

# GAO Highlights

Highlights of [GAO-19-662T](#), a testimony before the Subcommittee on Emergency Preparedness, Response, and Recovery, Committee on Homeland Security, House of Representatives

## Why GAO Did This Study

In September 2017, two major hurricanes—Irma and Maria—struck Puerto Rico and the USVI, causing billions of dollars in damage to infrastructure, housing, and the economy. FEMA—a component of the Department of Homeland Security—is the lead federal agency responsible for assisting Puerto Rico and the USVI to recover from these natural disasters. Among other responsibilities, FEMA is administering the Public Assistance program in partnership with the governments of Puerto Rico and the USVI, providing them grant funding for response and recovery activities, including debris removal efforts, life-saving emergency protective measures, and the repair, replacement, or restoration of public infrastructure.

This statement describes (1) the status of FEMA's Public Assistance grant funding in Puerto Rico and the USVI in response to the 2017 hurricanes as of April 2019, (2) the establishment of recovery offices in Puerto Rico and the USVI, and (3) challenges in implementing the Public Assistance program and actions FEMA has taken to address them. This statement is based on GAO reports issued in February, March, and June 2019, and includes preliminary observations on ongoing GAO reviews of FEMA operations. For ongoing work, GAO analyzed program documents and data on obligations and expenditures; interviewed agency officials; and visited disaster-damaged areas in Puerto Rico and the USVI, where GAO also interviewed FEMA and local officials.

GAO will continue to monitor the progress of Puerto Rico's and the USVI's recovery as part of its ongoing work.

View [GAO-19-662T](#). For more information, contact Chris Currie at (404) 679-1875 or [curriec@gao.gov](mailto:curriec@gao.gov).

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## EMERGENCY MANAGEMENT

### FEMA's Disaster Recovery Efforts in Puerto Rico and the U.S. Virgin Islands

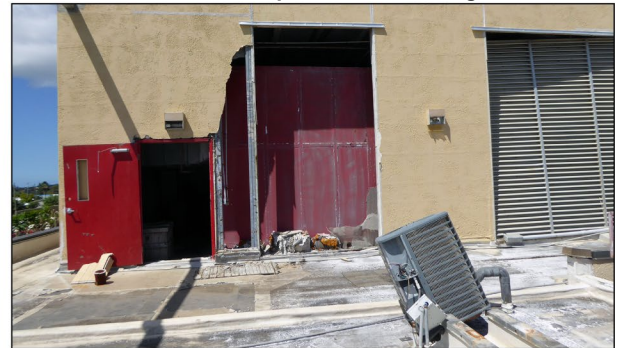
#### What GAO Found

GAO's prior and ongoing work found that the Federal Emergency Management Agency (FEMA) obligated about \$7.4 billion in Public Assistance grant funding to Puerto Rico and the U.S. Virgin Islands (USVI) as of April 2019, in response to the 2017 hurricanes. FEMA obligated about \$6.2 billion in Public Assistance grants for emergency work—debris removal activities, power restoration, and other emergency measures—and about \$965 million in Public Assistance grants for permanent work—including the repair or replacement of public infrastructure such as roads, electrical utilities, and damaged buildings. Further, FEMA is continuing to work with Puerto Rico and the USVI to develop additional permanent work projects to repair damaged public infrastructure, such as schools and hospitals (see figure).

#### 2017 Hurricane Damage to a School in Puerto Rico and a Hospital in the U.S. Virgin Islands



Interior damages to a school in Puerto Rico from water infiltration.



Damaged structure and ventilation system at a hospital in St. Croix, U.S. Virgin Islands.

Source: GAO. | [GAO-19-662T](#)

In 2017, Puerto Rico established the Central Office for Recovery, Reconstruction, and Resilience and in 2019 the USVI established the Office of Disaster Recovery to coordinate and oversee federal recovery efforts. Among other things, these recovery offices are responsible for monitoring and overseeing the Public Assistance program and developing internal controls to ensure it is implemented in accordance with applicable laws, regulations, and FEMA requirements.

GAO's prior and ongoing work highlighted challenges with the Public Assistance program including concerns about the clarity of FEMA's guidance, and the time and resources needed to transition to a new Public Assistance delivery model in Puerto Rico. Further, Puerto Rico and USVI officials reported difficulties understanding FEMA's implementation of new flexibilities authorized by law as well as delays in jointly developing cost estimates for long-term recovery projects such as the repair or replacement of hospitals, buildings, and other public infrastructure. FEMA has taken some actions to help address these issues, including developing additional guidance and specific training. However, it is too soon to determine the effectiveness of FEMA's actions. GAO will continue to evaluate the Public Assistance program in the USVI and Puerto Rico and plans to report its findings in late 2019 and early 2020, respectively.