

Natural Disasters of 2017: Congressional Considerations Related to FEMA Assistance

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This Insight provides a short overview of issues Congress may consider in its oversight of the Federal Emergency Management Agency's (FEMA's) federal assistance during the 2017 hurricane season (e.g., Harvey, Irma, and Maria) and other disasters (e.g., fires in California). For the current status of response efforts, see official government sources and news media. For additional support, please contact [CRS experts](#).

Stafford Act Declarations and Response

Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the [Stafford Act](#)), the President [may declare an emergency or major disaster](#) to authorize federal assistance, if the capacities of state and tribal governments are overwhelmed. As authorized by numerous sections of the Stafford Act (e.g., [§302](#)) and the Homeland Security Act of 2002 (e.g., [§504](#)), FEMA is responsible for coordinating the federal disaster response, as guided by the [National Response Framework](#) and subcomponent policies. Many [deployable federal assets](#) have been used in responding to the 2017 disasters. Other federal agencies are frequently incorporated

by, and compensated for, their federal response through [Mission Assignments](#). Congress may evaluate whether the federal response to the 2017 disasters has been effectively led by FEMA and supported by other federal agencies. Congress can use after-action reports, like those after [Hurricane Sandy](#), to inform oversight and reforms.

Federal Financial Assistance

FEMA has multiple disaster assistance programs, including:

- The Individual Assistance (IA) Program comprised of: (1) [Mass Care and Emergency Assistance](#), (2) [Crisis Counseling Assistance and Training Program](#), (3) [Disaster Unemployment Assistance](#), (4) [Disaster Legal Services](#), (5) [Disaster Case Management](#), and (6) the [Individuals and Households Program](#). IA can include some or all of these programs, depending on what is requested and approved by FEMA. Congress may evaluate the [numerous factors](#) FEMA considers when it decides whether to recommend providing IA.
- The [Public Assistance \(PA\) Grant Program](#) provides grants to tribal, state, local governments, and certain [private nonprofit organizations](#) to fund [emergency protective services](#), conduct [debris removal](#) operations, and [repair or replace](#) damaged public facilities. Congress may consider the cost-share required for PA, how it [complements](#) other federal assistance, and whether FEMA's recent [minimum standards policy](#) provides sufficient mitigation against future disasters on PA-funded replacement projects.
- Hazard Mitigation Assistance (HMA) Programs encompass three separate programs: the [Hazard Mitigation Grant Program \(HMGP\)](#); the [Pre-Disaster Mitigation](#) program; and the [Flood Mitigation Assistance](#) program. HMGP receives significantly more funding following major disaster declarations than the other two programs. Congress may consider if these HMA programs are sufficiently coordinated with other federal programs and resourced to adequately reduce future disaster risk.
- [Fire Mitigation Assistance Grants \(FMAGs\)](#) provide various forms of federal fire suppression assistance for "declared" fires that might become a major disaster. Congress may consider whether this assistance, coupled with other [federal fire assistance](#), is sufficient to address a perceived increase in wildfire risk, and whether [federal wildfire funding](#) mechanisms should be reformed.

These FEMA grant programs all have state [cost-share requirements](#). PA cost-shares can be adjusted by the Administration, but IA and HMGP cost-shares are set in law. Congress has adjusted cost-shares for specific states and disasters, such as after the [2005 Gulf Coast hurricanes](#). Recent major disaster declarations have had various cost-share adjustments for PA. Congress may consider legislation to revise these programs, such as [H.R. 4460](#), which was ordered reported from the House Transportation and Infrastructure Committee.

FEMA also administers non-grant financial assistance:

- The National Flood Insurance Program (NFIP) is the primary source of flood insurance coverage for residential properties. NFIP has [implemented temporary changes](#) to the claims process to allow policyholders to receive funds more quickly in some of the areas affected by 2017 floods. However, [past data](#) on participation rates suggest that many

properties in the [Special Flood Hazard Areas \(SFHAs\)](#) affected by the hurricanes may not have flood insurance. By law, [federal assistance](#) to owners of these uninsured properties is more restricted than to owners of properties with insurance or those living outside the SFHA.

[Key provisions](#) of the NFIP were reauthorized through December 8, 2017 ([P.L. 115-56](#), Division D, §130). OMB has requested [revisions to the NFIP](#). Reform ideas may be considered by Congress before these authorities expire.

- The [Community Disaster Loan \(CDL\) Program](#) provides loan assistance to governments to compensate for post-disaster loss of revenues. Recent appropriations [provisos](#) for CDLs afford the Administration discretion to provide CDLs, so past guidance on CDLs may not apply to future loans.

Funding

FEMA's Disaster Relief Fund (DRF) is the primary funding source for immediate FEMA response and relief in the wake of disasters. As Hurricane Harvey approached on August 25, 2017, the DRF had approximately \$3.5 billion on hand. On August 28, FEMA implemented an "immediate needs funding restriction," limiting obligations from the DRF for some longer-term recovery and mitigation projects to preserve DRF balances for response needs. [P.L. 115-56](#) provided \$7.4 billion in supplemental appropriations for the DRF, and the [continuing resolution](#) in the act provided additional resources, so the funding restriction was lifted on October 2. \$18.67 billion more was appropriated in [P.L. 115-72](#), although a \$4.9 billion transfer to the Disaster Assistance Direct Loan Program account (which funds CDLs) and a \$10 million transfer to the DHS Office of Inspector General reduced the effective appropriation to \$13.76 billion. The Administration submitted a third supplemental appropriations [request](#) on November 17, 2017, for \$44 billion, including \$23.5 billion for the DRF.

The [NFIP](#) was not designed to retain funding to cover claims for extreme events; instead, the law allows it to [borrow money from the Treasury](#) for such events. FEMA borrowed \$5.285 billion from the Treasury to meet initial claims from Hurricane Harvey, and thus reached the borrowing limit of \$30.425 billion. As [the Administration](#) requested, [P.L. 115-72](#) cancelled \$16 billion of NFIP debt, reducing it to \$14.425 billion. FEMA borrowed another \$6.1 billion on November 9, bringing the debt to \$20.525 billion. The NFIP currently has \$9.9 billion of remaining borrowing authority.