Safeguarding Tomorrow revolving loan fund program. FEMA has already invested $4.5 billion on BRIC but the demand by state and local governments was five times the available funding in the latest round (“oversubscribed”).

**Ranking member of the full Committee on Transportation & Infrastructure Rick Larsen** (D-Washington) noted his district is still recovering from the November 2021 floods. He said climate and weather-related disasters caused over $92.9 billion in impacts nationwide last year, with the past five-year average being $119 billion, “so hazard mitigation does offer a solution…and FEMA and Congress together have dramatically expanded the mitigation grant programs. It's why I support increasing the set aside for the BRIC program from 6% to 15% of annual disaster relief fund spending,” Larsen said. The money needs to get out the door faster, he said, noting that 77 BRIC award winners from 2020 and another 112 from 2021 have not yet received full funding and urging FEMA to improve the process. He complimented FEMA on improving the BRIC application process by simplifying the benefit-cost analysis requirements and offering technical assistance to disadvantaged communities.

**Testimony by FEMA’s Victoria Salinas** in her five-minute opening remarks, said communities today face an increasing set of challenges from atmospheric rivers to once in a century fires. She went on to describe the three grant programs under the umbrella of hazard mitigation funding and where some of the money is going, along with trends:

* The BRIC program in FY2022 saw its largest notice of funding ever at $2.3 billion. FEMA has selected 50 states, 35 tribal nations, four territories, and the District of Columbia to receive funding pending final review of their projects.
* FY 2023 saw a record number of requests for BRIC direct technical assistance (164, from all 10 FEMA regions), which provides planning and project design assistance. FEMA has selected 74 and this year hopes to select another 80.
* FEMA has established a new set-aside in BRIC to promote building codes, with $52 million worth of building code related projects submitted.
* The new Safeguarding Tomorrow revolving loan fund program can be used by communities as a required local match for other FEMA programs. “This reduces and helps eliminate barriers for many small rural and other communities with limited capacities that they may face,” she said.
* FEMA and DHS have announced more than $1.8 billion in funding for their eight FY 2024 preparedness grant programs for prevention and response to acts of terrorism as well as hazards.

**Questions & Answers:**

**Chair Perry & Salinas -** Perry held up a copy of FEMA’s July 2022 report “Economic Benefit Values for Green Infrastructure” and asked how heat islands, planting trees, and a desire to improve property values fit as an emergency and exactly how FEMA mitigates emergencies and disasters by planting trees. Salinas answered that approaches to reducing disaster risk, there are differentials in heat depending on topography, and “that many communities are seeking to really cool down neighborhoods because each year there were several hundred deaths because of heat,” but couldn’t quantify the number of lives saved, when asked.

Perry also questioned why FEMA is spending “a boatload” of money on sustainable energy in Puerto Rico, whose past two hurricanes have had winds of 180 mph and 175 mph respectively, when solar panels are impacted by winds as low as 56 mph. He also questioned the distribution of BRIC funding.

“I look at the distribution of the BRIC funds state ranking. I've got Washington D.C. here with three disaster declarations, including inauguration, like that's an emergency we didn't see coming apparently. Meanwhile, you got Mississippi with 21. DC is way up here getting all this money and Mississippi's way down here, getting none of this money. That's an issue mam that needs to be resolved.” His time expired before Salinas could answer.

**Ranking Member Titus & Salinas** – Titus answered Perry’s query. “When you talk about measuring the results of mitigation, it's harder to measure something that doesn't happen than it is to measure something that does happen. The purpose of mitigation is to keep things from happening. So it's not just so easy to come with a statistic that the chairman apparently is looking for,” adding that folks in Nevada appreciate the difference trees make in heat islands.

Her conversation with Salinas focused on what’s needed to help make BRIC and the technical assistance part more effective, given its oversubscribed and therefore successful. Salinas referenced the “pent-up demand” and said many communities are first time applicants and FEMA is “dismantling barriers” to improve access to federal funding. That includes providing direct support on required benefit-cost analysis for low-income communities that can’t afford to hire contractors to perform that function. She said the technical access also includes management cost funding for communities to hire grant writers.

**Rep. Garret Graves (R-LA) & Salinas** – Graves said that although “I couldn’t be more supportive of mitigation and resiliency efforts” it was difficult to understand why Louisiana submitted 113 BRIC requests before receiving the first one in year three of the program, especially given it’s one of the most at-risk states in the nation. “And then Washington D.C. is getting one of the highest allocations in the country. I’ll tell you it wasn’t the intent of the program,” Graves said.

Salinas answered by noting BRIC is one of a suite of hazard mitigation grant programs, which a state administers directly. With BRIC, each state gets a set-aside and the remaining funding is by competition.

“Under FEMA’s strategic plan, they list three goals,” countered Graves. “I think that this is really the crux of why we're seeing these distorted allocations. FEMA talks about trying to address equity, climate resilience, and FEMA readiness. Can you tell me where in the Stafford Act those three things are?

“The Stafford Act requires us to deliver our support without discrimination and these goals are how we operationalize that,” Salinas answered.

“You’re not answering my question and I think we both understand the answer’s no, that these are not part of the Stafford Act,” Graves replied, noting his career in advancing the resilience of communities. “If you come in and you use bad metrics that don't consider all of the risk, you're going to result in bad outcomes. You’re going to miss opportunities. Look, I will agree with you that climate is a risk, it is a threat. It is not the only one. And if we continue to sit there and myopically focus on it, we're going to miss opportunities to result in better outcomes, more resilient communities. And I think it's a very dangerous trajectory that FEMA is going down right now,” Graves said.

There was much back and forth between the two on Risk Rating 2.0. Salinas said that although BRIC does not use Risk Rating 2.0 for assessing where the greatest need for mitigation is, “when communities take action to reduce flood risk it does have an impact for the Community Rating System on lowering the policy premiums.”

**Ranking member of the full Committee on Transportation & Infrastructure Rick Larsen & Salinas** – The two clarified FEMA’s future funding needs. FEMA’s Disaster Relief Fund is expected to run out of funding in August and if Congress doesn’t pass a supplemental appropriation, FEMA will be forced to implement immediate needs funding, as it had to do in the previous year. If that happens, the spending will focus on life safety and the hazardous mitigation grant programs will be delayed. Salinas noted the Biden Administration submitted a $9 billion supplemental request last year to address estimated shortfall in the fund which she said she “fully supports.”

Larsen asked what FEMA is doing to streamline the management costs part of the grants, noting communities have to front the money for that themselves and later get reimbursed, made longer by any delays in supplemental funding by Congress. “We are making progress and we are expecting to see the pace of the awards continue to increase in the near future,” Salina answered. She was not able to provide an answer to the average time from award to receiving funding for BRIC grants, saying it varies by project and its complexity.

**Rep. Mike Ezell (R-MS) & Salinas** – Ezell said “Mississippi has received no money from the program whatsoever. I think most would agree that Mississippi is a hotspot for natural disasters,” asking Salinas what steps FEMA is taking to ensure funds are distributed more evenly.

Salinas again repeated that BRIC is but one of a suite of hazardous mitigation programs and that it is very competitive. She said that Mississippi is now being helped through one of those other programs, the Flood Mitigation Assistance program, which the state hadn’t benefited from since 2009. “But with our Swift Current program, which is part of the Flood Mitigation Assistance program, and the incredible partnership between the state of Mississippi and our Region Six and headquarters colleagues, they were able to access the new Swift Current to address flood risk issues in the state,” Salinas said. She added that FEMA’s recent hire of a small state and rural advocate, together with partnering with the Rural Partners Network, are providing added attention to the needs of rural communities.

**Rep. Eleanor Holmes Norton (D-DC)** **& Salinas** – Norton asked Salinas to describe the recent establishment in each state and the District of Columbia of Community Disaster Resilient Zones. Salinas reported that the first set of zones was established at the end of 2023 “where there's the highest risk highest need communities.” There’s a higher federal cost share of 90% in those zones and better collaboration with other federal agencies, who in turn, she said, are prioritizing their own technical assistance and grant funding. It includes partnering with the private sector as well. “So it's a great opportunity and a forcing function and a force multiplier to see the private sector philanthropy step in. And in the southeast United States, we've already seen certain philanthropies began working with local nonprofits and universities to really support communities both better understand the risks that they face, develop the plans needed to tackle it, and then mobilize the funding from multiple sectors to see those plans turn into concrete actions and benefits for people and communities,” Salinas said. The D.C. zone includes a recent project to provide energy redundancy to the D.C. Water, the district’s water supply.

**Rep. Celeste Maloy (R-UT) & Salinas** – Maloy said she’d been reviewing the Stafford Act “and it does say that one of the things FEMA is supposed to do that Congress has told FEMA to do is encourage states, individuals, and local governments to protect themselves.” Instead, she said, the hearing has been about prohibitively expensive flood insurance rates and success being measured by how many grant applications are being submitted. “I don't think that is a measure of how successful the agency is being at meeting their mission,” Maloy said. “At-risk areas are not getting the grants they need but Washington D.C., the seat of all bureaucracy, is getting grants. This feels like it's just an example of what's wrong with bureaucracy. An agency that exists to assist in disasters isn't assisting the areas that have the most disasters. State and local governments aren't getting the assistance they need to protect themselves, which is one of the things that the agency is supposed to do. And rural areas, like a lot of my district, aren't qualifying for assistance. So some of the people who are the least resilient and need the most help aren't qualifying for it. And then we keep talking about an increase in disasters. But the increase in disasters isn't resulting in an increase in the quality of assistance. It's just creating more bureaucracy,” Maloy said.

Salinas said FEMA, too, is “committed to ensuring that taxpayer dollars are building resilience across the nation. What we’re seeing is that the number of applications coming in far exceeds the dollars that we have to invest,” she said.

**Rep. Anthony D’Esposito (R-NY) & Salinas** – D’Esposito asked Salinas how implementation of the new Safeguarding Tomorrow revolving loan fund program is proceeding. Salinas said FEMA “has been taking a test and learn approach… And so there's certainly some lessons learned from this first round of funding that we are taking into the second round, but we are seeing multiple states already begin to use the storm dollars.” Like other programs, she said requests came from multiple jurisdictions and states and exceeded the funding of the program. She went on to reiterate some of her previous points about the program.

ADJOURNED 11:06am.