



# FEMA

STATEMENT

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BEFORE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND  
EMERGENCY MANAGEMENT  
UNITED STATES HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C.

“Recovery Update: Status of FEMA Recovery Efforts in Puerto Rico and U.S. Virgin Islands 5  
Years After Hurricanes Irma and Maria.”

Submitted  
By  
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Chair Titus, Ranking Member Webster, and Members of the Subcommittee, thank you for the opportunity to testify today about the Federal Emergency Management Agency's (FEMA) efforts in support of the recovery of Puerto Rico and the U.S. Virgin Islands from Hurricanes Irma and Maria.

In less than two weeks in September 2017, Puerto Rico and the U.S. Virgin Islands were severely impacted by two major hurricanes – Irma and Maria – that devastated the Caribbean. On September 7, 2017, Hurricane Irma first struck St. Thomas and St. John, then tracked near northeastern Puerto Rico, causing widespread power outages and straining infrastructure across the islands. Less than two weeks later, Hurricane Maria struck St. Croix, and then made landfall in Puerto Rico. The devastation was of historic proportions. As a result of these hurricanes, many lives were lost, homes were destroyed, the power grid and water systems collapsed, health care facilities were shut down, and communities were uprooted. Hurricane Maria was the strongest storm to hit St. Croix and Puerto Rico in nearly a century. There were critical immediate needs – and beyond those needs lay a difficult road to recovery. A road that we continue to travel today.

For FEMA and the Biden-Harris Administration, continued recovery efforts from these storms for Puerto Rico and the U.S. Virgin Islands remains a top priority, and the Agency's investment of resources, with the generous support of Congress, has been reflective of this commitment.

### **Historic Levels of Assistance**

For Puerto Rico, a few weeks ago, FEMA reached the milestone of 10,000 obligated Public Assistance projects, a total investment of nearly \$28 billion. Of this investment, the largest ever public infrastructure project was obligated at nearly \$9.5 billion to the Puerto Rico Electric Power Authority (PREPA), which will not just rebuild Puerto Rico's power grid, but will build it back better. FEMA funds are helping to rebuild roads, hospitals, schools, and water facilities to enable recovery and enhance resilience in communities across Puerto Rico. We have also provided \$1.5 billion in assistance to nearly half a million residents and continue to coordinate interagency recovery efforts, such as with the Department of Housing and Urban Development, which has awarded over \$20 billion in Community Development Block Grant Disaster Recovery Funds, thanks to the tremendous bipartisan support of Congress.

In the U.S. Virgin Islands, FEMA is making similarly historic investments in public infrastructure. FEMA has obligated over \$4 billion across 1,400 projects. This includes \$1.4 billion to restore the energy grid, \$993 million for housing, and \$134 million for transportation. FEMA continues to work with the Territory to reach an agreement on capped-fixed subgrants and expects infrastructure assistance to total over \$12 billion. This investment will result in significantly modernized public health and education sectors and completely rebuild – in a more resilient fashion – large portions of the power, water, and wastewater systems.

Five years after the hurricanes, 850 FEMA employees remain on the ground and dedicated to Puerto Rico and the U.S. Virgin Islands recovery missions, ninety percent of which are local hires. We actively partner with the Puerto Rico Central Office of Recovery, Reconstruction, and Resiliency (COR3), the Puerto Rico Emergency Management Bureau (PREMB), and key critical

infrastructure partners such as PREPA, and the Puerto Rico Aqueduct and Sewer Authority (PRASA), and regularly troubleshoot complex challenges to generate innovative solutions. FEMA also has an active partnership with the U.S. Virgin Islands Office of Disaster Recovery, Virgin Islands Territorial Emergency Management Agency (VITEMA), Water and Power Authority (WAPA), Housing Finance Authority (VIHFA), and Waste Management Authority (WMA).

At every step of the way, FEMA is working with these partners to ensure recovery is progressing and we are innovating to address emerging challenges. Most recently, we have worked with Puerto Rico to address supply chain constraints through an approval of almost \$600 million to purchase long-lead items that are needed to rebuild the power grid. This allows for the advance purchase of materials that take time to arrive on the island, so they are available once reconstruction work begins. Working closely with the Government of the U.S. Virgin Islands and staff from this Committee, we have re-evaluated our approach to implementing the Bipartisan Budget Act of 2018 to ensure we are resiliently rebuilding the islands' infrastructure to the latest industry standards. This has resulted in our decision to build 56 brand new medical facilities and schools. Finally, to address liquidity challenges associated with local jurisdictions undertaking large scale construction projects, we worked with Puerto Rico to implement a Working Capital Advance program for municipalities. Recently, PRASA projects were added to the program, which allows for an advance in funds to begin project execution across the island. These, and many other innovative practices, continue to define Puerto Rico's and U.S. Virgin Islands' historic mission.

As if the recovery mission were not challenging enough on its own, our FEMA staff and the residents of Puerto Rico and the U.S. Virgin Islands persevered through the January 2020 Puerto Rican earthquakes – which registered as much as 6.4 in magnitude – and the COVID-19 pandemic that surged just a couple months later. To date, FEMA has obligated over \$740 million to support earthquake recovery and almost \$300 million to support the islands' response to COVID-19. Despite these additional challenges, our dedicated FEMA recovery workforce collaborated with its partners to approve a record number of projects.

### **Building Back Better**

Notwithstanding this historic obligation of funds, much work remains to be done to rebuild the infrastructure of these islands. In Puerto Rico, the Government of Puerto Rico reports 2,260 recovery projects are currently under construction and another 945 have been completed. In the Virgin Islands, the Territory reports that 89 recovery projects are currently under construction. These projects are more than just statistics, they are the foundation of what we expect will be more resilient and better community infrastructure. One such project is the Roberto Clemente Stadium in the Puerto Rican municipality of Carolina. More than a landmark, the baseball stadium plays an important role in the municipality's economy as it impacts local merchants, business owners, and other sectors like transportation, tourism, and hospitality. The stadium also serves as a collection center during disasters and as a mass vaccination and COVID-19 testing site. Repairs to the field, replacement of seating and the electric system, among others, are about ninety percent complete with the help of over \$18.4 million in FEMA funds.

Similarly, FEMA funded the replacement of Puerto Rico's main water testing facility located in Caguas. Operated and maintained by PRASA, this project was developed under FEMA's Accelerated Awards Strategy (FAASt), where a sampling methodology was used to streamline inspections. Of the \$3.7 billion obligated to PRASA under FAASt, about \$30 million corresponds to the water testing lab, which processes and analyzes the purity of drinking water and provides adequate wastewater treatment in Puerto Rico. The new laboratory is being rebuilt using current codes and standards and is about thirty-five percent complete.

In the U.S. Virgin Islands, FEMA is focusing on supporting the Territory's vision to transform its infrastructure to better withstand future storms. Recently, FEMA approved a \$209 million replacement for the now demolished Arthur A. Richards Jr. High School. The new school will help ensure K-through-8 students can get back into classrooms at a state-of-the-art facility that is more resilient to future storms and breaks the cycle of disaster, damage, and reconstruction. More than \$463 million has been obligated to health care facilities in the Territory. FEMA has approved the replacement of four medical facilities in the U.S. Virgin Islands. St. Croix facilities include the Charles Harwood Medical Clinic and Juan F. Luis Hospital, and St. Thomas sites include Charlotte Kimelman Cancer Institute and Roy Lester Schneider Hospital.

We are not just strengthening damaged infrastructure; we are also providing historic levels of mitigation assistance in areas undamaged by the storms. We have committed over \$2.4 billion for projects and obligated over \$132 million in project costs and \$49 million in management costs in Puerto Rico through the Hazard Mitigation Grant Program since Hurricane Maria. In responding to this disaster, Puerto Rico has submitted over \$4 billion worth of projects. Building code enforcement is one of the most significant projects on the island and will help eliminate informal construction. FEMA has obligated more than \$54 million so far for this project, which will enhance Puerto Rico's recovery for generations, making the island safer and stronger. In addition, nearly \$5 million has been obligated to review and update Hazard Mitigation plans in all 78 municipalities. Puerto Rico has access to roughly \$3 billion in Hazard Mitigation Grant Program funding, the maximum authorized by the Stafford Act, and the Virgin Islands has access to roughly \$960 million in Hazard Mitigation Grant Program funding. Working closely with the Governments of Puerto Rico and the Virgin Islands, we are focused on leveraging this funding for the benefit of all residents and communities.

FEMA is not just providing historic levels of funding and building back facilities in a more resilient manner—in line with the Administration's priorities—we are ensuring equity is at the center of this recovery. We have re-designed and re-issued program guidance and trainings to make sure they are available in Spanish, ensuring our communications and programs are more accessible and responsive within affected communities. In both Puerto Rico and U.S. Virgin Islands, as indicated, ninety percent of FEMA staff involved in the recovery missions are local – they know their communities and operate with a high degree of cultural and social awareness. Consistent with the goals of FEMA's 2022-2026 Strategic Plan, we are actively working to ensure recovery projects are completed in compliance with federal laws and executive orders on civil rights & civil liberties, and environmental justice to provide services in an equitable and fair manner. For example, when recently reviewing a proposed mitigation project to address flooding, our team observed land acquisition activities within the project that could unintentionally increase flood risks for surrounding low-income communities. The team worked

with the applicant to ensure necessary steps were put in place so the project would not adversely affect homes within those nearby communities.

### **Preparedness for What May Come**

Building a stronger infrastructure than what previously existed before Hurricanes Irma and Maria is just one aspect of resilience. FEMA is also ensuring we and the Government of Puerto Rico and Territory governments are prepared to support their residents to withstand future storms. Climate change is impacting the islands, occasioning higher sea levels and more intense storms. Recognizing the challenges of moving emergency supplies to Puerto Rico and the U.S. Virgin Islands after a storm, we have prepositioned much greater inventories on the islands. For example, compared to on-island supplies in Puerto Rico in 2017, today we have twice the number of generators, nine times the water, ten times the meals, and eight times the number of tarps. Having these resources prepositioned will significantly enhance our ability to render assistance quickly when future storms impact the islands.

When the next storm hits, we will also be better able to assist previously underserved populations in Puerto Rico and the U.S. Virgin Islands. For instance, in 2017, many homeowners had difficulty proving they owned homes that had been handed down informally through the years. Under Administrator Criswell's leadership, FEMA expanded the types of ownership documentation we can accept, including documents like receipts for major repairs or improvements, court documents, public officials' letters, mobile home park letters, and even applicant self-certification for mobile homes and travel trailers as a last resort. We have also changed the way we calculate the threshold for property losses to qualify for our Direct Housing program. Our goal is to ensure equitable damage evaluations regardless of the amount of damage to the home. Changing the calculation of the threshold from a fixed dollar floor of \$17,000 to a simpler \$12 per square foot will result in families receiving assistance who would not have been considered for direct housing in the past. This change has resulted in more than 5,000 additional survivors receiving Direct Housing assistance so far.

All our efforts have to be balanced against dual imperatives: ensuring that our assistance is provided as quickly and effectively as possible, while simultaneously ensuring that we are watchful stewards of taxpayer dollars so that these resources benefit the people and communities that need them. The governments of Puerto Rico and the U.S. Virgin Islands have made great progress in their ability to manage historic levels of federal funding. For instance, Puerto Rico and the U.S. Virgin Islands have made significant improvements in lowering their improper payment rates, which currently stand at 0.079 percent and 1.13 percent respectively. This stewardship is essential to a successful financial recovery and the intended use of taxpayer dollars.

In closing, the continuing recovery of Puerto Rico and the U.S. Virgin Islands from Hurricanes Irma and Maria, paired with preparations for future disasters, are of paramount importance to FEMA, and to me personally. When I became the head of the Office of Response and Recovery, one of my very first trips was to Puerto Rico and the U.S. Virgin Islands where I observed firsthand the achievements of our team on the ground, as well as the challenges that lie ahead. Just last month, I spent a week at a very productive summit of our senior leadership staff

working on Puerto Rico recovery initiatives, along with top recovery officials from the island. We are firmly committed to delivering the quickest and most efficient recovery services to Puerto Rico and the U.S. Virgin Islands, while enhancing the islands' resilience against all future hazards.

Thank you, and I look forward to your questions.