



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

Sam Graves
Chairman

Rick Larsen
Ranking Member

Jack Ruddy, Staff Director

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September 15, 2023

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: The Current State of Disaster Readiness, Response, and Recovery*”

I. PURPOSE

The Subcommittee on Economic Development, Public Buildings, and Emergency Management of the Committee on Transportation and Infrastructure will meet on Tuesday, September 19, 2023, at 10:00 a.m. ET in 2167 of the Rayburn House Office Building to receive testimony on a hearing entitled “*FEMA: The Current State of Disaster Readiness, Response, and Recovery*.” The hearing will examine how the Federal Emergency Management Agency (FEMA) is carrying out its mission of “helping people before, during, and after disasters.”¹ At the hearing, Members will receive testimony from the Honorable Deanne Criswell, Administrator of FEMA.

II. BACKGROUND

Federal Assistance for Disasters -

FEMA is the Federal Government’s lead agency in preparing for, mitigating against, responding to, and recovering from disasters and emergencies related to all hazards – whether natural or man-made.² FEMA’s primary authority in carrying out these functions stems from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (*Stafford Act*; P.L. 100-707, as amended).³ The *Stafford Act* authorizes three types of declarations: (1) major disaster declarations; (2) emergency declarations; and (3) fire management grant (FMAG) declarations.⁴

¹ FEMA, ABOUT US, (Aug. 31, 2023), available at <https://www.fema.gov/about>.

² DEPARTMENT OF HOMELAND SECURITY, FEMA, (Feb. 3, 2023), available at <https://www.dhs.gov/employee-resources/federal-emergency-management-agency-fema>.

³ *Stafford Act*, Pub. L. No. 100-707.

⁴ *Id.*

Presidentially Declared Major Disaster -

When states or territories are overwhelmed and the “disaster is of such severity and magnitude that effective response is beyond the capabilities of the state and the affected local governments,”⁵ the Governor of the affected state may request the President declare a major disaster.⁶ FEMA’s primary *Stafford Act* programs for disaster recovery in the aftermath of a major disaster are in the Public Assistance Program and the Individual Assistance and Households Program (IHP).⁷ Following a major disaster declaration, FEMA also provides Hazard Mitigation Grant Program (HMGP) funds.⁸

The Public Assistance Program, authorized primarily by Sections 403, 406, and 428 of the *Stafford Act*, reimburses state, tribal, and territorial governments as well as certain private non-profits for repairing and rebuilding disaster damaged buildings and infrastructure.⁹ Additionally, the Public Assistance program also reimburses for costs associated with debris removal and emergency protective measures undertaken to reduce threats to public health and safety. The Public Assistance Program does not provide direct services to citizens for private property damage. The Federal cost-share for Public Assistance is 75 percent but may be increased by the President.¹⁰

The IHP is authorized primarily by Section 408 of the *Stafford Act*. The IHP includes 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. IHP is the primary FEMA program used to assist disaster survivors; it includes housing assistance and other needs assistance. Housing assistance includes money for repair, rental assistance, or “direct assistance,” such as the provision of temporary housing.¹¹ The current limits for IHP assistance is \$41,000 for housing assistance and \$41,000 for other needs assistance.¹²

Section 404 of the *Stafford Act* authorizes HMGP, which provides grants to state, tribal, and territorial governments to fund mitigation projects that: (1) are cost effective and (2) reduce the risk of future damage, hardship, and loss from natural hazards.¹³ The purpose of this grant program is to fund practical mitigation measures that effectively reduce the risk of loss of life and property from future disasters. State, tribal, and territorial governments may use their HMGP

⁵ FEMA, A GUIDE TO THE DISASTER DECLARATION PROCESS AND FEDERAL DISASTER ASSISTANCE 1, (last accessed Sept. 12, 2023), available at https://www.fema.gov/pdf/rebuild/recover/dec_proc.pdf.

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ FEMA, ASSISTANCE FOR GOVERNMENTS AND PRIVATE NON-PROFITS AFTER A DISASTER, (Feb. 23, 2023), available at <https://www.fema.gov/assistance/public>.

¹⁰ 42 U.S.C. § 5172

¹¹ FEMA, INDIVIDUALS AND HOUSEHOLDS PROGRAM, (Feb. 3, 2023), available at <https://www.fema.gov/assistance/individual/program>.

¹² 42 U.S.C. §5174

¹³ FEMA, HAZARD MITIGATION GRANT PROGRAM (HMGP), (Dec. 27, 2022), available at <https://www.fema.gov/grants/mitigation/hazard-mitigation>.

funds to assist families in reducing the risk to their homes from natural disasters. The Federal cost share for HMGP is 75 percent.¹⁴

The Disaster Recovery Reform Act of 2018 (DRRA) -

On October 5, 2018, the President signed the *Disaster Recovery Reform Act (DRRA)*; P.L. 115-254) into law.¹⁵ *DRRA* addresses the rising costs of disasters in the United States and reformed Federal disaster programs to ensure communities are better prepared for future hurricanes, flooding, earthquakes, wildfires, and other disasters. This legislation was intended to improve pre-disaster planning and mitigation, to reduce the future loss of life and the rising costs of disasters through the Building Resilient Infrastructure and Communities (BRIC) program.¹⁶ Studies have shown for every dollar spent in mitigation, between four and thirteen dollars is saved in avoided disaster recovery costs.¹⁷

DRRA also addressed other critical issues such as wildfire prevention, eligibility for disaster assistance, and agency efficiency and accountability.

III. CURRENT CHALLENGES

Disaster Relief Fund -

The Disaster Relief Fund (DRF) is a no-year appropriation against which FEMA can direct, coordinate, manage, and fund eligible response and recovery efforts associated with domestic major disasters and emergencies that overwhelm state resources pursuant to the *Stafford Act*.¹⁸ Through the DRF, FEMA can fund authorized Federal disaster support activities as well as eligible state, territorial, tribal, and local actions such as providing emergency protection and debris removal.¹⁹ The DRF also funds the repair and restoration of qualifying disaster-damaged public infrastructure, hazard mitigation initiatives, financial assistance to eligible disaster survivors, and FMAGs for qualifying large forest or grassland wildfires.²⁰

In February 2023, the Committee was first made aware of a potential DRF deficit that was projected to occur in July.²¹ Subsequently, the monthly DRF report shifted the depletion projection to August 2023 which was confirmed by the FEMA Deputy Administrator during a

¹⁴ *Id.*

¹⁵ *DRRA*, Pub. L. No. 115-254.

¹⁶ FEMA, BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES, (Dec. 1, 2022), *available at* <https://www.fema.gov/grants/mitigation/building-resilient-infrastructure-communities>.

¹⁷ NATIONAL INSTITUTE OF BUILDING SCIENCES, NATURAL HAZARD MITIGATION SAVES 2019 REPORT (December 2019), *available at* https://www.nibs.org/files/pdfs/NIBS_MMC_MitigationSaves_2019.pdf.

¹⁸ FEMA, DISASTER RELIEF FUND: MONTHLY REPORTS, (Aug. 29, 2023), *available at* <https://www.fema.gov/about/reports-and-data/disaster-relief-fund-monthly-reports>.

¹⁹ FEMA, FACT SHEET: FEMA'S PUBLIC ASSISTANCE PROCESS, (June 7, 2018), *available at* <https://www.fema.gov/press-release/20210318/fact-sheet-femas-public-assistance-process>.

²⁰ FEMA, DISASTER RELIEF FUND: MONTHLY REPORTS, (Aug. 29, 2023), *available at* <https://www.fema.gov/about/reports-and-data/disaster-relief-fund-monthly-reports>.

²¹ FEMA, FEBRUARY 2023 DISASTER RELIEF FUND REPORT, (Feb. 9, 2023), *available at* https://www.fema.gov/sites/default/files/documents/fema_disaster-relief-fund-report_022023.pdf.

Subcommittee hearing in May.²² However, during that hearing FEMA was unable to provide the Subcommittee with details on the timing of any request for supplemental appropriations.

On August 10, 2023, the President submitted a supplemental request to Congress with \$12 billion in disaster funding in addition to funding for Ukraine, border and migration, and wildland firefighter pay.²³ On August 29, 2023, the Administrator sent a letter to the Committee indicating that FEMA was implementing immediate needs funding (INF).²⁴ The implementation of INF halts DRF obligations to states, territories, and Federally recognized tribes for mitigation and long term recovery projects like the repair and replacement of disaster damaged roads, bridges, schools, and wastewater treatment plants. DRF funding is only obligated for response activities that lessens the loss of life and property and meets disaster survivor's immediate unmet needs during and following a disaster.²⁵ As of September 12, 2023, the DRF balance is \$2.9 billion.²⁶

On August 31, 2023, President Biden requested an additional \$4 billion for the DRF because of the disasters occurring across the United States, increasing the total disaster supplemental request to \$16 billion.²⁷

Maui Fires -

On August 8, 2023, Maui, Hawaii, experienced historic and devastating fires resulting in destruction in Lahaina. On August 9, 2023, the President approved a FMAG to support firefighting efforts and on August 10, 2023, a Federal major disaster declaration was issued.²⁸ The Maui fire is one of the deadliest wildfires in the United States' history.²⁹ As of September 5, 2023, 115 individuals were reported as dead, and 66 individuals were reported as missing.³⁰

²² FEMA, MAY 2023 DISASTER RELIEF FUND REPORT (May 9, 2023), *available at* https://www.fema.gov/sites/default/files/documents/fema_disaster-relief-fund-report_052023.pdf.

²³ Letter from Shalanda Young, Director, Office of Management and Budget to Kevin McCarthy, Speaker, United States House of Representatives (August 10, 2023), *available at* <https://www.whitehouse.gov/wp-content/uploads/2023/08/Final-Supplemental-Funding-Request-Letter-and-Technical-Materials.pdf>.

²⁴ Letter from Deanne Criswell, Administrator, FEMA to Sam Graves, Chairman, H. Comm. On Transp. & Infrastructure (Aug. 29, 2023) (On file with Comm.).

²⁵ FEMA, IMMEDIATE NEEDS FUNDING FACT SHEET, (Aug. 2023), *available at* https://www.fema.gov/sites/default/files/documents/fema_inf-fact-sheet.pdf.

²⁶ E-mail from Brian Fauls, Congressional Affairs Specialist, Congressional Affairs Division, FEMA (Sept. 12, 2023, 4:30 p.m. EST) (on file with Comm.).

²⁷ Josh Boak, *Biden wants an extra \$4 billion for disaster relief, bringing the total request to \$16 billion*, AP NEWS, (Sept. 1, 2023), *available at* <https://apnews.com/article/wildfire-hurricane-flooding-fema-disaster-relief-budget>.

²⁸ See E-mail from Jason Nelson, Chief, Disaster Response & Recovery, Congressional Affairs Division, FEMA (Aug. 10, 2023, 9:20 a.m. EST) (on file with Comm.); FEMA Notification of a Major Disaster Declaration for the State of Hawaii (FEMA-4724-DR-HI), (Aug. 10, 2023), *available at* <https://www.fema.gov/disaster/4724>.

²⁹ Bill Hutchison, *Maui wildfire now ranks as the fifth-deadliest in US history*, ABCNEWS, (Aug. 22, 2023), *available at* <https://abcnews.go.com/US/maui-wildfire-now-ranks-deadliest-us-history/story?id=102249625>.

³⁰ E-mail from Jessica Zanotti, Congressional Affairs Specialist, Congressional Affairs Division, FEMA (Sept. 5, 2023, 1:39 p.m. EST) (on file with Comm.); Audrey McAvoy, *The number of people missing following devastating Maui wildfires has dropped to 66, governor says*, AP News (Sept. 8, 2023), *available at* <https://apnews.com/article/hawaii-wildfires-maui-recovery-josh-green-5255b24219ba35e98ecf2d684c197717>.

FEMA is coordinating the Federal response effort with three disaster recovery centers on the island of Maui, and more than 10,500 survivors have registered for Federal assistance.³¹ To date, \$20.8 million has been approved to assist over 5,000 households under the IHP.³² The cause of the fire is currently under investigation. The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) is supporting Maui County Fire Officials and other local partners efforts to investigate the causes of the fire including possible poor electric infrastructure and management.³³ A lawsuit has been filed alleging these claims.³⁴

IV. CONCLUSION

September is National Emergency Preparedness Month and FEMA currently has active disaster declarations for floods, hurricanes, and wildfires. Given this, the hearing will focus on the Nation's current state of disaster readiness, response, and recovery under FEMA's leadership and guidance.

V. WITNESS

The Honorable Deanne Criswell
Administrator
Federal Emergency Management Agency (FEMA)
United States Department of Homeland Security

³¹ *Id.*

³² Email from Jessica Zanotti, Staff, FEMA to Staff, H. Comm. On Transp. & Infrastructure (Sept. 4, 2023) (On file with Comm.).

³³ Robert Legare, *Federal investigators deploy to Maui to assist with fire probe*, CBS NEWS, (Aug. 18, 2023), available at <https://www.cbsnews.com/news/maui-lahaina-wildfire-federal-investigators-deploy-to-assist-with-fire-probe/>.

³⁴ Andy Rose, *Who caused Maui's devastating wildfire? Lawsuit adds telecom companies and landowners to the list*, CNN (Sept. 7, 2023), available at <https://www.cnn.com/2023/09/07/business/maui-fire-lawsuit/index.html>.