



November 2022

# DISASTER RECOVERY

## Actions Needed to Improve the Federal Approach

# GAO Highlights

Highlights of [GAO-23-104956](#), a report to congressional committees

## Why GAO Did This Study

Each year, disasters such as floods, hurricanes, and wildfires affect hundreds of American communities. The federal government provides billions of dollars to support community recovery. According to the U.S. Global Change Research Program, extreme weather events are projected to become more frequent and intense in parts of the U.S. as a result of changes in the climate. This and an increasing reliance on federal assistance are key sources of federal fiscal exposure.

Federal law included a provision for GAO to review issues related to federal response and recovery following the 2018 disasters. This report addresses: 1) the federal approach to disaster recovery and challenges state and local officials have identified in using federal recovery assistance, and 2) actions Congress or federal agencies could take to improve the federal approach.

GAO analyzed relevant statutes, policies, and other documentation; interviewed state and local officials involved in recovery for a non-generalizable sample of nine disasters selected to capture a range of experiences; and convened 20 experts to discuss options for improving federal disaster recovery efforts.

## What GAO Recommends

Congress should consider establishing an independent commission to recommend reforms to the federal government's approach to disaster recovery. GAO is also making four new recommendations for agencies to identify and take steps to better manage fragmentation across disaster recovery programs. All three agencies concurred.

View [GAO-23-104956](#). For more information, contact Chris Currie at (404) 679-1875 or [CurrieC@gao.gov](mailto:CurrieC@gao.gov)

November 2022

# DISASTER RECOVERY

## Actions Needed to Improve the Federal Approach

### What GAO Found

The federal approach to disaster recovery is fragmented across more than 30 federal entities. This approach is the product of over 40 years of incremental efforts to address emerging issues in disaster recovery through legislative reform as well as differing agency regulations and policies.

There have been benefits to having multiple entities involved in disaster recovery, but it has also created challenges. Specifically, state and local officials GAO met with said that they experienced challenges navigating multiple federal recovery programs, including their differing requirements and time frames; multiple federal authorities; and limited data sharing. They noted that these challenges could make it harder for communities—and particularly vulnerable communities, such as lower income areas—to successfully navigate multiple federal programs. Congress and federal agencies have taken steps to address aspects of these challenges—by creating interagency agreements to increase communication and by reducing program complexity—but the challenges remain.

Based on a literature review, interviews with federal, state and local officials, and a panel of experts, GAO identified 11 options that could improve the federal approach to disaster recovery. Determining the best option is a policy choice and requires complex tradeoff decisions. Other than where GAO has made prior recommendations related to certain options, GAO does not endorse any particular option. This report identifies ways the options could be implemented and the strengths and limitations of each.

### Options to Improve the Federal Government's Approach to Disaster Recovery

1. Develop new efforts to clearly and consistently communicate about recovery programs.
2. Provide coordinated technical assistance throughout disaster recovery.
3. Develop models to more effectively coordinate across disaster recovery programs.
4. Develop a single online application portal for disaster recovery that feeds into one repository.
5. Standardize requirements of federal disaster recovery programs.
6. Simplify requirements of federal disaster recovery programs.
7. Further incentivize investments in disaster resilience as part of federal recovery programs.
8. Identify desired recovery outcomes and develop a mechanism to track these across programs.
9. Prioritize disaster recovery funding for vulnerable communities across all federal programs.
10. Consolidate federal disaster recovery programs.
11. Adjust the role of the federal government in disaster recovery.

Source: GAO analysis of relevant literature; interviews with federal, state, and local officials; and a panel of experts. | GAO-23-104956

Experts who participated in GAO's panel agreed that the federal approach to disaster recovery needs to be improved. They discussed ways to make it more efficient and effective; better incentivize disaster resilience; and more equitably distribute assistance. No single federal entity or Congressional committee oversees disaster recovery as a whole. Establishing an independent commission to recommend disaster recovery reforms—including consideration of these 11 options—could provide Congress and agencies specific actions to improve the federal approach.

Short of government-wide reform, GAO found that agencies could do more to effectively manage fragmentation across federal disaster recovery programs. Doing so could improve service delivery to disaster survivors and communities; reduce federal fiscal exposure; and improve the effectiveness of recovery efforts.

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## Abbreviations

CDBG-DR	Community Development Block Grant Disaster Recovery
CDBG-MIT	Community Development Block Grant Mitigation
DHS	Department of Homeland Security
DOT	Department of Transportation
FEMA	Federal Emergency Management Agency
FTA	Federal Transit Administration
HMGP	Hazard Mitigation Grant Program
HUD	Department of Housing and Urban Development
OJP	Office of Justice Programs

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November 15, 2022

### Congressional Committees

Each year, natural disasters such as floods, hurricanes, tornadoes, and wildfires, affect hundreds of American communities. In 2021, the United States was struck with 58 major disasters,<sup>1</sup> the 20 most costly of which caused a combined \$152.6 billion in damages, according to the National Oceanic and Atmospheric Administration.<sup>2</sup> The federal government plays an important role in helping affected communities recover. For example, it assists state, local, tribal, and territorial governments in rebuilding infrastructure and redeveloping damaged areas, work which may take years and often decades following a disaster.

The rising number of natural disasters and increasing reliance on the federal government for assistance is a key source of federal fiscal exposure. Since 2005, federal funding for disaster assistance has totaled at least \$593 billion, which consists of federal obligations for disaster assistance from 2005 through 2014 totaling about \$278 billion<sup>3</sup> and select appropriations for disaster assistance from 2015 to 2021 totaling \$315

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<sup>1</sup>The President may declare a major disaster in response to a Governor's or tribal chief executive's request if the disaster is of such severity and magnitude that effective response is beyond the capabilities of the state, tribal, or territorial government and federal assistance is necessary. 42 U.S.C. § 5170. Major disaster declarations are state specific; therefore, there may be multiple major disasters associated with one storm or event. For example, in 2021, there were seven major disaster declarations associated with Hurricane Ida in Louisiana, New Jersey, New York, Pennsylvania, Mississippi, Delaware, and Connecticut.

<sup>2</sup>National Oceanic and Atmospheric Administration National Centers for Environmental Information, "U.S. Billion-Dollar Weather and Climate Disasters" (2022), accessed August 4, 2022, <https://www.ncdc.noaa.gov/billions/>. These data are not direct costs to the federal government and are produced using a detailed methodology reflecting overall U.S. economic damages, including insured and uninsured losses to residential, commercial, and government/municipal buildings.

<sup>3</sup>See GAO, *Federal Disaster Assistance: Federal Departments and Agencies Obligated at Least \$277.6 Billion during Fiscal Years 2005 through 2014*, [GAO-16-797](#) (Washington, D.C.: Sept. 22, 2016).

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billion.<sup>4</sup> Further, according to the U.S. Global Change Research Program, certain extreme weather events are projected to become more frequent and intense in parts of the United States as a result of changes in the climate.<sup>5</sup> Accordingly, we have included “Limiting the Federal Government’s Fiscal Exposure by Better Managing Climate Change Risks” on our list of high risk federal program areas since 2013.<sup>6</sup>

Many federal agencies and programs have roles in helping communities and individuals recover. However, state and local officials who carry out disaster recovery activities, such as those funded through federal programs, have long expressed frustration with the federal approach to disaster recovery. For example, following Hurricane Sandy in 2012, state and local officials noted the complexity of navigating the many different federal agencies and programs involved, and the negative effects this had on community recovery.<sup>7</sup>

Congress has recognized the importance of improving the way our nation approaches disaster recovery and has taken some steps to this end. For example, the Disaster Recovery Reform Act of 2018 represents the most comprehensive emergency management reform since the Post-Katrina Emergency Management Reform Act of 2006. The Act included 56 provisions that required policy or regulation changes by the Federal Emergency Management Agency (FEMA), the federal agency with primary responsibility for coordinating disaster response and recovery. It simplified FEMA’s reimbursement of state and local governments for the administrative costs of implementing two of its recovery programs—Public

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<sup>4</sup>This total includes \$240 billion in select supplemental appropriations to federal agencies for disaster assistance and approximately \$75 billion in annual appropriations to the Disaster Relief Fund for fiscal years 2015 through 2021. It does not include other annual appropriations to federal agencies for disaster assistance. Of the supplemental appropriations, \$97 billion was included in supplemental appropriations acts that were enacted primarily in response to the COVID-19 pandemic.

<sup>5</sup>See U.S. Global Change Research Program, *Impacts, Risks, and Adaptation in the United States: Fourth National Climate Assessment*, vol. 2 (Washington, D.C.: 2018).

<sup>6</sup>See GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, [GAO-21-119SP](#) (Washington, D.C.: Mar. 2, 2021).

<sup>7</sup>GAO, *Hurricane Sandy: An Investment Strategy Could Help the Federal Government Enhance National Resilience for Future Disasters*, [GAO-15-515](#) (Washington, D.C.: July 30, 2015).

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Assistance and the Hazard Mitigation Grant Program (HMGP).<sup>8</sup>

According to FEMA, this supports efforts to increase state and local capacity to manage the recovery process. Additionally, federal agencies have taken some steps to reduce the complexity of applying for federal disaster recovery programs. For example, in September 2017, FEMA adopted a new delivery model for its Public Assistance program intended to address applicant challenges through a simplified and streamlined grant review process.<sup>9</sup>

The Additional Supplemental Appropriations for Disaster Relief Act, 2019, includes a provision for us to review issues related to major disasters following the 2018 disaster season.<sup>10</sup> This report examines two questions:

1. What is the federal approach to disaster recovery and what challenges have state and local officials faced in leveraging disaster recovery assistance from selected federal programs?
2. What actions could Congress or federal agencies take to provide for a more efficient and effective federal approach to disaster recovery?

To assess the federal approach to disaster recovery, we reviewed relevant statutes and regulations, such as the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act),<sup>11</sup> and interagency coordination documents, such as the *National Disaster Recovery Framework*.<sup>12</sup> We also reviewed agency documents related to five federal disaster recovery grant programs at three agencies including guidance,

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<sup>8</sup>The provision expanded the definition of management cost to include both indirect costs, which are state-level administrative costs, and direct costs, which are project-level administrative costs. This provision also established caps on the percent of reimbursable management costs—no more than 15 percent of the HMGP grant award and no more than 12 percent of the total award amounts for Public Assistance. 42 U.S.C. § 5165b.

<sup>9</sup>The new delivery model was the result of an effort by FEMA in 2015 to redesign the Public Assistance program. The effort primarily focused on specializing roles, segmenting the work, standardizing processes, and consolidating resources. In 2020, we reported that the complexity of the FEMA Public Assistance grant program makes preventing, detecting, and responding to potential fraud involving emergency work grants challenging. GAO, *Disaster Assistance: FEMA Should Take Additional Actions to Strengthen Fraud Risk Management for Public Assistance Emergency Work Grants*, [GAO-20-604](#) (Washington, D.C.: Sep. 29, 2020).

<sup>10</sup>See Pub. L. No. 116-20, 133 Stat. 871, 892-93 (2019).

<sup>11</sup>42 U.S.C. § 5121 et seq.

<sup>12</sup>Department of Homeland Security, *National Disaster Recovery Framework*, 2<sup>nd</sup> ed. (Washington, D.C.: June 2016).



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policy, and memoranda of agreement/understanding. The five selected programs were FEMA's Public Assistance and HMGP programs; the Department of Housing and Urban Development's (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT); and the Federal Transit Administration's (FTA) Public Transportation Emergency Relief Program within the Department of Transportation (DOT).<sup>13</sup> We selected these programs because they (1) account for the majority of the federal grant funding for public infrastructure projects post-disaster; (2) represent variation in how long the programs have been in existence to capture possible change over time; and (3) are programs where our prior work has identified issues arising from how federal disaster recovery programs work together.<sup>14</sup> In addition, we reviewed related Inspectors General, Congressional Research Service, FEMA National Advisory Council, and other relevant reports to identify findings related to the federal approach to disaster recovery.<sup>15</sup>

We interviewed officials at FEMA, HUD, and DOT about the design and implementation of the five selected programs and how they fit into the overall federal approach to disaster recovery. We also met with officials from the U.S. Army Corps of Engineers to discuss their role in federal disaster recovery, specifically coordination related to the five selected programs. Finally, we interviewed officials with federal coordinating bodies such as the Recovery Support Function Leadership Group and Mitigation Framework Leadership Group, to obtain their perspectives.<sup>16</sup>

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<sup>13</sup>These programs have state and local governments/transit agencies rather than individuals as recipients.

<sup>14</sup>For a list of our previous work in this area, see the Related GAO Products page at the end of this report.

<sup>15</sup>FEMA's National Advisory Council is comprised of up to 35 members appointed by the FEMA Administrator to advise on all aspects of emergency management, including preparedness, protection, response, recovery, and mitigation for natural disasters, acts of terrorism, and other intentional or accidental disasters. See 6 U.S.C. § 318.

<sup>16</sup>The Recovery Support Function Leadership Group is an intergovernmental coordinating body tasked with improving the effectiveness and unity of effort of coordinated federal recovery responsibilities, as well as to resolve operational, resource, and policy issues related to interagency recovery actions at the national level. The Mitigation Framework Leadership Group is an intergovernmental coordinating body tasked with coordinating mitigation efforts across the federal government and assessing the effectiveness of mitigation capabilities as they are developed and deployed across the nation.

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To identify the challenges applicants have faced in leveraging disaster recovery assistance from selected federal programs, we selected a non-generalizable sample of nine major disasters that occurred from calendar year 2012 through 2018, and interviewed state, local, and territorial officials about their experiences with federal disaster recovery programs.<sup>17</sup> Specifically, we conducted semi-structured interviews with officials representing five states, one territory, and 14 local governments—New Jersey and New York (2012 Hurricane Sandy), West Virginia (2016 flooding), Texas (2017 Hurricane Harvey), Puerto Rico (2017 hurricanes Irma and Maria), California (two 2018 wildfires), and North Carolina (2018 Hurricane Florence).<sup>18</sup> We also met with officials from the five FEMA regions where these disasters occurred. We selected these disasters so we could learn about a range of recent disaster recovery experiences that varied by type of disaster and region and involved multiple federal disaster recovery programs. We also selected disasters that occurred from calendar year 2012 through 2018 to capture disasters that are recent enough for the recovery experiences to be current but also old enough to be well into the recovery process. Lastly, we reviewed our prior work to identify known challenges associated with the five selected federal disaster recovery programs.

To identify what actions Congress or federal agencies could take to provide for a more efficient and effective federal approach to disaster recovery, we reviewed literature published from 2010 through 2021, including academic and policy papers, and Congressional Research Service reports as well as our past work<sup>19</sup>, that identified options for

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<sup>17</sup>We did not interview tribal officials as part of the semi-structured interviews. In this report, when discussing challenges applicants faced, we use the term “state and local officials” to refer to officials we met with from five states, one territory, and 14 local entities.

<sup>18</sup>For Hurricane Sandy, we met with New Jersey state officials and local government officials from both New York and New Jersey.

<sup>19</sup>GAO, *The Nation’s Retirement System: A Comprehensive Re-evaluation Is Needed to Better Promote Future Retirement Security*, [GAO-18-111SP](#) (Washington, D.C.: Oct. 18, 2017); GAO, *Addressing 21st Century Challenges: Reexamining the Base of the Federal Government*, [GAO-05-325SP](#) (Washington, D.C.: Feb. 2005); Congressional Research Service, *Congressional Commissions: Overview and Considerations for Congress*, R40076 (Washington, D.C.: January 14, 2022).

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improving the federal government’s approach to disaster recovery.<sup>20</sup> We also identified options from federal, state, and local officials we met with in the course of our review. We grouped the identified options into a set of 11. To identify the strengths and limitations of these options as they relate to efficiency, effectiveness, equity, and disaster resilience, we convened a panel of 20 experts.<sup>21</sup> We selected the experts to capture a range of experience in disaster recovery including state, local, tribal, and territorial practitioners; academics; representatives of advocacy groups; and former federal officials. We identified the experts through both the literature search and by soliciting recommendations from the National Academy of Public Administration, the National Academy of Science’s Resilient America program, and the FEMA National Advisory Council.

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<sup>20</sup>According to Generally Accepted Government Auditing Standards, the administration of a government program or activity is efficient when it gets the most value from available resources. Effectiveness is measuring the extent to which the federal government is achieving its goals and objectives. GAO, *Government Auditing Standards: 2018 Revision Technical Update April 2021*, [GAO-21-368G](#) (Washington, D.C. Apr. 14, 2021). The Stafford Act states that it is the intent of Congress to achieve greater coordination and responsiveness of disaster preparedness and relief programs and encourage hazard mitigation measures to reduce losses from disasters, among other things. 42 U.S.C. § 5121(b)(3), (5).

<sup>21</sup>Executive Order 13985 defines equity as “the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.” Exec. Order No. 13,985, 86 Fed. Reg. 7009 (Jan. 25, 2021). Our *Disaster Resilience Framework* defines the term disaster resilience as the ability to prepare for anticipated hazards, adapt to changing conditions, and withstand and recover rapidly from disruptions. Hazard mitigation (actions taken to lessen the impact of disasters) and climate adaptation (actions taken to address the actual and anticipated effects of climate change) are two kinds of actions that enhance disaster resilience by reducing disaster risk. GAO, *Disaster Resilience Framework: Principles for Analyzing Federal Efforts to Facilitate and Promote Resilience to Natural Disasters*, [GAO-20-100SP](#) (Washington, D.C.: Oct. 2019).

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We interviewed officials at FEMA, HUD, and DOT about any steps the agencies had taken to implement the options. We compared their actions to those outlined in:

- Executive Order 14058, *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government*,<sup>22</sup> and
- FEMA, HUD, and DOT’s strategic plans for 2022-2026.<sup>23</sup>

See appendix I for additional information on our objectives, scope, and methodology.

We conducted this performance audit from February 2021 to November 2022 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

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### Disaster Recovery and the Federal Role

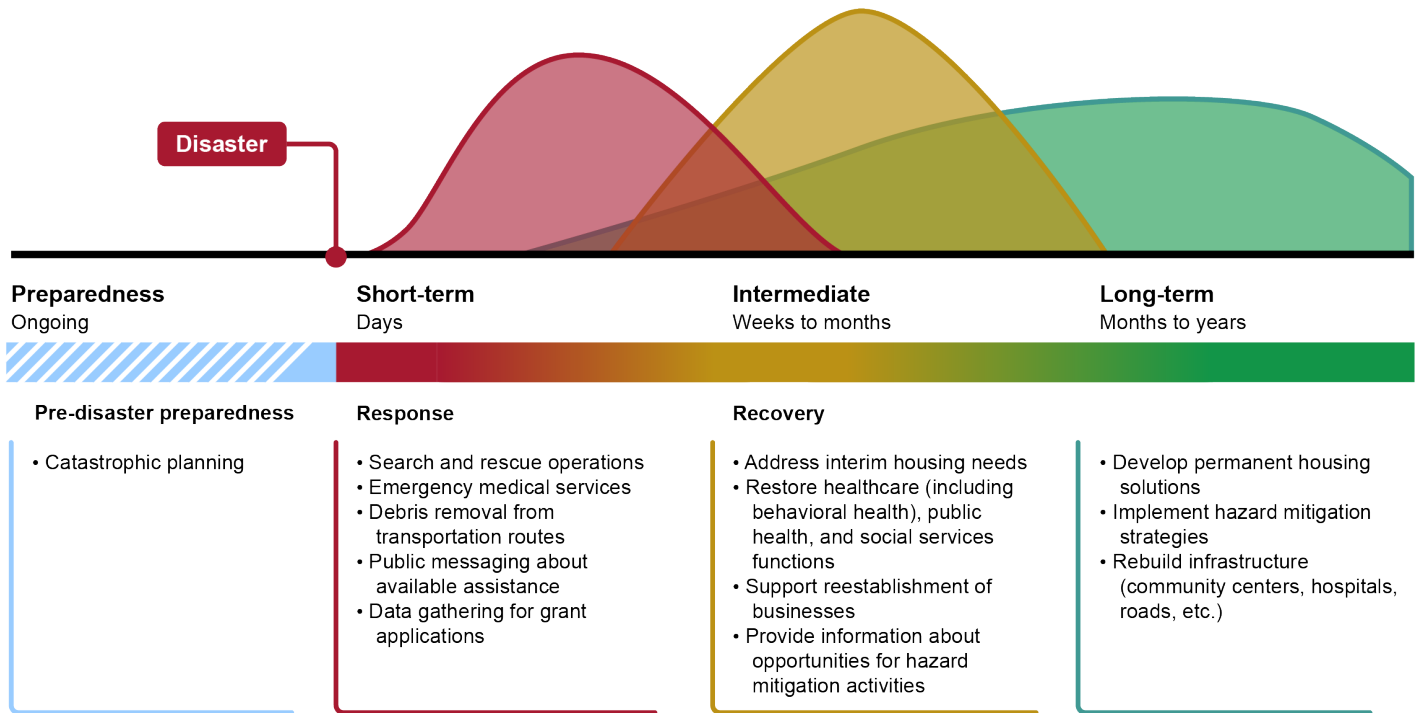
Disaster response activities focus on short- and medium-term priorities like saving lives, protecting property and the environment, and providing for basic human needs after a disaster. Disaster recovery activities, on the other hand, encompass a range of short- and long-term efforts that contribute to rebuilding resilient communities equipped with the physical, social, cultural, economic, and natural infrastructure required to meet future needs. As shown in figure 1, disaster response activities are often completed in a matter of days or weeks following a disaster. Disaster recovery, on the other hand, typically accounts for the majority of the activity following a disaster and occurs over a much longer time frame. According to FEMA, as of July 2022, the agency had 494 open disasters dating back to 2004, meaning these disasters are still receiving some level of federal support.

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<sup>22</sup>Exec. Order No. 14,058, *Transforming Federal Customer Experience and Service Delivery To Rebuild Trust in Government*, 86 Fed. Reg. 71,357 (Dec. 16, 2021).

<sup>23</sup>FEMA, *2022-2026 FEMA Strategic Plan: Building the FEMA our Nation Needs and Deserves*, (Washington, D.C.: December 2021); HUD, *Fiscal Year 2022-2026 Strategic Plan*, (Washington, D.C.: March 2022); and DOT, *Strategic Plan FY2022-2026*, (Washington, D.C.: March 2022).

**Figure 1: Time Frames and Activities in Disaster Preparedness, Response, and Recovery**



Source: GAO analysis of Department of Homeland Security policy. | GAO-23-104956

The Stafford Act establishes the process for states, territories, and tribes to request a presidential major disaster or emergency declaration, which, if approved, triggers a variety of federal response and recovery programs for government and nongovernmental entities, households, and individuals.<sup>24</sup> State and local officials are responsible for disaster response and recovery activities, but when the damage is of such severity that it is beyond the combined capabilities of state and local governments, the president may declare a disaster. Such a declaration is the key mechanism by which the federal government becomes involved in funding and coordinating response and recovery activities. The Department of Homeland Security (DHS) is the federal department with primary responsibility for coordinating disaster response and recovery. Within DHS, FEMA has lead responsibility. Other federal agencies involved in disaster recovery activities include, but are not limited to, HUD, DOT, the Small Business Administration, and the U.S. Army Corps

<sup>24</sup>42 U.S.C. §§ 5170, 5191.

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of Engineers. For example, the Small Business Administration's role in disaster recovery is to provide disaster loans to rebuild or replace uninsured or underinsured property damaged in a declared disaster area.<sup>25</sup>

Over time, federal law created various disaster recovery programs with different stated purposes. For example, the Moving Ahead for Progress in the 21st Century Act of 2012 created the FTA's Public Transportation Emergency Relief Program. The program provides grants for the repair or replacement of public transportation equipment or facilities that are in danger of suffering serious damage, or have suffered serious damage, as a result of an emergency, as well as eligible operating costs, in an area directly affected by an emergency.<sup>26</sup> The program first received appropriations after Hurricane Sandy, which caused significant damage to public transit systems in multiple states.<sup>27</sup> Figure 2 demonstrates the establishment of and key changes to selected disaster recovery programs.

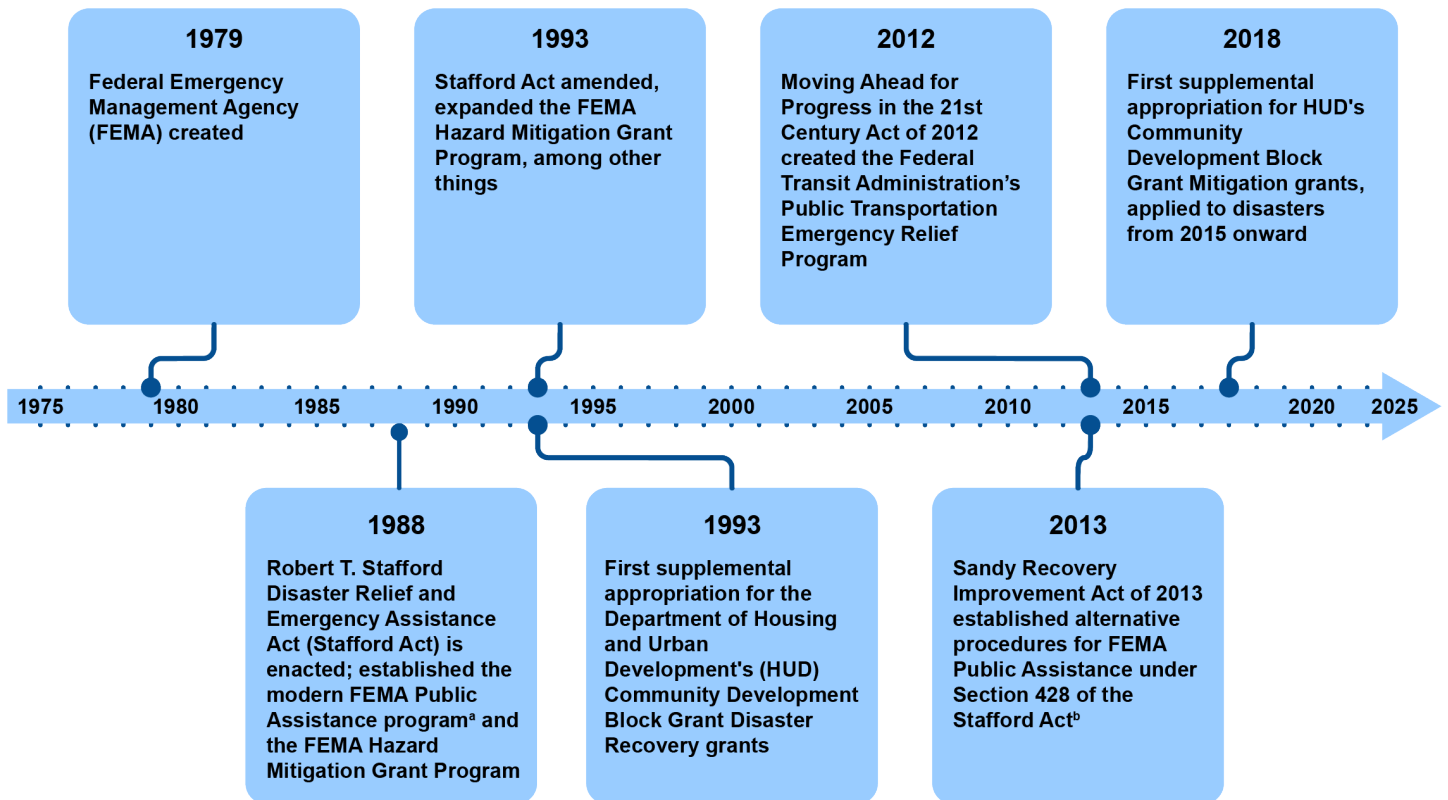
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<sup>25</sup>The Small Business Administration's loans are available to homeowners, renters, businesses of all sizes, and private nonprofit organizations. FEMA requires that certain survivors, based on income level and family size, apply for and be denied or receive only a partial Small Business Administration disaster loan before receiving certain types of Other Needs Assistance under its Individuals and Households Program. 44 CFR § 206.119(a). In September 2020, we found that FEMA did not fully or consistently explain this requirement and we made two recommendations to FEMA to address this issue, including a recommendation to work with the Small Business Administration to identify options to simplify and streamline the disaster assistance application process for survivors. The agency concurred and as of July 2022 has plans to address the recommendations. See GAO, *Disaster Assistance: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program*, [GAO-20-503](#) (Washington, D.C., Sep. 30, 2020).

<sup>26</sup>Pub. L. No. 112-141, § 20017, 126 Stat. 405, 703 (codified as amended at 49 U.S.C. § 5324). The program can provide assistance when the Governor of a state has declared an emergency and the Secretary of Transportation has concurred or when the President has declared a major disaster under the Stafford Act.

<sup>27</sup>See Pub. L. No. 113-2, 127 Stat. 4, 14.

**Figure 2: Timeline of the Establishment of Selected Federal Disaster Recovery Programs**



Source: GAO analysis of legislation. | GAO-23-104956

<sup>a</sup>The Disaster Relief Act of 1970 established a precursor to what is now called the Public Assistance program. Pub. L. No. 91-606, 84 Stat. 1744.

<sup>b</sup>The alternative procedures are intended to incentivize the timely and cost-effective completion of work. When using the alternative procedures, also referred to as Section 428 procedures, FEMA awards permanent work project funds based on fixed-cost estimates, making the recipient responsible for any costs that exceed the estimate. However, if actual costs are less than the estimate, the recipient may use all or part of excess funds for other eligible purposes. Pub. L. No. 113-2, div. B, § 1102(2), 127 Stat. 4, 39, amending Pub. L. No. 93-288, tit. IV, § 428 (codified as amended at 42 U.S.C. § 5189f).

## FEMA Recovery Programs

FEMA operates disaster recovery programs for individual disaster survivors through its Individual Assistance program, as well as programs for state, territorial, tribal, and local governments and certain nonprofit organizations affected by disasters, such as its Public Assistance and

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HMGP programs.<sup>28</sup> According to FEMA, for all major disasters occurring from calendar years 2012 through 2018, FEMA obligated about 86 percent (\$70.9 billion) of its recovery funding, as of July 2022, for programs targeted to state and local governments, and nonprofit organizations.<sup>29</sup> FEMA obligated about 14 percent (\$11.7 billion) for programs targeted to individuals, as of July 2022.

- **Public Assistance:** Public Assistance is the largest disaster recovery grant program established under the Stafford Act and funded through FEMA's Disaster Relief Fund.<sup>30</sup> Public Assistance is available to eligible applicants in areas with a major disaster for which such assistance is approved.<sup>31</sup> There is no pre-determined limit to the amount of Public Assistance that a community can receive. This program reimburses state, local, tribal, and territorial governments and certain types of nonprofit organizations for the cost of disaster-related debris removal, emergency protective measures to protect life and property, and permanent repair work to damaged or destroyed infrastructure. Permanent repair work includes infrastructure projects such as restoration and repair of roads, bridges, water control facilities, buildings, equipment, utilities, and parks and recreational facilities. Recipients may also apply for and receive funding for

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<sup>28</sup>FEMA's Individual Assistance is comprised of multiple programs and types of assistance to disaster survivors, such as housing assistance, crisis counseling, unemployment assistance, and disaster legal services. The majority of expenditures from Individual Assistance is for the Individuals and Households Program. The program provides financial assistance and direct services for housing and other types of assistance, including for the repair or replacement of personal property and vehicles, and for moving and storage, medical, dental, child care, and funeral expenses. The program is for individuals and households who have uninsured or underinsured necessary expenses and serious needs due to a disaster.

<sup>29</sup>These data exclude disaster declarations in response to the COVID-19 pandemic and administrative costs.

<sup>30</sup>FEMA's Disaster Relief Fund is the primary source of federal disaster assistance for state and local governments when a disaster is declared. The Disaster Relief Fund is appropriated no-year funding, which allows FEMA to fund, direct, coordinate, and manage response and recovery efforts—including certain efforts by other federal agencies and state and local governments, among others—associated with domestic disasters and emergencies. No-year funding refers to appropriations that remain available for obligation for an indefinite period of time.

<sup>31</sup>Public Assistance is also made available in response to emergency declarations, which are any occasion or instance for which, in the determination of the President, federal assistance is needed to supplement state and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the United States. 42 U.S.C. § 5122(1).



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implementing hazard mitigation measures in conjunction with permanent work projects.<sup>32</sup>

In the majority of cases, Public Assistance recipients must pay a share of the costs—known as the nonfederal cost share. The nonfederal cost share for Public Assistance is generally 25 percent, but in some cases it has been reduced to 10 percent or waived altogether.<sup>33</sup> According to FEMA, for disasters occurring from calendar years 2012 through 2018, the agency obligated over \$69 billion in Public Assistance grants, as of April 2022.

- **Hazard Mitigation Grant Program:** Also established by the Stafford Act, HMGP is designed to support cost-effective hazard mitigation measures that substantially reduce the risk of, or increase resilience to, future damage, hardship, loss, or suffering in any area affected by a major disaster.<sup>34</sup> It funds a wide range of hazard mitigation projects, generally executed by tribal or local governments. Examples of hazard mitigation projects include acquiring existing properties and limiting future development in flood-prone areas, adding shutters to windows to protect from heavy winds, and rebuilding culverts in drainage ditches. Like Public Assistance, HMGP is funded out of the Disaster Relief Fund. It is awarded to states, territories, or tribes with a major disaster declaration, which can then apply it to any eligible hazard mitigation activity within their jurisdictional boundaries. HMGP generally has a nonfederal cost share of 25 percent.<sup>35</sup> According to FEMA, for disasters occurring from calendar years 2012 through 2018, FEMA obligated over \$4 billion in HMGP grants, as of April 2022.

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## HUD Recovery Programs

HUD's Community Development Block Grant was established in 1974 with the stated goal of developing viable urban communities by providing decent housing and expanding economic opportunities, principally for

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<sup>32</sup>FEMA may provide Public Assistance for cost-effective hazard mitigation measures for facilities damaged by a disaster. To be eligible for Public Assistance funding, the mitigation measures must directly reduce the potential of future damage to the damaged portion(s) of the facility.

<sup>33</sup>See, e.g., 44 C.F.R. § 206.47.

<sup>34</sup>See 42 U.S.C. § 5170c.

<sup>35</sup>44 C.F.R. § 206.432(c).

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low- and moderate-income persons.<sup>36</sup> Some traditional CDBG funds can be used to respond to or recover from emergencies, but following Hurricane Andrew in 1992, Congress began passing supplemental appropriations for CDBG after disasters. These supplemental appropriations became CDBG-DR, and more recently, HUD received appropriations specifically for mitigation after disasters, which became CDBG-MIT. After supplemental appropriations are made, HUD issues a notice in the *Federal Register* announcing allocations across eligible entities, and grantees develop action plans, which HUD is to approve before awarding the grants.<sup>37</sup>

- **Community Development Block Grant Disaster Recovery:** CDBG-DR provides grants to help affected communities with unmet needs after a disaster, especially in low- and moderate-income areas.<sup>38</sup> Grant recipients may use their CDBG-DR grants to address a wide range of unmet recovery needs related to housing, infrastructure, and economic revitalization.<sup>39</sup> Eligible activities that grantees have undertaken with CDBG-DR grants include relocation of displaced residents, acquisition of damaged properties, rehabilitation of damaged homes, rehabilitation of public facilities such as neighborhood centers and roads, and certain hazard mitigation

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<sup>36</sup>42 U.S.C. § 5301.

<sup>37</sup>Generally, CDBG-DR and CDBG-MIT grants may be awarded to state, local, tribal, and territorial governments.

<sup>38</sup>The Housing and Community Development Act of 1974 created the CDBG program. See 42 U.S.C. § 5301. When disasters occur, Congress often provides supplemental appropriations to HUD for CDBG-DR. Our prior work noted the program's lack of permanent authorization and identified challenges grantees face in meeting customized grant requirements for each disaster, such as funding lags, varying requirements, and coordination with multiple programs. In March 2019, we recommended that Congress consider legislation establishing permanent statutory authority for a disaster assistance program administered by HUD or another agency that responds to unmet needs in a timely manner and directing the applicable agency to issue implementing regulations. See GAO, *Disaster Recovery: Better Monitoring of Block Grant Funds Is Needed*, [GAO-19-232](#) (Washington, D.C.: Mar. 25, 2019). We have also reported that the new program requirements or procedures for each disaster could result in negative financial impacts, including the increased risk of improper payments in CDBG-DR. GAO, *Disaster Recovery: HUD Should Take Additional Action to Assess Community Development Block Grant Fraud Risks*, [GAO-21-177](#) (Washington, D.C.: May 5, 2021).

<sup>39</sup>HUD considers several factors when making CDBG-DR allocations to communities including: the overall damage inflicted on the community—to both homes and businesses—and contributions from insurance, FEMA grants, and Small Business Administration loans. This information helps HUD estimate unmet needs or losses not met with insurance or other forms of assistance.

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activities. Grantees may use the block grants to satisfy the nonfederal cost share requirements for the Stafford Act programs administered by FEMA, when used to carry out an eligible CDBG-DR activity. According to HUD, between 2013 and 2018, the agency has awarded nearly \$41 billion in CDBG-DR grants, as of April 2022.<sup>40</sup>

- **Community Development Block Grant Mitigation:** In February 2018, the Further Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2018, appropriated \$12 billion in CDBG funds specifically for mitigation activities for qualifying disasters in 2015, 2016, and 2017, establishing CDBG-MIT.<sup>41</sup> According to HUD, CDBG-MIT grants are an opportunity for eligible grantees to carry out strategic and high-impact activities to mitigate disaster risks and reduce future losses in areas impacted by recent disasters. These mitigation projects aim to reduce the risk of community services that benefit human health and safety or economic security being severely affected by natural disasters.<sup>42</sup> According to HUD, CDBG-MIT activities should align with other federal programs that address hazard mitigation and one of the goals of the program is to maximize the impact of funds by encouraging coordination with other federal dollars and private public partnerships. According to HUD, since the first CDBG-MIT appropriation in 2018, the agency has awarded over \$16 billion, as of April 2022.

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## DOT Public Transportation Recovery Program

**FTA's Public Transportation Emergency Relief Program:** This program, established in 2012 and administered by FTA, received its first appropriation in 2013, following Hurricane Sandy.<sup>43</sup> The program is a reimbursable grant program and allows FTA to make grants to transit

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<sup>40</sup>This includes grants awarded under five supplemental appropriations, including appropriations in 2013, 2015, 2016, 2017, and 2018, for events such as hurricanes Sandy, Harvey, Irma, and Maria.

<sup>41</sup>Pub. L. No. 115-123, 132 Stat. 63, 103-06.

<sup>42</sup>For the purposes of CDBG-MIT grants, mitigation activities are defined as activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.

<sup>43</sup>Pub. L. No. 112-141, § 20017, 126 Stat. 405, 703 (codified as amended at 49 U.S.C. § 5324); Pub. L. No. 113-2, 127 Stat. 4, 14. DOT's Federal Highway Administration also administers a recovery program called the Emergency Relief Program. The program funds the repair or reconstruction of state and local roads and bridges eligible for federal funds or roads on Federal land which have been damaged or destroyed as a result of natural disasters.

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operators, states, and local governments for emergency operations, emergency protective measures, emergency repairs, permanent repairs, and disaster resilience projects, among other things.<sup>44</sup> A grant awarded under this program covers up to 80 percent of the total project cost, although the DOT Secretary may waive, in whole or in part, the nonfederal cost share requirement.<sup>45</sup> Since 2012, DOT has awarded approximately \$10 billion in FTA emergency relief grants, as of August 2022.<sup>46</sup>

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## Federal Approach to Disaster Recovery Is Fragmented and Contributes to Various Challenges

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### Federal Approach to Disaster Recovery Involves Over 30 Federal Entities

Disaster recovery is fragmented across more than 30 federal agencies and departments, resulting in various sources of federal support for disaster recovery. Our *Fragmentation, Overlap, and Duplication Evaluation and Management Guide* states that fragmentation occurs when more than one agency or organization within an agency is involved in the same broad area of national interest and opportunities exist to improve customer service.<sup>47</sup> There have been benefits to having multiple entities involved in disaster recovery. For example, agencies bring their various expertise to recovery projects, such as FTA having key insights into how to successfully rebuild public transportation systems. In addition, different programs can have different focuses, such as HUD mainly serving low and moderate income populations. However, there have also

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<sup>44</sup>Following the disaster, affected recipients develop damage assessments to provide information on, among other things, the specific location, type of facility or equipment, nature and extent of damage, and a preliminary cost estimate to restore, replace, or reconstruct the damaged system. 49 C.F.R. § 602.17. FTA uses the damage assessments to determine how to allocate funding among the affected FTA grantees, who can then apply for funding. 49 C.F.R. § 602.5.

<sup>45</sup>49 C.F.R. § 602.9.

<sup>46</sup>As of October 2022, FTA has not received supplemental appropriations for emergency relief grants since 2018.

<sup>47</sup>GAO, *Fragmentation, Overlap, and Duplication: An Evaluation and Management Guide*, [GAO-15-49SP](#) (Washington, D.C.: April, 14, 2015).

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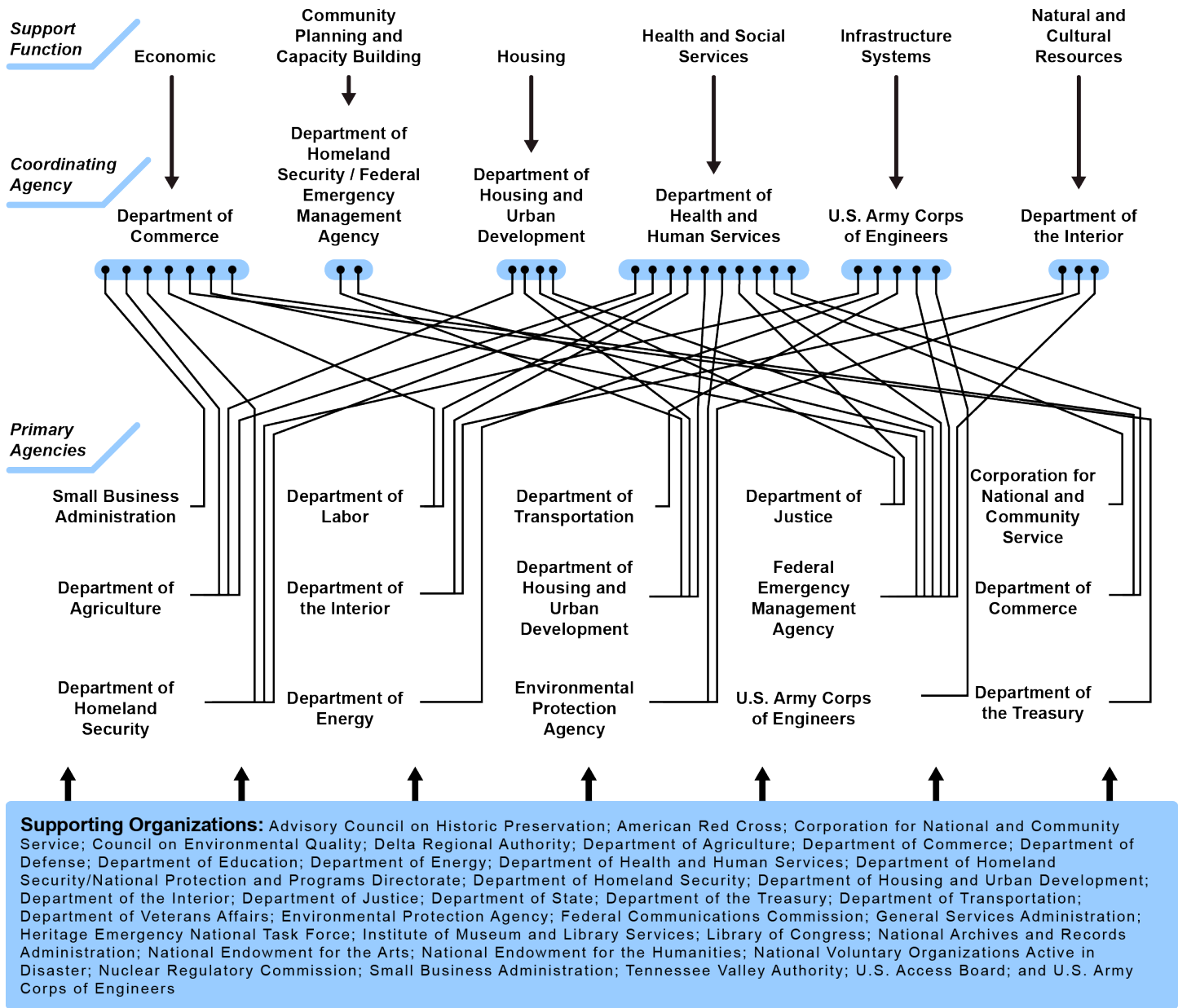
been negative effects of this fragmentation. Some of the resulting challenges are discussed later in this report.

FEMA's *National Disaster Recovery Framework* provides an overarching coordinating structure and guiding principles for federal disaster recovery.<sup>48</sup> The framework's stated purpose is to leverage and concentrate the effects of existing federal resources, programs, projects, and activities to promote effective recovery for affected areas pre- and post-disaster. The framework identifies six recovery support functions: community planning and capacity building; health and social services; economic recovery; natural and cultural resources; housing; and infrastructure systems. The *National Disaster Recovery Framework* establishes that each recovery support function has a designated coordinating agency as well as primary agencies and supporting organizations with programs relevant to the functional area. (See fig. 3.)

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<sup>48</sup>FEMA published the first *National Disaster Recovery Framework* in 2011 and the current version in 2016. Department of Homeland Security. *National Disaster Recovery Framework*, 2<sup>nd</sup> ed. (Washington, D.C.: June 2016). In April 2022, FEMA began working with federal partners to update it. This included holding listening sessions with federal, state, local, tribal, and territory partners, among others. FEMA plans to issue the 3<sup>rd</sup> Edition by late summer 2023.

**Figure 3: Recovery Support Functions and the Various Federal Entities Involved in Disaster Recovery**



Source: National Disaster Recovery Framework. | GAO-23-104956

Note: According to the *National Disaster Recovery Framework*, each recovery support function has a designated coordinating agency along with primary agencies and supporting organizations with programs relevant to the functional area. Coordinating Agencies provide significant engagement and management for the support function. Primary agencies are designated on the basis of their

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authorities, resources, and capabilities as well as supporting organizations which may bring relevant subject matter expertise and technical assistance as needed.

Coordinating agencies designate a senior-level official to serve as the National Coordinator for a specific recovery support function. These coordinators are to encourage ongoing communication and coordination between the primary agencies and supporting organizations within that recovery support function. The *National Disaster Recovery Framework* designates primary agencies on the basis of their authorities, resources, and capabilities. For example, the U.S. Army Corps of Engineers serves as the coordinating agency for the Infrastructure Systems recovery support function, and FEMA, DOT, and other primary agencies, such as the Department of Energy, provide support and relevant expertise. Together, the recovery support function agencies help facilitate restoration of essential services and planning for infrastructure redevelopment, among other things.

The *National Disaster Recovery Framework* states that coordination is particularly important because many recovery issues and challenges involve multiple recovery support functions. As such, the framework also established the basis for a federal interagency group—the Recovery Support Function Leadership Group—to identify and facilitate resolution of operational and policy issues related to the framework. The group is comprised of the relevant federal departments and agencies and FEMA serves as the chair.

Depending on the community and individual survivor needs, the federal programs and recovery support function agencies involved in the federal approach to a particular disaster may vary. The nine disasters included in our review involved varying combinations of federal disaster recovery programs. For example, the 2018 wildfires in California resulted in assistance from three of the five programs we looked at whereas hurricanes Harvey, Irma, and Maria resulted in assistance from all five of the programs. See table 1.

**Table 1: Selected Disaster Recovery Programs Providing Assistance in Response to Selected Disasters**

Disaster and State(s) or Territory	Federal Emergency Management Agency		Department of Housing and Urban Development		Department of Transportation
	Public Assistance	Hazard Mitigation Grant Program	Community Development Block Grant Disaster Recovery	Community Development Block Grant Mitigation	Federal Transit Administration's Emergency Relief Program
2012 Hurricane Sandy, New York and New Jersey	X	X	X	NA <sup>a</sup>	X
2016 Flooding, West Virginia	X	X	X	X	—
2017 Hurricane Harvey, Texas	X	X	X	X	X
2017 Hurricanes Irma and Maria, Puerto Rico	X	X	X	X	X
2018 Hurricane Florence, North Carolina	X	X	X	—	X
2018 Wildfires, California <sup>b</sup>	X	X	X	—	—

Source: GAO analysis of agency data. | GAO-23-104956

<sup>a</sup>Community Development Block Grant Mitigation did not exist at the time of Hurricane Sandy in 2012. Congress first appropriated funding for the program in February 2018 for disasters occurring in 2015 and later.

<sup>b</sup>The 2018 California wildfires include two FEMA major disaster declarations DR-4382 and DR-4407.

**State and Local Officials Have Reported Experiencing Long-Standing Challenges Managing Multiple Federal Disaster Recovery Programs**

State and local officials involved in recovery for all selected disasters noted the importance of the support provided by the federal government after disasters, but told us they experienced a range of challenges obtaining that support. Specifically, they reported challenges with navigating multiple disaster recovery programs, including the different requirements across the FEMA, HUD, and FTA grant programs; the differing time frames across programs; multiple federal authorities; and limited data sharing. They also noted that these challenges could create or exacerbate state and local capacity challenges.

**Differing Program Requirements**

Officials we met with from all six states and eight of the 14 local governments said that they had difficulty both during the application process and after award because many application and eligibility



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requirements differed across the selected programs.<sup>49</sup> For example, FEMA’s Public Assistance program is limited to areas with a major disaster or emergency declaration while HUD’s CDBG-DR and CDBG-MIT can be further limited to areas within a major disaster or emergency declaration that are considered to be most impacted and distressed. Alternatively, FEMA HMGP grants can be used anywhere in a state with a declared major disaster. Some of these varying requirements are established in agency policies, procedures, and regulations and others are established in federal statute. See Table 2.

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<sup>49</sup>When discussing challenges applicants faced, we use the term “state and local officials” to refer to officials we met with from five states, one territory, and 14 local entities.

**Table 2: Program Requirements for Selected Disaster Recovery Programs**

Agency	Program	Eligible Grantees	Eligible Activities	Selected Grant Requirements
Federal Emergency Management Agency (FEMA)	Public Assistance	State, tribal, territorial, and local governments and some nonprofits	Emergency work, such as debris removal, and permanent work, such as the restoration of roads, buildings, utilities, and parks, among others	Hazard mitigation plan, benefit-cost analysis for mitigation measures, damage assessment, environmental and historic preservation review
FEMA	Hazard Mitigation Grant Program	State, tribal, territorial, and local governments and some nonprofits	Mitigation measures, including property acquisition and demolition, building elevation, flood risk reduction, safe rooms, wildfire mitigation, structure retrofitting, among others	Hazard mitigation plan, benefit-cost analysis, environmental and historic preservation review
Department of Housing and Urban Development (HUD)	Community Development Block Grant Disaster Recovery	State, tribal, territorial, and local governments	Measures to address needs not met by other disaster recovery programs after a disaster, which can include projects related to housing, infrastructure, and economic revitalization. Assistance is primarily intended to serve low- and moderate-income areas.	Approved action plan including the unmet needs assessment, environmental and historic preservation reviews, and other requirements included in relevant <i>Federal Register</i> notices
HUD	Community Development Block Grant Mitigation	State, tribal, territorial, and local governments	Mitigation measures, including those that increase resilience to disasters, and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship. Assistance is primarily intended to serve low- and moderate-income areas.	Approved action plan including the mitigation needs assessment, benefit-cost analysis, and environmental and historic preservation reviews, as well as other requirements included in relevant <i>Federal Register</i> notices
Federal Transit Administration (FTA)	Public Transportation Emergency Relief Program	State, tribal, territorial, and local governments and transit authorities	Emergency operations, emergency protective measures, emergency repairs, permanent repairs, and disaster resilience projects, among other things	Damage assessment report

Source: GAO analysis of FEMA, HUD, FTA policy, procedures, and regulations, as well as federal statutes. | GAO-23-104956

Officials told us that meeting all of the different requirements to qualify for and appropriately manage grants from multiple agencies in response to a single disaster is not just difficult, but it requires resources, including time and staff capacity, and may result in duplicative effort. Some grant requirements, such as environmental and historic preservation reviews and benefit-cost analyses, are similar across the disaster recovery grant programs. However, state and local officials told us that distinctions in the

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specific requirements across agencies have necessitated that they repeat the same or similar steps when they apply for multiple federal programs rather than reusing or submitting the same material. For example, officials told us that HUD will accept environmental and historic preservation reviews that comply with FEMA's requirements, but FEMA will not accept environmental and historic preservation reviews approved through HUD. In addition to federal requirements, states and localities may have their own environmental and historic preservation or equivalent review requirements.

Officials we met with from three states and three local governments noted that the different requirements for the environmental and historic preservation reviews result in duplication of effort for the grantees, delays in the application process, and may disincentivize hazard mitigation activities because they add another layer of complexity. This is consistent with our July 2015 report on Hurricane Sandy recovery where state and city officials we met with said that the time and resources required for environmental and historic preservation reviews could dissuade applicants from pursuing hazard mitigation projects due, for example, to the potential delays in completing projects.<sup>50</sup>

Following Hurricane Sandy in 2012, the Sandy Recovery Improvement Act of 2013 directed the President to establish an expedited and unified interagency review process to ensure compliance with environmental and historical requirements relating to disaster recovery projects.<sup>51</sup> In 2014, 11 federal agencies—including FEMA, HUD, and DOT—signed a memorandum of understanding to create the Unified Federal Review process. According to the memorandum, which defines roles and responsibilities, the goal is to expedite and unify the process for completing environmental and historic preservation reviews and reduce duplication of effort for program applicants.

However, the memorandum does not establish a single review process in cases where multiple agencies fund a single project; circumvent or supersede existing requirements; or eliminate requirements for consultations among agencies or between agencies and applicants.

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<sup>50</sup>GAO-15-515. Officials from 10 of the 13 states and cities we interviewed cited challenges due to inefficiencies in the implementation of environmental and historic preservation reviews.

<sup>51</sup>42 U.S.C. § 5189g.

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Differing Time Frames across Programs

According to FEMA, between July 2019 and December 2020, the Unified Federal Review process expedited a certain type of environmental and historic preservation review for 117 disaster recovery projects, allowing them to be approved in days, instead of weeks.<sup>52</sup> However, according to FEMA, from a national perspective, the costs and time associated with environmental and historic preservation reviews have not changed dramatically since inception of the Unified Federal Review. FEMA said this was due to the need for a more formalized approach across interagency partners and discrepancies in the types of environmental documentation utilized across the government, among other things.

Officials we met with from all six states and eight of 14 local governments said that they experienced challenges because disaster recovery assistance funding and application time frames varied across selected programs. FEMA's Public Assistance and HMGP programs are funded through the Disaster Relief Fund. As such, the availability of funding for these programs is more predictable. HUD's and FTA's disaster grant programs have historically been funded through supplemental appropriations, which require presidential and Congressional action before any HUD or FTA action. State and local officials noted that the different sources of funding and time frames associated with these programs created uncertainty about whether and when they would receive HUD and FTA disaster recovery grants. They explained that this uncertainty made it difficult for them to plan their recovery efforts in a way that would optimize their resources.

We analyzed the appropriations and Federal Register notices for our nine selected disasters and found that supplemental appropriations for the HUD and FTA programs were enacted between 2 weeks and 10 months after the major disaster declarations.<sup>53</sup> It took between 1 and 19 additional months for the agencies to allocate these funds in a *Federal Register*

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<sup>52</sup>The projects utilized Programmatic Environmental Assessments, instead of full Environmental Assessments.

<sup>53</sup>HUD received appropriations for CDBG-MIT in February 2018, after six of our selected disasters occurred. As such, our analysis only includes CDBG-MIT *Federal Register* notices for the selected disasters occurring after that date—Hurricane Florence in North Carolina and the two California wildfire disaster declarations. For CDBG-DR we included all nine of our selected disasters and for FTA's Emergency Relief Program, we included the five disasters from our selection that received grants from FTA.

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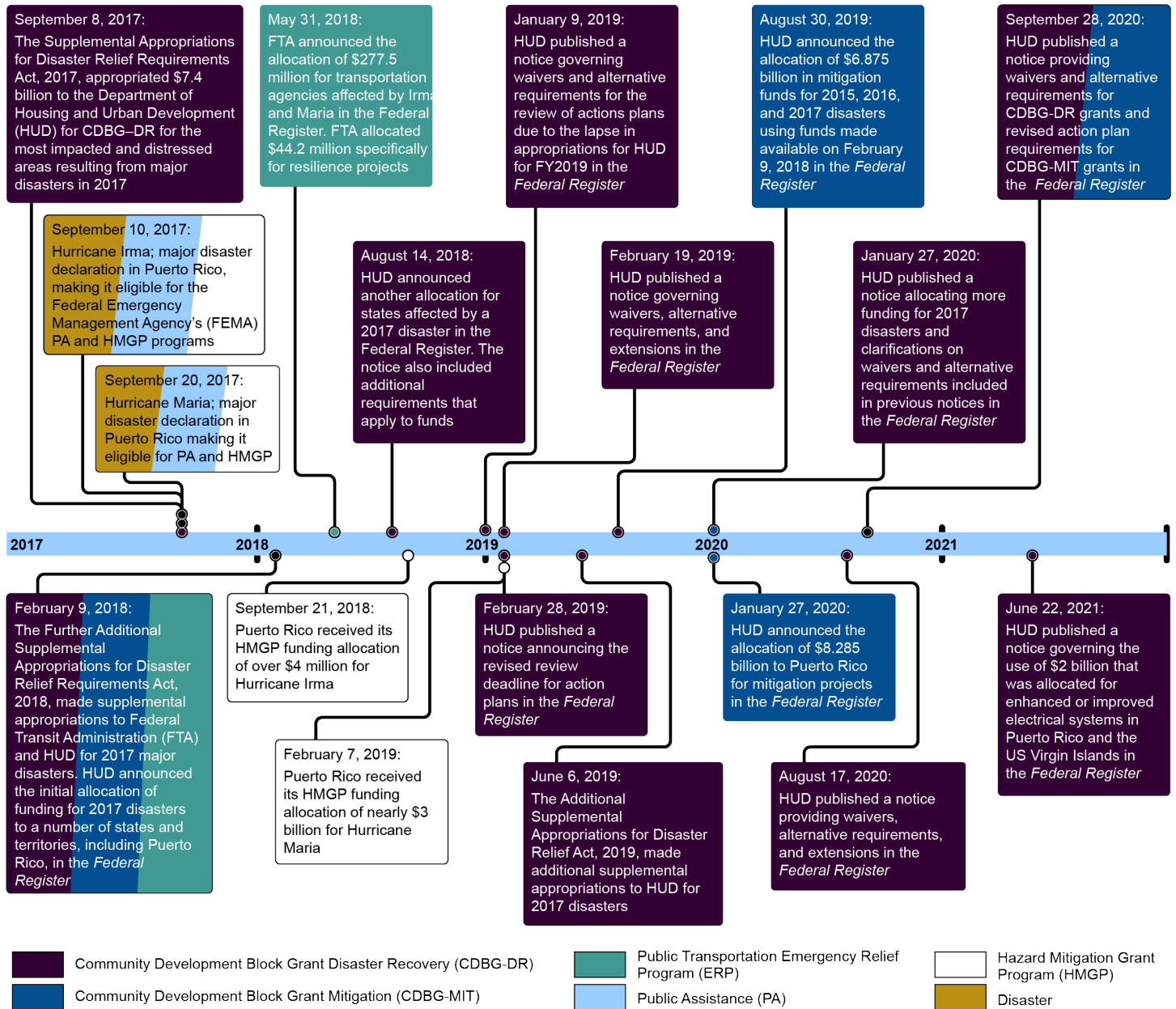
notice.<sup>54</sup> For example, following the wildfires in California in late summer 2018, it took two months for a CDBG-DR supplemental appropriation to be enacted and another 16 months for HUD to allocate the funding to jurisdictions in the state. Meanwhile, Public Assistance projects in response to the California wildfires needed to be completed within 18 months of the disaster declaration—at the same point CDBG-DR funds were being allocated to the grantees.<sup>55</sup> These differing time frames may be helpful in ensuring at least some funding is made available more quickly, but they also make it difficult for communities to plan what projects they will be able to fund and when. Officials in Puerto Rico faced similar challenges following hurricanes in 2017, as figure 4 illustrates.

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<sup>54</sup>In March 2019, we reported that, in addition to the time between the disaster and appropriation, HUD needs to issue *Federal Register* notices outlining the requirements for each disaster. This took 5 months following the first appropriation for the 2017 disasters. We also reported that it took an additional 6 months or more for grantees to execute grant agreements with HUD. [GAO-19-232](#).

<sup>55</sup>44 C.F.R. § 206.204(c)(1). FEMA defines work completion as the completion of all work associated with the approved statement of work including meeting all compliance requirements.

**Figure 4: Key Dates in Disaster Assistance Programs for the 2017 Major Hurricanes in Puerto Rico**



Source: GAO analysis of legislation and regulation. | GAO-23-104956

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State and local officials as well as FEMA regional officials we met with also noted that the differing time frames among recovery programs within FEMA made it difficult to plan and implement projects, including those that incorporate hazard mitigation under HMGP or through Public Assistance mitigation. For example, the deadline for submitting HMGP applications is 12 months from the disaster declaration date, while the deadline for completing Public Assistance mitigation projects is 6 months later, 18 months from declaration date.<sup>56</sup> These differing time frames, established in federal regulations, make it challenging for communities to strategically plan for the use of Public Assistance and HMGP funding, reducing their ability to most effectively use these resources. FEMA is working to address some of these challenges in response to our February 2021 recommendation that FEMA take steps to reduce the complexity of its Public Assistance, HMGP and other hazard mitigation grant programs.<sup>57</sup>

## Multiple Federal Authorities

Officials we met with from four of the six states and five of the 14 local governments described instances of competing authorities across federal agencies, which created uncertainty about which agency had primary jurisdiction and resulted in delays. They noted that more than one federal agency may have the authority to provide funding for a project, and without clear protocols or policies, it can be difficult to know which agency's requirements to follow and could result in delays and missed opportunities for funding. For example, officials in Lumberton, North Carolina described uncertainty following Hurricane Florence about whether FEMA or the U.S. Army Corps of Engineers would be responsible for canal debris cleanup. These officials said that the time involved in determining the appropriate authority, including back and forth communication with federal agencies, delayed the cleanup and recovery process, including causing a 6-month delay in providing reimbursement to the city.

In another example, depending on the status of Congressional appropriations, either FEMA or FTA may be responsible for certain

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<sup>56</sup>See 44 C.F.R. §§ 206.204(c)(1), .436(d). FEMA may grant applicants extensions to these deadlines.

<sup>57</sup>FEMA agreed with this recommendation and said it would take steps to implement it. As of July 2022, FEMA officials stated they had several ongoing efforts to address this, including drafting strategic plans and roadmaps meant to reduce complexity of its grant programs. GAO, *Disaster Resilience: FEMA Should Take Additional Steps to Streamline Hazard Mitigation Grants and Assess Program Effects*, [GAO-21-140](#) (Washington, D.C.: Feb. 2, 2021).

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recovery costs after disasters affect a public transportation system. Specifically, if FTA receives an appropriation for its emergency response and recovery efforts, it has primary responsibility for reimbursing emergency response and recovery costs if a disaster affects a public transportation system. If FTA does not receive an appropriation, FEMA has primary responsibility. As such, if a community has applied for FEMA funding for a public transportation project and FTA subsequently receives an appropriation, the applicant must end their FEMA application and restart the application process with FTA, which may delay repairing public transportation systems.

In May 2014, we identified the issue of multiple federal authorities for transportation projects as a challenge, and recommended that FTA and FEMA establish specific guidelines to monitor, evaluate, and report the results of collaborative efforts for future disasters, including their communications program and protocol. In response, in 2016 FEMA and FTA established a communication protocol under their memorandum of agreement to create a communication structure and a joint tracking system to coordinate funding for public transportation recovery projects and prevent duplication of benefits.<sup>58</sup> The agencies continue to use these protocols to improve communication and tracking, which has helped the agencies better ensure they did not inadvertently fund the same transportation projects. However, this change did not resolve the issue of duplicated effort and project delays for applicants.<sup>59</sup>

## Limited Data Sharing

Officials we met with from four of the six states and five of the 14 local governments told us that limited data sharing among federal agencies and between federal, state, and local governments hinders their ability to implement programs, including assessing and preventing duplication of

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<sup>58</sup>GAO, *Emergency Transportation Relief: Agencies Could Improve Collaboration Begun during Hurricane Sandy Response*, [GAO-14-512](#) (Washington, D.C., May 28, 2014) and GAO, *Emergency Transportation Relief: Federal Transit Administration and FEMA Took Actions to Coordinate, but Steps Are Needed to Address Risk of Duplicate Funding*, [GAO-20-85](#) (Washington, D.C., Nov. 13, 2019).

<sup>59</sup>In November 2019, we found that though the two agencies shared information and coordinated efforts, both agencies had approved duplicative funding in the amount of about \$35,000 to an applicant. We determined that both agencies faced challenges identifying transit expenses submitted to both FEMA and FTA, particularly if the transit agency was not the direct recipient of FEMA funds. We recommended that the agencies develop controls to address the risk of duplicate funding. In response, the agencies implemented this recommendation by creating a new mechanism to flag transit-related expenses. [GAO-20-85](#).



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benefits. In general, the Stafford Act prohibits duplication of benefits, which means that a recipient cannot receive both federal disaster assistance and assistance from other programs or insurance for the same loss.<sup>60</sup> State and local officials told us that they do not have access to federal data that would help them prevent such instances.

Federal agencies have taken some steps to address data sharing issues among federal agencies, but these efforts remain limited. For example, in our November 2019 report on FTA's Public Transportation Emergency Relief Program, we found that difficulty sharing grant recipient information between FTA and FEMA was due in large part to the lag in supplemental appropriations for FTA grants and the need to transition FEMA grants for transit recovery projects to the FTA program.<sup>61</sup> We recommended that FEMA and FTA develop controls, such as methods to more easily identify transit expenses within applications submitted by larger entities—cities, counties, or state governments—to address the risk of duplicate funding. In March 2020, FTA and FEMA implemented an updated approach to share grant information related to transit projects by creating the capacity to flag grants within FEMA's database so the agency could share those projects with FTA. This step enhances the ability of the agencies to share data and prevent duplicative funding.

Additionally, FEMA and HUD created a data matching agreement that will allow HUD grantees to access FEMA Individual Assistance data. This will allow the grantees—once they have separate agreements with HUD—to complete the duplication of benefits checks for individuals and will inform unmet needs assessments, among other things. These efforts may help address some of the challenges at the state and local level; however, state and local officials noted that data sharing limitations persist and

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<sup>60</sup>Specifically, the Stafford Act provides that the federal government must assure that no person, business, or other entity suffering losses as a result of a disaster receives assistance with respect to any part of such loss for which they received financial assistance under any other program or from insurance. 42 U.S.C. § 5155. A federal agency may provide assistance to a person entitled to benefits for the same purposes from another source if the person has not yet received those benefits and if the person agrees to repay all duplicative assistance to the federal agency. 42 U.S.C. § 5155(b)(1). The Disaster Recovery Reform Act of 2018 provided that the President may waive the general prohibition on duplication of benefits if the President finds such a waiver is in the public interest and will not result in waste, fraud, or abuse. Pub. L. No. 115-254, div. D, § 1210(a)(1), 132 Stat. 3186, 3442-43 (codified at 42 U.S.C. § 5155(b)(4)).

<sup>61</sup>[GAO-20-85](#).

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## Limited State and Local Capacity

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continue to hinder their ability to assess and prevent duplication of benefits.

Officials we met with from all six states and 12 of the 14 local governments identified capacity challenges that were exacerbated, in part, by the other challenges related to fragmentation across federal disaster recovery programs. The capacity challenges mentioned included a lack of awareness of the full range of federal programs, limited staff to manage multiple and varying disaster recovery grants, and insufficient financial capacity to pay for the nonfederal cost share or to cover up-front costs necessary for reimbursable grants, such as those administered by FEMA and FTA. Officials stated that different requirements and time frames and multiple authorities across federal programs increased the resources and technical expertise they needed to successfully obtain federal disaster recovery assistance from multiple programs. Further, officials noted that vulnerable communities—those having a higher degree of demographic or socioeconomic vulnerability, rendering them more likely to be adversely affected by disaster—were often particularly affected by these capacity challenges.<sup>62</sup> This is consistent with our prior work, which has identified the lack of local staffing capacity as a challenge to carrying out disaster resilience-related activities following Hurricane Sandy.<sup>63</sup>

One way that federal agencies have tried to address financial capacity challenges is through the development of cost share matching programs. For example, FEMA Public Assistance and HMGP grantees can use the Flexible Match and Global Match programs, respectively, to meet the nonfederal cost share. Specifically, Flexible Match allows Public Assistance applicants to use CDBG-DR grants in a strategic way to streamline and minimize administrative costs. Similarly, the Global Match program provides increased flexibility for applicants to meet the cost share requirements, including from CDBG-DR and CDBG-MIT grants.

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<sup>62</sup>The Centers for Disease Control and Prevention defines at-risk groups, or socially vulnerable communities, as a group within the overall population having a higher degree of demographic or socioeconomic vulnerability, rendering them more likely to be adversely affected by disaster. According to the Intergovernmental Panel on Climate Change, vulnerability may also be used to describe areas or communities located in areas at greater risk of climate related disaster events, such as wildfires, flooding, storm surge, or sea level rise. In this report, when we use the term vulnerable communities, we are referring to social vulnerabilities, such as those living in low-income neighborhoods, communities of color, people with disabilities, older adults, those with language barriers, and those living in rural and isolated areas.

<sup>63</sup>[GAO-15-515](#).

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State and local officials noted that these efforts have helped but the capacity issues persist.

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## Options for Improving the Federal Approach to Disaster Recovery Require Congressional and Agency Action

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### Options to Improve the Federal Approach to Disaster Recovery Have Strengths and Limitations

Based on our review of relevant literature; interviews with federal, state and local officials; and our panel of experts, we identified 11 options to improve the federal government's approach to disaster recovery.<sup>64</sup> Certain options could be acted on within one or more agencies' existing authorities, while others may require Congressional action to implement. Other than where we have made prior recommendations related to certain options, we do not endorse any particular option. Rather, this report identifies ways each option could be implemented and the strengths and limitations of each. Determining the best option or mix of options to improve the federal approach to disaster recovery is a policy choice and requires complex tradeoffs. Appendix II provides additional information on each of the 11 options. Table 3 briefly describes the options, which we discuss in more detail below.

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<sup>64</sup>Our panel of experts included 20 experts with diverse backgrounds related to disaster recovery. They participated in discussions of each option and identified their strengths and limitations as they relate to improving the federal government's approach to disaster recovery. We attribute statements from experts collected as part of our panel discussions to the "panel of experts" or "experts." This includes statements made by individual experts.

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**Table 3: Options to Improve the Federal Government’s Approach to Disaster Recovery**

1. Develop new coordinated efforts to clearly and consistently communicate about recovery programs.
2. Provide coordinated technical assistance throughout disaster recovery.
3. Develop models to more effectively coordinate across disaster recovery programs.
4. Develop a single online application portal for disaster recovery that feeds into one repository.
5. Standardize requirements of federal disaster recovery programs.
6. Simplify requirements of federal disaster recovery programs.
7. Further incentivize investments in disaster resilience as part of federally-funded recovery programs.
8. Identify desired recovery outcomes and develop a mechanism to track these across programs.
9. Prioritize disaster recovery funding for vulnerable communities across all federal programs.
10. Consolidate federal disaster recovery programs.
11. Adjust the role of the federal government in disaster recovery.

Source: GAO analysis of relevant literature; interviews with federal, state, and local officials; and our panel of experts. | GAO-23-104956

**Option 1: Develop New Coordinated Efforts to Communicate About Recovery Programs**

This option would develop new, coordinated efforts to clearly and consistently communicate information about the full range of federal disaster recovery programs with disaster survivors and state and local governments. This could include developing a fact sheet or newsletter that lists eligibility requirements and relevant statutes and regulations for all federal disaster recovery programs, or holding workshops that cover the range of federal programs. According to our panel of experts, any efforts to implement this option should provide comprehensive, accurate and consistent information about each agency’s programs including how they interact with other agencies’ programs. Experts also noted that many federal agencies have struggled to ensure their existing resources reach vulnerable communities, including rural communities with limited internet

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access, and this would likely continue to be a challenge in any new coordinated efforts to disseminate information.<sup>65</sup>

- **Strengths.** Experts noted that this option is feasible and could leverage existing sources of information, such as program fact sheets and webinars. Implementing this option could also build on ongoing efforts to make it easier to locate and access disaster assistance information. For example, DisasterAssistance.gov is a website that provides information about 17 federal agencies' disaster assistance programs for individuals.<sup>66</sup> Additionally, experts also identified the FEMA-developed tool, MAX-TRAX, which is a collaborative, online platform, as a helpful resource that could be leveraged if implementing this option.<sup>67</sup>
- **Limitations.** Experts said this option could help applicants better navigate disaster recovery programs, but it would not reduce the complexity of disaster recovery programs. They noted that different federal agencies and offices within agencies may interpret program requirements differently, which would complicate efforts to successfully implement this option. Experts also stated that such an

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<sup>65</sup>Executive Order 13,985 entitled "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government," defines underserved communities as populations sharing a particular characteristic, as well as geographic communities that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life. According to the order, individuals who belong to underserved communities include Black, Latino, Indigenous, and Native American persons, Asian Americans and Pacific Islanders, and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality. Exec. Order No. 13,985, 86 Fed. Reg. 7009 (Jan. 25, 2021).

<sup>66</sup>FEMA developed [DisasterAssistance.gov](https://www.disasterassistance.gov) in December 2008 to allow individuals to find disaster assistance that meets personal needs, apply for and check the status of disaster assistance, among other things. Experts noted that DisasterAssistance.gov has improved over time but is difficult to navigate. Further, the site is for individual disaster survivors and does not provide information to state and local government recipients of disaster assistance. In 2022, according to the [Performance.gov website](https://www.performance.gov), the Office of Management and Budget is evaluating whether to expand DisasterAssistance.gov for small businesses. In addition, as part of efforts to implement Executive Order 14058 on *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government*, the Office of Management and Budget is taking steps to identify the most critical federal communication artifacts for disaster survivors, developing a catalog of information, and identifying best practices for improving the accessibility of resources. Exec. Order No. 14,058, 86 Fed. Reg. 71,357 (Dec. 16, 2021).

<sup>67</sup>FEMA's MAX-TRAX is a collaborative online platform to manage disaster recovery missions across partners from states, local, tribal, and territorial governments and other federal agencies.

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## Option 2: Provide Coordinated Technical Assistance throughout Disaster Recovery

### Alternative Models of Technical Assistance

Our expert panel discussed the importance of technical assistance and encouraged consideration of new delivery models, such as peer-to-peer and third-party-provided technical assistance. Experts discussed the value of connecting people who have mastered the best-in-class way of handling a problem with the jurisdictions currently experiencing the same problem.

The panel noted that one example of this type of technical assistance is provided by the Department of Justice's Office of Justice Programs (OJP). According to the office, OJP offers grantees a range of technical assistance on topics of interest to criminal and juvenile justice professionals as well as victim service providers. For example, within OJP, the National Training and Technical Assistance Center facilitates peer-to-peer information exchanges and site visits. The Center also matches state, local, and tribal criminal justice agencies requesting technical assistance on a broad set of topics with individuals and organizations selected and funded by OJP to provide tailored technical assistance.

Source: Department of Justice OJP documentation and expert statements. | GAO-23-104956

effort would require significant time and resources to continuously update given the number and complexity of the programs involved and varying program availability based on disaster supplemental appropriations.

This option would provide coordinated technical assistance to disaster survivors and state, local, tribal, and territorial governments throughout disaster recovery. For example, federal agencies could partner to train caseworkers to be knowledgeable about all available federal disaster recovery programs. Experts also indicated that federal agencies should be attentive to equity issues if implementing this option. Experts discussed some historic challenges with federal officials lacking cultural competence and understanding of regional issues when providing technical assistance after disasters.<sup>68</sup> In light of these challenges, experts stated that efforts to implement this option should consider a regional approach to training caseworkers.

- **Strengths.** Experts said this option could improve the disaster survivor experience and help them to navigate multiple disaster recovery programs by explaining the eligibility requirements and their interdependencies. Experts noted that having cross-trained technical assistants could help applicants by providing consistency throughout the recovery process and across multiple federal agencies.
- **Limitations.** Experts said this option would not reduce the complexity of federal disaster recovery programs, and noted several challenges to implementing this option. First, the details of the technical assistance provided would to some extent need to be tailored for each specific disaster. Second, it would require training caseworkers to the point of expertise on the many disaster recovery programs. Experts also said it was unclear which federal agency would make most sense to lead implementation of this option and what additional authorities and resources would be needed to develop the cadre of caseworkers empowered to speak about multiple federal agencies' programs.

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<sup>68</sup>According to the U.S. Department of Health and Human Services, cultural competence includes the ability of individuals and systems to respond respectfully and effectively to people of all cultures, classes, races, ethnic backgrounds, sexual orientations, and faiths or religions in a manner that recognizes, affirms, and values the worth of individuals, families, tribes, and communities, and protects and preserves the dignity of each.

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### Option 3: Develop Models to More Effectively Coordinate Across Disaster Recovery Programs

#### Sandy Regional Infrastructure Resilience Coordination Model

Shortly after Hurricane Sandy in 2012, the President established the Hurricane Sandy Rebuilding Task Force to facilitate regional collaboration. The task force developed a rebuilding strategy with recommendations that directed all federal agencies to work together to rebuild stronger and smarter by focusing on disaster resilience outcomes, rather than restoring infrastructure to pre-disaster conditions. In support of implementing this strategy, the Sandy Recovery Office established the Sandy Regional Infrastructure Resilience Coordination Group to facilitate regional disaster resilience across federal infrastructure investments.

The Federal Emergency Management Agency (FEMA) and the Department of Housing and Urban Development co-led the group. It was comprised of 32 federal, state, and local government representatives, including grant managers, project managers, and other relevant subject matter experts to work through cross-agency regulatory and policy conflicts early in the process to prevent delays. For example, the group brought together technical coordination teams of subject matter experts from various federal agencies to work on specific projects and then identify and resolve potential permitting issues before formal environmental reviews.

Source: FEMA, Hurricane Sandy Recovery Case Study; Leicht, Holly M., *Rebuild the Plane Now: Recommendations for Improving Government's Approach to Disaster Recovery and Preparedness*. | GAO-23-104956

This option would involve developing flexible or scalable models to more effectively coordinate across all federal disaster recovery programs for large-scale or multi-jurisdictional disaster recovery efforts. For example, one model could be based on the Sandy Regional Infrastructure Resilience Coordination group formed after Hurricane Sandy. This group had representation from multiple federal agencies as well as state and local governments and coordinated major infrastructure repair efforts spanning multiple areas of jurisdiction.<sup>69</sup> The group provided oversight and used an infrastructure project database to ensure federal agencies incorporated key principles of disaster resilience into their formulation, evaluation, and prioritization of infrastructure investments related to rebuilding.

Experts mentioned other potential models such as the National Incident Management System for disaster response that could be adapted for this purpose. The National Incident Management System is a standardized approach to guide emergency responders at all levels of government and the private sector to coordinate efforts to respond to incidents and save lives and property that states must agree to adopt to receive preparedness funding from FEMA. Experts emphasized that models developed in implementing this option should be flexible to meet different disaster recovery needs across the country.

- **Strengths.** Experts said implementing this option could improve coordination by putting additional emphasis on pre-planning for disaster recovery. For example, experts noted that implementing this option could incorporate disaster recovery exercises, similar to those done for disaster response. Experts also noted that a database of infrastructure projects, such as that developed by the Sandy Regional Infrastructure Resilience Coordination Group, could subsequently be used by other recovery efforts looking to design similar projects with funding from multiple federal agencies and programs.

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<sup>69</sup>In 2014, the Sandy Regional Infrastructure Resilience Coordination Group was established to bring together the local offices of all relevant federal agencies with state and local applicants to learn about each other's mission, priorities, and regulations, and identify potential conflicts that could hinder effective disaster recovery after Hurricane Sandy, according to FEMA. The group coordinated long-term recovery, examined gaps in disaster resilience, and determined the funding and resources available from various federal agencies. The group also formed teams consisting of staff from FEMA, HUD, the Environmental Protection Agency, and the U.S. Army Corps of Engineers to discuss issues in combining streams of federal funding and identify other potential implementation challenges.

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Option 4: Develop a Single Application for Disaster Recovery Assistance That Feeds Into One Repository

- **Limitations.** Experts said that since federal agencies' disaster recovery program policies and procedures are generally not flexible or designed to work together, this option alone may not be able to reduce the challenges of working with multiple federal programs. Further, experts said implementing this option would require buy-in from state and local governments, which could be challenging to obtain because, for example, state and local governments may prefer to design their own recoveries. Furthermore, experts noted that federal agencies may not want to participate in more in-depth coordination for smaller disasters. For these reasons, experts said that it could be helpful to create incentives for officials to participate, such as funding and resources.

This option would involve developing a single online portal for federal disaster recovery program applications that feeds into one data repository. This portal could help applicants, including state and local governments and individual disaster survivors, identify which federal programs fit their specific recovery needs based on their eligibility. According to literature we reviewed, this option could leverage existing federal sources of data to help inform program eligibility, such as tax data from the Internal Revenue Service.<sup>70</sup> It could also reduce the need for applicants to input duplicative application information for multiple federal programs.<sup>71</sup> Experts said that to successfully implement this option, federal agencies would need to ensure that the portal reflects cultural competence and is accessible for non-English speakers. According to FEMA officials, as of July 2022, FEMA, HUD, and the Small Business

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<sup>70</sup>Martín, Carlos, Brandi Gilbert, Dan Teles, and Brett Theodos. *Housing Recovery and CDBG-DR: A Review of the Timing and Factors Associated with Housing Activities in HUD's Community Development Block Grant for Disaster Recovery Program* (Washington, D.C.: April 2019): 72. Liu, Amy, *Federal Post-Disaster Recovery: A Review of Federal Programs Summary of Key Observations and Recommendations from a Stakeholder Roundtable*, (Washington, D.C.: May 2010): 6.

<sup>71</sup>Leicht, Holly M., *Rebuild the Plane Now: Recommendations for Improving Government's Approach to Disaster Recovery and Preparedness* (New York: July 2017): 6-7. Liu, *Federal Post-Disaster Recovery*, 6.



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Administration have started negotiations to develop a common application for some of their disaster recovery programs for individuals.<sup>72</sup>

- **Strengths.** Experts said implementing this option could improve the applicant experience by streamlining the application process for disaster survivors and state and local applicants. Experts also said this option could help address state and local government capacity limitations by reducing the amount of work needed to complete multiple applications for different disaster recovery programs. Further, they noted that establishing a data repository could make it easier to assess the efficiency and effectiveness of disaster recovery programs. Experts also said implementing this option could encourage federal agencies to streamline their requirements and align time frames, which could better manage fragmentation across federal programs.
- **Limitations.** Experts expressed concern about the feasibility of this option. There would be costs associated with the development of the system, as well as additional costs and challenges to integrate a new system with existing systems across multiple federal agencies. Experts further noted that establishing a single application and repository would likely require one federal agency to be the lead for establishing policies and procedures, updating and maintaining the system, and ensuring data quality, among other things. Experts said this option would also require that agencies address cross-agency privacy and data sharing concerns. Experts also emphasized that this would not necessarily reduce the complexity of the federal disaster recovery programs.

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<sup>72</sup>This effort includes FEMA's Individual Assistance, HUD's CDBG-DR, and the Small Business Administration's disaster loan program. According to FEMA officials, FEMA is partnering with HUD, the Small Business Administration, and other interagency partners through working groups facilitated by the Office of Management and Budget to identify solutions to overcome data sharing and privacy challenges to implement a consolidated application for disaster recovery programs. As of July 2022, the working group completed a 90-day effort focused on producing actionable recommendations for implementing both programmatic and technical solutions to improve the disaster survivor experience and reduce the need to navigate across agencies for disaster assistance.

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## Option 5: Standardize Requirements of Federal Disaster Recovery Programs

### Considerations for a Permanent Disaster Block Grant Program

We have previously reported that the lack of permanent statutory authority for the Department of Housing and Urban Development's (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) grants contributes to multiple recovery challenges, including delays in disbursement of funds and the need for grantees to manage multiple grants with different rules. In March 2019, we found that establishing a permanent statutory authority for a program that meets verified unmet disaster assistance needs, such as CDBG-DR, would provide a consistent framework for administering such funds going forward. We recommended that Congress consider legislation establishing permanent statutory authority for such a program, administered by HUD or another agency.

In May 2021, we identified factors Congress could consider when weighing whether and how to permanently authorize a program for unmet disaster assistance needs:

1. clarify how the program would fit into the broader federal disaster framework;
2. clarify the purpose and design the program to address it; and
3. consider the necessary capacity and support infrastructure to implement the program.

Source: GAO. | GAO-23-104956

This option would standardize some requirements across the various federal disaster recovery programs. Implementing this option could include identifying common interpretations of the same legal requirements or identifying one federal agency to review projects for compliance with common requirements, such as environmental and historic preservation review requirements.<sup>73</sup> This option could include developing consistent cost-share requirements across federal disaster recovery programs or standardizing benefit-cost analyses, for example through more pre-calculated benefits.<sup>74</sup> Experts noted that in doing so it would be important for agencies to consider the potential impact on vulnerable communities. Experts noted that implementing this option may require statutory changes, for example, if implementation includes codifying CDBG-DR in a way that would align with other recovery programs.

- **Strengths.** Experts stated that this option could be beneficial to efficiency and equity. For example, codifying CDBG-DR would reduce delays and allow states to better plan their recovery and optimize use of their resources. Experts also noted that standardizing the requirements and using common language could expedite the application review process and help facilitate a single shared application for disaster assistance. Experts stated that standardizing the definitions around socially vulnerable communities and including factors beyond income, such as race, could help address equity.
- **Limitations.** Experts stated that efforts to prioritize the requirements of one federal program over others could have the unintended effect of actually increasing complexity and slowing the recovery process as it would require multiple agencies to agree on the interpretation of policies and requirements. Further, experts noted that this option may not improve community resilience if the standardized requirements do not promote long-term risk reduction.

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<sup>73</sup>Leicht, *Rebuild the Plane Now*, 17.

<sup>74</sup>Martín, Carlos, and Alexander Williams, *A Federal Policy and Climate Migration Briefing for Federal Executive and Legislative Officials* (Washington, D.C.: March 2021): 27.

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Option 6: Simplify Requirements of Federal Disaster Recovery Programs

This option would simplify some federal disaster recovery program requirements.<sup>75</sup> Implementing this option could include, for example, clearly identifying waivers and exemptions to existing requirements, such as the National Environmental Policy Act categorical exclusions related to the repair and replacement of homes.<sup>76</sup> This could reduce application requirements for disaster recovery projects. This option could also be implemented by allowing state and local governments to use federal funding for management costs across multiple disasters.<sup>77</sup> FEMA has taken steps to simplify the application process for lower-cost projects, for example, by increasing the small project threshold to \$1 million in August 2022.<sup>78</sup> Experts noted that within federal agencies there are also varying policies across programs and regional offices that could be streamlined and simplified.

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<sup>75</sup>“Simplification” may include options to streamline processes by reducing or eliminating requirements that state and local governments have to follow when applying for multiple federal disaster recovery programs. It may also include allowing state and local governments to comply with their own laws if they are substantially equivalent as a way to simplify the disaster recovery process. For a complete list of ideas considered by the expert panel, see appendix II.

<sup>76</sup>A categorical exclusion is a set of actions that a Federal agency has determined do not normally have a significant effect on the human environment and for which, therefore, neither an environmental assessment nor an environmental impact statement is generally required. 40 C.F.R. § 1508.1. The use of categorical exclusions can reduce paperwork and save time and resources.

<sup>77</sup>National Emergency Management Association, *NEMA 2021 National Policy Priorities* (Lexington, K.Y.: 2021), accessed Aug. 24, 2022, <https://www.nemaweb.org/index.php/files/113/2021-Meeting-of-the-States/295/NEMA—2021-Policy-Priorities.pdf>.

<sup>78</sup>78 Fed. Reg. 47,359 (Aug. 3, 2022). Projects falling below a certain threshold are considered “small projects.” Whereas FEMA obligates money for a large project based on actual project costs as the project progresses and cost documentation is provided to FEMA, FEMA obligates money for a small project based on an estimate of project costs. Previously, the small project maximum was \$139,800.

### Management Costs for FEMA Disaster Recovery Programs

The Stafford Act defines management costs to include any indirect cost, any direct administrative cost, and any other administrative expense associated with a specific project under a major disaster, emergency, or disaster preparedness or mitigation activity or measure. According to Federal Emergency Management Agency (FEMA) program guidance, management costs are to be used for activities related to the receipt and administration of its Public Assistance program and Hazard Mitigation Grant Program.

Eligible activities include damage assessments, site inspections, travel expenses, and copying, collecting, filing, or submitting documents to support a project. In addition to the administration required for grants, recipients must also submit documentation to support the reimbursement of management costs, such as daily activity logs and use of equipment or meeting space. State and local officials we met with stated that the documentation requirements create additional administrative burden.

The amount reimbursed for management costs varies by FEMA program. Specifically, management costs cannot exceed 15 percent of the total Hazard Mitigation Grant Program grant or 12 percent of the total Public Assistance grant. Management costs are often shared between state and local entities and are specific to each presidential emergency or major disaster declaration and cannot be used for any other purpose, such as activities under a subsequent disaster declaration. Our expert panel discussed this policy, noting that limiting the use to disaster-specific costs reduces opportunities for recipients to create and maintain longer-term capacity or institutional knowledge at the state and local level.

Source: GAO review of the Stafford Act, FEMA policy documents, and GAO's expert panel. | GAO 23 104956

- **Strengths.** Experts said this option has the potential to improve the effectiveness of disaster recovery programs. For example, experts said simplifying requirements, such as environmental and historic preservation reviews, could expedite disaster recovery by reducing the complexity of the process and the time required for federal agencies to approve applications, among other things. Experts stated that simplifying requirements would particularly benefit vulnerable communities, because they may have fewer resources and capacity to navigate complex programs. Implementing this option by allowing flexible use of management costs across multiple disasters could also improve state, local, tribal, and territorial government capacity. For example, the resource flexibility could encourage communities to retain staff for disaster recovery and resilience, rather than merely staffing those positions in response to specific disasters, among other things.
- **Limitations.** Experts said that implementing this option could be a complex undertaking as it could require changes to multiple statutes as well as federal agencies' policies and regulations. Experts noted that interpretations of requirements can vary both across and within federal agencies, an issue that would need to be addressed to ensure the benefit of any simplified requirements. To illustrate this point, experts noted that a previous effort to simplify requirements—creation of the alternative procedures for FEMA's Public Assistance program—may not have had the intended effect of increasing flexibility and

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Option 7: Further Incentivize Investments in Disaster Resilience

expediting the provision of assistance.<sup>79</sup> Experts noted that as a result, applicants had not used alternative procedures as frequently as the experts initially expected.<sup>80</sup>

This option would further incentivize investments in disaster resilience after disasters as part of federally-funded recovery programs. Implementing this option could include adding disaster resilience requirements to building codes and standards for projects that receive federal funds, accounting for environmental and social impacts in applicants' benefit-cost analyses, and providing targeted technical assistance to state and local governments to help them incorporate more disaster resilience into their recovery projects. Experts noted that after Hurricane Sandy, Executive Order 13690 established the Federal Flood Risk Management Standard to improve community resilience to flooding risks, showing that uniform adoption of an elevated flood standard across multiple federal agencies is possible.<sup>81</sup>

- **Strengths.** Experts said this option could improve community resilience after disasters by requiring that federally-funded projects meet stronger building codes and standards than exist at the state or

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<sup>79</sup>The stated goals of the alternative procedures are to reduce costs to the federal government, increase flexibility in the administration of the Public Assistance program, expedite the provision of assistance under the program, and provide financial incentives to recipients of the program for the timely and cost-effective completion of projects. See 42 U.S.C. § 5189f(c). The Sandy Recovery Improvement Act of 2013 amended the Stafford Act by adding Section 428, which authorized FEMA to approve Public Assistance program projects under the alternative procedures provided by that section for any presidentially-declared major disaster or emergency. Pub. L. No. 113-2, div. B, § 1102(2), 127 Stat. 39, amending Pub. L. No. 93-288, tit. IV, § 428 (codified at 42 U.S.C. § 5189f). In February 2020, we reported on challenges associated with the use of these alternative procedures in Puerto Rico. [GAO-20-221](#).

<sup>80</sup>Section 428 alternative procedures require FEMA and recipients and sub-recipients to agree upon a fixed cost estimate for Public Assistance projects. Unlike standard Public Assistance projects, the sub-recipient is responsible for actual costs that exceed the fixed cost estimates. If the costs are less than the estimate, the sub-recipient may use all or part of the excess funds for other eligible purposes, such as for additional cost-effective hazard mitigation measures to increase the resiliency of public infrastructure.

<sup>81</sup>In 2015, Executive Order 13690 *Establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input* created the Federal Flood Risk Management Standard. Exec. Order No. 13,690, 80 Fed. Reg. 6425 (Feb. 4, 2015). The executive order was revoked in 2017 by Executive Order 13807, *Establishing Discipline and Accountability in the Environmental Review and Permitting Process for Infrastructure Projects* and subsequently reinstated in 2021 by Executive Order 14030. Exec. Order No. 13,807, 82 Fed. Reg. 40,463 (Aug. 24, 2017); Exec. Order No. 14,030, 86 Fed. Reg. 27,967 (May 25, 2021).

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local level.<sup>82</sup> Experts stated that targeted technical assistance to help communities increase the disaster resilience value of recovery projects could help state and local officials further prioritize future risk reduction in the wake of a disaster. Experts also said that applicants' benefit-cost analyses—a key requirement for hazard mitigation projects under many disaster recovery grants—largely rely upon the economic value of property. Experts stated that allowing applicants to include environmental and social impacts in their benefit-cost analyses could help vulnerable communities qualify for more federal funding for disaster recovery and resilience projects, because property values are often lower in those communities. In addition, experts noted that investments in disaster resilience in these communities might be particularly beneficial because they are often most at risk of future disasters.

- **Limitations.** Experts said implementing this option by requiring that federally-funded projects meet higher standards could increase the up-front costs of disaster recovery projects because it is generally more expensive to build to higher disaster resilience standards.<sup>83</sup> This could have a disproportionate impact on vulnerable communities. It could also deter them from incorporating disaster resilience investments into their disaster recovery projects, as they may already have difficulty rebuilding back to pre-disaster conditions. Experts also noted that state and local governments may prefer not to add disaster resilience investments to their recovery projects because it can add more complexity to an already long and difficult process when communities want to rebuild as quickly as possible.

Option 8: Identify Desired Outcomes and Develop a Mechanism to Track across Programs

This option would identify desired disaster recovery outcomes and create a mechanism to track those outcomes across all recovery programs and agencies. Implementing this option could include establishing an independent board to compile and assess available outcome data across agencies and identify lessons learned. This information could be made

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<sup>82</sup>According to the National Institute of Building Sciences *Natural Hazard Mitigation Saves: 2019 Report*, designing buildings to the standards of the International Building Code and International Residential Code resulted in a national benefit of \$11 saved for every \$1 invested compared with 1990s-era building codes and National Flood Insurance Program requirements. According to FEMA's Building Codes Strategy, just one-third of U.S. communities have adopted the 2015 and 2018 versions of disaster-resistant building codes without significantly amending their requirements.

<sup>83</sup>While experts discussed that higher up-front costs for projects could deter communities, they emphasized that building more disaster-resilient infrastructure during disaster recovery is needed to reduce future risk.

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available on a public website. Experts mentioned that FEMA has developed Unified Recovery Outcomes, which they said are high level and generic, but could serve as a starting point for implementing this option. For example, one Unified Recovery Outcome is that survivors can afford permanent housing within the affected community without post-disaster assistance.<sup>84</sup> Experts noted that implementing this option may require statutory changes to increase federal agencies' abilities to require data collection and to share data across federal agencies.

- **Strengths.** Experts said that developing a shared vision for desired disaster recovery outcomes would help align agency efforts toward achieving the same goal. They also noted that better outcome measurement to assess program impact and performance could lead to more efficient and effective recovery programs. They stated that if data were collected in a standardized way across federal agencies, it could be analyzed to identify best practices to help recovering communities use federal resources more effectively. These data could also reveal where parts of the recovery process are not working, which could increase transparency and lead to improved service delivery. Experts also stated that this option could be beneficial for increasing equity in the delivery of recovery programs. For example, experts noted that measuring outcomes for individual survivors could shed light on who is benefiting from recovery programs and who is not.<sup>85</sup>
- **Limitations.** Experts expressed concern about the feasibility of this option. They noted that there is limited data on disaster recovery spending, and added that data on outcomes could be similarly difficult to compile. They also expressed concern about who would be responsible for collecting the outcome data, noting that it could be a burden for state and local governments, especially those with fewer

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<sup>84</sup>FEMA officials stated that they developed the Unified Recovery Outcomes jointly with the Recovery Support Function Leadership Group as part of their ongoing efforts to better integrate other federal agencies' capabilities into recovery field operations. FEMA has included the outcomes in the Federal Coordinating Officers' *Senior Leadership Common Operating Picture* briefings since November 2021.

<sup>85</sup>In December 2021, we found there was limited research on the outcomes for individual disaster survivors and there were opportunities for the three agencies with the largest obligations for individual disaster assistance—FEMA, HUD, and the Small Business Administration—to be better partners in identifying and addressing access barriers and disparate outcomes. We recommended that FEMA, the Small Business Administration, and HUD take steps to help ensure the availability and use of quality information and establish routine processes that allow federal recovery agencies to identify and address access barriers and disparate outcomes. The agencies are taking and planning steps to address these recommendations. [GAO-22-104039](#).

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resources. Experts said that it would be best for a third party agency not directly involved in executing disaster recovery, such as the Office of Management and Budget, to compile and manage all of the data. Experts also expressed concern that federal agencies may define recovery outcomes too narrowly, focusing heavily on specific program delivery metrics and not on community recovery outcomes.



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## Option 9: Prioritize Disaster Recovery Funding for Vulnerable Communities

### FEMA Swift Current Initiative

In April 2022, the Federal Emergency Management Agency (FEMA) launched the Swift Current Initiative to fund flood mitigation for certain properties at high risk of flooding. According to FEMA, the program also aims to promote equity in delivery of funds by prioritizing assistance that benefits vulnerable communities. To do so, FEMA may make application selection decisions based on the Centers for Disease Control and Prevention's Social Vulnerability Index and contribute up to 90 percent federal cost share for vulnerable communities.

The program may fund flood mitigation projects, including property acquisition and structure demolition or relocation; structure elevation; and dry floodproofing of historic residential structures or nonresidential structures: among other things. In fiscal year 2022, FEMA will award \$60 million in grants under this program to four states with major disaster declarations related to Hurricane Ida in 2021—Louisiana, Mississippi, New Jersey, and Pennsylvania.

Source: FEMA. | GAO-23-104956

This option would prioritize funding for vulnerable communities across federal programs. Implementing this option could entail allowing vulnerable communities to apply for additional funding for management costs, lowering the benefit cost threshold, or expanding the variables considered in calculating benefits and costs. According to FEMA, too many disaster survivors in vulnerable communities—including those living in low-income neighborhoods, communities of color, people with disabilities, older adults, those with language barriers, and those living in rural and isolated areas—face barriers in accessing disaster assistance programs and resources to support their recovery. The 2022-2026 strategic plans for FEMA, HUD, and DOT all include goals and priorities to increase equity across their programs.

- **Strengths.** Experts said implementing this option would help reduce gaps between communities and individuals who received federal benefits after disasters and those who have historically not received benefits after disasters. They said implementing this option by providing additional funding for vulnerable communities' management costs could be particularly helpful for addressing capacity challenges at the state, local, tribal, and territorial levels. These additional funds could help with managing data, building disaster resilience into disaster recovery projects, and training staff to implement complex government programs.
- **Limitations.** Experts said this option could be challenging to implement because it may not be politically feasible to prioritize vulnerable communities over others. They also said that available federal data may not be detailed or comprehensive enough to be used to identify the most vulnerable communities.<sup>86</sup> Experts also expressed

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<sup>86</sup>We have previously reported on this issue. In November 2021, we found that HUD did not collect key demographic data needed to fully assess the extent to which CDBG-DR grantees assist low- and moderate-income people who are members of vulnerable populations. We recommended that HUD collect data that would allow them to do so. HUD did not agree or disagree but stated it would continue to research ways to use data to determine how CDBG-DR grantees serve vulnerable populations. GAO, *Disaster Recovery: Better Data Are Needed to Ensure HUD Block Grant Funds Reach Vulnerable Populations*, [GAO-22-104452](#) (Washington, D.C., Nov. 10, 2021). In December 2021, we found that FEMA, HUD, and Small Business Administration programs lack key data needed to examine patterns and indicators of potential access barriers and disparate recovery outcomes. We recommended that they lead an interagency effort to develop a plan to ensure use of comprehensive information. FEMA and the Small Business Administration agreed. HUD did not agree or disagree, but stated they would work with federal recovery partners on these issues. GAO, *Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers*, [GAO-22-104039](#) (Washington, D.C., Dec. 15, 2021).

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concern that, because vulnerable communities often live in high-risk areas, this option could reduce community resilience by providing additional federal funding to rebuild in areas vulnerable to the effects of climate change.<sup>87</sup>

#### Option 10: Consolidate Federal Disaster Recovery Programs

This option would consolidate disaster recovery programs across federal agencies. Experts emphasized that if implementing this option, the number of agencies and programs involved in disaster recovery should be reduced. Based on our review of relevant literature; interviews with federal, state, and local officials; and our panel of experts, this option could be implemented by, for example:

- Collapsing the number of disaster recovery programs into five or more broad, flexible grant and loan programs by area of expertise.
- Providing a single federal disaster recovery block grant that identifies funding options by sector.
- Creating a federal “ombudsman” and overall coordinator who will be the central point of contact across all federal disaster recovery programs.<sup>88</sup>
- Reorganizing existing federal disaster recovery programs into a single agency focused on disaster resilience and recovery efforts.
- Creating a new agency focused on long-term disaster recovery that provides capacity, technical assistance, shared data, best practices, and cross-program coordination and encouraging community and recovery planning.
- **Strengths.** Experts said that consolidating federal disaster recovery programs could reduce the administrative burden on disaster survivors and state and local governments. They said implementing this option could reduce the number of federal funding streams for disaster recovery, which could reduce the complexity of carrying out disaster recovery projects. They also noted that implementing this option by consolidating recovery programs by agencies’ areas of

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<sup>87</sup>According to the *Fourth National Climate Assessment*, future climate change is expected to further disrupt many areas of life, exacerbating existing challenges to prosperity posed by aging and deteriorating infrastructure, stressed ecosystems, and economic inequality. Impacts within and across regions will not be distributed equally. People who are already vulnerable have lower capacity to prepare for and cope with extreme weather and climate-related events and are expected to experience greater impacts. U.S. Global Change Research Program, *Impacts, Risks, and Adaptation in the United States: Fourth National Climate Assessment*, vol. 2 (Washington, D.C.: 2018).

<sup>88</sup>Liu, *Federal Post-Disaster Recovery*, 3.

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expertise could reduce confusion and simplify implementation. For example, experts mentioned the perception that working with HUD on infrastructure projects may be confusing because HUD is focused on housing and its regulations may not be designed for infrastructure projects. Experts added that implementing this option by reducing siloes between disaster recovery and resilience programs could improve long-term risk reduction. If implementing this option by creating a new federal agency, experts said it could provide an opportunity to design an approach to disaster recovery that proactively focuses on mitigation, adaptation, and recovery while also incorporating effectiveness and equity into its core mission.

- **Limitations.** Experts said that implementing this option by reorganizing government agencies would be difficult, and may create additional risks. Specifically, experts noted that consolidating programs or creating a new agency would not necessarily reduce the complexity of implementing programs. Experts also noted that providing states with a single block grant—one way to consolidate programs—could negatively affect efforts to distribute resources equitably because there could be less federal control over how to allocate funds to communities and states may not prioritize that criteria. Further, experts noted that implementing this option by consolidating programs or providing a single block grant could also result in fewer national risk reduction projects because disaster resilience is not a focus for all federal agencies or states. Experts also expressed concern about the political feasibility of this option, given the vested interest of the agencies involved and the number of Congressional committees of jurisdiction that oversee disaster recovery programs.

### Option 11: Adjust the Role of the Federal Government in Disaster Recovery

This option would adjust the role of the federal government in disaster recovery by, for example, raising the dollar loss threshold for Presidential major disaster declarations,<sup>89</sup> creating an adjustable cost share based on financial capacity and extent of recovery needs, or creating a disaster deductible to incentivize state investments in disaster risk-reduction

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<sup>89</sup>Rose, Adam, Philip Ganderton, Jonathan Eyer, Dan Wei, Raphael Bostic, and Detlof von Winterfeldt, "The Role of a Deductible/Credit System for Post-Disaster Public Assistance in Meeting Alternative Policy Goals," *Journal of Environmental Planning and Management*, vol. 63, no. 12, 2163-2193 (2020).

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strategies.<sup>90</sup> This option was discussed in literature we reviewed that expressed concern about the growth in federal spending on disaster recovery and identified options to reduce or adjust the role of the federal government and increase the role of state and local governments.<sup>91</sup>

- **Strengths.** Experts said that a strength of this option is that it could provide an incentive for state and local governments to further invest in disaster resilience and risk reduction activities. If this option were implemented through a disaster deductible, it could incentivize state and local governments to engage in disaster risk reduction activities to reduce the cost of an annual deductible. This could improve state and local resilience to future disasters. Experts said that implementing this option through the creation of an adjustable cost share based on financial capacity and extent of recovery needs could improve equity in program delivery. For example, vulnerable communities could have their cost share reduced or waived.
- **Limitations.** Experts said that a limitation of this option is its feasibility. Experts noted that state and local governments' capacities to recover from disasters vary widely across the country, so focusing on the state government's capacity—for example, by increasing the dollar threshold for declaring a major disaster to receive federal assistance—could have unintended effects for local governments within that state. For example, it could more negatively affect vulnerable communities within higher-resourced states and ultimately lower those communities' abilities to recover from disasters. State governments could alleviate some of these effects on those communities by having their own disaster recovery programs;

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<sup>90</sup>FEMA considered implementing a Public Assistance disaster deductible. The agency issued an Advance Notice of Proposed Rulemaking in the *Federal Register* on January 20, 2016. 81 Fed. Reg. 3082 (Jan. 20, 2016) and a Supplemental Advance Notice of Proposed Rulemaking on January 12, 2017. 82 Fed. Reg. 4064 (Jan. 12, 2017). According to the notice, FEMA would establish a Public Assistance deductible of an amount each state would be expected to spend on emergency management and disaster costs before the agency would provide Public Assistance for the repair and replacement of public infrastructure damaged by a disaster. States could choose to earn credits towards the deductible by investing in activities that reduce their risk and improve their preparedness.

<sup>91</sup>Edwards, Chris. "The Federal Emergency Management Agency: Floods, Failures, and Federalism," Policy Analysis No. 764 (November 18, 2014): 1-3, 7; Kick, Edward L., James C. Fraser, Gregory M. Fulkerson, Laura A. McKinney, and Daniel H. De Vries. "Repetitive flood victims and acceptance of FEMA mitigation offers: an analysis with community-system policy implications," *Disasters* (July 2011): 3, 19.

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however, experts mentioned that many states do not have their own disaster assistance programs.<sup>92</sup>

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## Congressional and Agency Action Could Reform and Better Manage the Fragmented Federal Approach

### Congressional Action Could Reform the Fragmented Federal Approach

The federal approach to disaster recovery is fragmented and no single federal agency or Congressional committee has responsibility for managing the system as a whole. There are over 30 federal agencies and departments involved in disaster recovery and at least 32 congressional committees with responsibility for overseeing federal disaster recovery programs.<sup>93</sup> Experts who participated in our panel agreed that the federal government's approach to disaster recovery needs to be improved. They discussed ways to make it operate more efficiently and effectively and to better incorporate incentives for improving disaster resilience and address equity concerns. As we have identified in this report and from over a decade of work reviewing disaster recovery activities across multiple agencies, there are many long-standing challenges with the current approach. These challenges are exacerbated by the growing frequency and cost of disasters in the United States.

The current federal approach is the product of over 40 years of incremental efforts to address emerging issues in disaster recovery through legislative reform—most recently with the enactment of the Disaster Recovery Reform Act of 2018. These efforts have created a complex system of programs that were not always designed to work together effectively. While Congress and federal agencies have taken some steps to improve the current system, including implementing some of our prior recommendations, these actions have largely focused on a

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<sup>92</sup>According to the National Emergency Management Association's *2020 Biennial Report*, 27 states have created their own state-funded assistance programs. Of those 27 states, 21 have public assistance programs, 10 have individual assistance programs, six have unmet needs programs, nine have other types of disaster assistance programs, and four have an economic or business recovery program.

<sup>93</sup>This count includes full committees only. However, each of the 32 committees may also have multiple subcommittees with jurisdiction over disaster recovery programs. For example, the House and Senate Committees on Appropriations each have 12 subcommittees that oversee disaster recovery programs.

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single agency or program. For example, our past recommendations to FEMA have resulted in standardizing planning for Public Assistance hazard mitigation at joint field offices; improving outreach between FEMA contracting personnel and state and local governments; and making Public Assistance policies and guidance for Puerto Rico available to all recovery partners, including grant sub-recipients.<sup>94</sup>

Reforming the federal government's approach to disaster recovery is a policy challenge and requires complex tradeoffs, including consideration of the strengths and limitations of the many options. When faced with complex government-wide policy problems in the past, Congress has established independent commissions to formulate recommendations for policy reform.<sup>95</sup> These commissions have often been temporary, bipartisan, designed to address issues in a timely manner, and asked to formulate recommendations for specific policy or functional areas.<sup>96</sup> The membership of such commissions has involved both executive and legislative branch representatives, and typically included experts both within and outside of government.<sup>97</sup> Over the last 40 years, Congress has established commissions to address major policy challenges such as Social Security reform, antiterrorism and intelligence reform, military base

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<sup>94</sup>GAO, *Disaster Assistance: Opportunities to Enhance Implementation of the Redesigned Public Assistance Grant Program*, [GAO-18-30](#) (Washington, D.C.: Nov. 8, 2017); GAO, *2017 Disaster Contracting: Action Needed to Better Ensure More Effective Use and Management of Advance Contracts*, [GAO-19-93](#) (Washington, D.C.: Dec. 6, 2018); GAO, *Puerto Rico Disaster Recovery: FEMA Actions Needed to Strengthen Project Cost Estimation and Awareness of Program Guidance*, [GAO-20-221](#) (Washington, D.C.: Feb. 5, 2020).

<sup>95</sup>According to the Congressional Research Service, Congress establishes commissions to examine complex policy issues that do not fall within the jurisdiction of any one committee in Congress. Commissions are typically multimember independent entities that exist temporarily, serve in an advisory capacity, are comprised of members who are appointed by Congress, and reports their findings to Congress along with recommendations for legislative or executive action. Congressional Research Service, *Congressional Commissions: Overview and Considerations for Congress*, R40076 (Washington, D.C.: Jan. 14, 2022).

<sup>96</sup>GAO, *Addressing 21st Century Challenges: Reexamining the Base of the Federal Government*, [GAO-05-325SP](#) (Washington, D.C.: Feb. 1, 2005).

<sup>97</sup>[GAO-05-325SP](#).

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realignment and closures, and Medicare.<sup>98</sup> For example, Congress and the Executive Branch established the National Commission on Social Security Reform in 1981 to study and make recommendations regarding the short-term financing crisis related to Social Security. The Commission made recommendations in its report that led to the Social Security Amendments of 1983.<sup>99</sup>

By establishing an independent commission to reform disaster recovery—including consideration of the 11 options identified in this report—Congress may identify actions it could take to improve the effectiveness of the federal approach. An improved approach could reduce the federal government’s fiscal exposure; improve service delivery to disaster survivors and state and local governments; and increase the speed of disaster recovery. A commission could also identify ways to further incentivize disaster resilience and address concerns about the equity of benefits provided after disasters.

#### Agency Action Could Better Manage Fragmented Federal Approach

Short of government-wide reform, federal agencies can identify and take steps, possibly drawing upon the options we identified, to more effectively manage the fragmentation of disaster recovery efforts. The magnitude and significance of the negative effects of the current fragmented approach—inefficient use of federal resources and slower and less effective recovery from disasters—heighten the need for federal agencies to do so. In the case of FEMA, which operates multiple disaster recovery programs, these negative effects of fragmentation exist within a single agency.

As described earlier in this report, the fragmented federal approach to disaster recovery efforts arises in part from the statutes that underpin the FEMA, HUD, and DOT programs but also from their regulations and policies. These various disaster recovery programs have been established and revised over time, through statute, regulation, and policy. While this has allowed agencies to address emerging disaster recovery

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<sup>98</sup>Since 1989, Congress has authorized over 160 congressional commissions, which includes both policy-related and commemorative commissions charged with planning, and overseeing celebrations of people or events. Congressional Research Service, *Congressional Commissions*.

<sup>99</sup>National Commission on Social Security Reform, *Report of the National Commission on Social Security Reform*, (Washington, D.C.: January 20, 1983). Pub. L. No. 98-21, 97 Stat. 65.

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needs, these programs have not been designed to work together as effectively as possible.

A recent executive order on improving the federal customer experiences and agencies' strategic plans emphasize the need for federal agencies to improve the applicant's customer experience by streamlining and better coordinating across federal programs.<sup>100</sup> Specifically, the December 13, 2021 Executive Order 14058, *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government*, states that customers often navigate services across multiple agencies in specific moments of need, such as in the aftermath of a disaster. The order further states that relevant agencies should coordinate their service delivery to meet customer needs and that the federal government must be held accountable for designing and delivering services more equitably and effectively. FEMA, HUD, and DOT have stated similar objectives in their strategic plans:

- FEMA's *2022-2026 Strategic Plan* includes an objective to remove barriers to FEMA programs through a people first approach, including making FEMA programs simpler, more accessible, and more user-friendly. It also includes an objective to unify coordination and delivery of federal service by, for example, better sequencing recovery programs from the perspective of end users to reduce navigational burdens.<sup>101</sup>
- HUD's *2022-2026 Strategic Plan* includes the overarching priority of improving customer experience to make sure interactions feel easy, effective, positive, and equitable.<sup>102</sup>
- DOT's *2022-2026 Strategic Plan* includes the strategic objective to improve customer service by delivering responsive, efficient, and accessible government services.<sup>103</sup>

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<sup>100</sup>Executive Order 14,058 specifically identifies actions DHS could take to improve the customer experience, including designing and delivering a streamlined online disaster assistance application experience. Exec. Order No. 14,058, 86 Fed. Reg. 71,357 (Dec. 16, 2021). Similarly, the President's Management Agenda—which defines government-wide management priorities for all federal agencies—includes the priority to deliver excellent, equitable, and secure federal services and customer experience.

<sup>101</sup>FEMA, *2022-2026 FEMA Strategic Plan: Building the FEMA our Nation Needs and Deserves*, (Washington, D.C.: Dec. 16 2021).

<sup>102</sup>HUD, *Fiscal Year 2022-2026 Strategic Plan*, (Washington, D.C.: Mar. 28, 2022).

<sup>103</sup>DOT, *Strategic Plan FY 2022-2026*, (Washington, D.C.: Mar. 28, 2022).



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Agencies can take steps within existing authorities to improve the applicant experience and, ultimately, the effectiveness of federal disaster recovery efforts. Further, FEMA—as administrator of several disaster recovery programs—can take steps to better manage fragmentation across its own programs, making the programs simpler, more accessible, and more user-friendly and improving the effectiveness of its federal disaster recovery efforts. FEMA officials noted that they already have several related initiatives underway to help make their programs more user-friendly, such as the interagency efforts to develop a common application for disaster survivors. However, they also noted that there were additional steps they could take within their existing authorities to implement aspects of other options. Certain steps agencies may seek to implement, including some presented in this report, may require additional authorities.

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## Conclusions

Each year, natural disasters affect hundreds of American communities. Recovery from these disasters is an expensive multi-year enterprise that, while largely carried out by state and local entities, has increasingly relied upon federal support. The rising number and frequency of extreme weather events in the United States due to changes in the climate combined with a greater reliance on federal assistance increases the federal government's fiscal exposure.

While the current federal approach to disaster recovery provides opportunities for federal agencies with expertise in specific areas to support recovery, it also creates a confusing and lengthy process for disaster survivors and communities. This, in turn, may slow overall recovery and reduce the efficiency and effectiveness of the process. This is particularly true for the most vulnerable communities who may be disproportionately affected by disasters and least prepared to navigate complex federal programs. We have made many recommendations over the years to improve various aspects of federal disaster recovery efforts, and Congress and agencies have taken steps to address numerous challenges with the current approach. However, these actions have largely focused on a single agency or program. No single agency or Congressional committee is responsible for managing the totality of the nation's disaster recovery challenges.

Establishing a commission to recommend reforms—including consideration of the 11 options identified in this report—could provide Congress and federal agencies with specific actions to improve the effectiveness of the federal approach. This may include ways to further incentivize disaster resilience and address concerns about the equity of

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federal support provided after disasters. Reforming the federal government's approach to disaster recovery could reduce the federal government's fiscal exposure; improve service delivery to disaster survivors and state, local, tribal, and territorial governments; and increase the speed of disaster recovery.

The fragmented federal approach to disaster recovery efforts arises in part from the statutes that underpin the FEMA, HUD, and DOT programs but also from their agency-specific regulations and policies. By identifying and taking steps to better manage the negative effects of the fragmented approach, agencies could improve service delivery to disaster survivors and communities; and improve the effectiveness of recovery efforts. Further, by identifying and taking steps to better manage fragmentation across its own programs, FEMA could make them simpler, more accessible, and more user-friendly, thereby improving their effectiveness.

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## Matter for Congressional Consideration

Congress should consider establishing an independent commission to recommend reforms to the federal government's approach to disaster recovery, which may include the options identified in this report. (Matter for Consideration 1)

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## Recommendations for Executive Action

We are making a total of four recommendations, including two to FEMA, one to HUD, and one to DOT. Specifically:

The FEMA Administrator should, in consultation with the Recovery Support Function Leadership Group, identify and take steps to better manage fragmentation between its disaster recovery programs and other federal programs, including consideration of the options identified in this report. If FEMA determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress. (Recommendation 1)

The Secretary of Housing and Urban Development should, in consultation with the Recovery Support Function Leadership Group, identify and take steps to better manage fragmentation between its disaster recovery programs and other federal programs, including consideration of the options identified in this report. If HUD determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress. (Recommendation 2)

The Secretary of Transportation should, in consultation with the Recovery Support Function Leadership Group, identify and take steps to better manage fragmentation between its disaster recovery programs and other

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federal programs, including consideration of the options identified in this report. If DOT determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress. (Recommendation 3)

The FEMA Administrator should identify and take steps to better manage fragmentation across its disaster recovery programs, including consideration of the options identified in this report. If FEMA determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress. (Recommendation 4)

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## Agency Comments and Our Evaluation

We provided a draft of this report to DHS, HUD, DOT, and the U.S. Army Corps of Engineers for their review and comment. DHS and HUD provided written comments (reproduced in appendixes III and IV) and concurred with the recommendations we made to them. In email comments, DOT also concurred with the recommendation we made to them. DHS, DOT, and the U.S. Army Corps of Engineers provided technical comments, which we incorporated as appropriate.

In response to our first three recommendations—that (1) FEMA, (2) HUD, and (3) DOT identify and take steps to better manage fragmentation between their disaster recovery programs and other federal programs—all three agencies concurred. DHS and HUD indicated they would take into account the options identified in this report, including the strengths and limitations discussed. None of the agencies provided details on how they would address the recommendations, but all three noted that they would provide an update on specific actions mid- to late-2023. DHS stated that FEMA is coordinating with DOT and HUD to identify specific actions. As we reported, there are a number of entities and programs involved in the federal approach to disaster recovery. Further, steps taken at the federal level to improve the current system have largely focused on a single agency or program. As such, we recommended the agencies work in consultation with the Recovery Support Function Leadership Group—an interagency group designed to coordinate disaster recovery work across the functional areas and resolve related issues. We encourage FEMA, HUD, and DOT to consult with the Recovery Support Function Leadership Group as they identify and take steps to better manage fragmentation between their disaster recovery programs and other federal programs.

DHS also concurred with our fourth recommendation—that FEMA identify and take steps to better manage fragmentation across its own disaster recovery programs. DHS did not provide detailed information on how the

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agency planned to address this recommendation but stated that FEMA will explore ways to streamline its disaster assistance across multiple programs

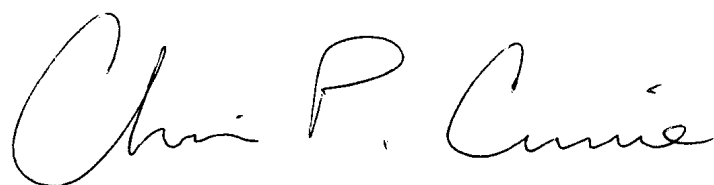
In its response, DHS disagreed with our characterization of the federal approach to disaster recovery as fragmented, stating that emergency management is a multifaceted endeavor that involves multiple stakeholders across federal, state, local, tribal, territorial, private, and nonprofit entities. They added that working across multiple federal departments and agencies is the norm under the *National Disaster Recovery Framework* and that FEMA is the agency responsible for integrating the capabilities across the federal entities. We agree with DHS's description of emergency management, and, as we reported, there have been benefits to having multiple federal entities involved in disaster recovery. However, we stand by our assessment of the federal approach as fragmented. We define fragmentation as occurring when more than one agency or organization within an agency is involved in the same broad area of national interest and opportunities exist to improve customer service. As we reported, there are opportunities to better manage fragmentation across federal disaster recovery programs, including those administered by FEMA, to improve the effectiveness of recovery efforts and make the process more accessible and user-friendly for grantees.

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We will send copies of this report to the Secretaries of Homeland Security, Housing and Urban Development, Defense, and Transportation, and appropriate congressional committees. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>.

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If you or your staff have any questions about this report, please contact me at (404) 679-1875 or [curriec@gao.gov](mailto:curriec@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Other key contributors to this report are listed in appendix V.

A handwritten signature in black ink that reads "Chris P. Currie". The signature is written in a cursive style with a large initial "C" and a distinct "P" and "Currie".

Chris Currie  
Director  
Homeland Security and Justice

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*List of Committees*

The Honorable Chris Murphy  
Chair  
The Honorable Shelley Moore Capito  
Ranking Member  
Subcommittee on Homeland Security  
Committee on Appropriations  
United States Senate

The Honorable Brian Schatz  
Chair  
The Honorable Susan Collins  
Ranking Member  
Subcommittee on Transportation, Housing and Urban Development, and  
Related Agencies  
Committee on Appropriations  
United States Senate

The Honorable Lucille Roybal-Allard  
Chairwoman  
The Honorable Chuck Fleischmann  
Ranking Member  
Subcommittee on Homeland Security  
Committee on Appropriations  
House of Representatives

The Honorable David Price  
Chairman  
The Honorable Mario Diaz-Balart  
Ranking Member  
Subcommittee on Transportation, and Housing and Urban Development,  
and Related Agencies  
Committee on Appropriations  
House of Representatives

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# Appendix I: Objectives, Scope, and Methodology

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This report examines (1) the federal approach to disaster recovery and what challenges state and local officials faced in leveraging disaster recovery assistance from selected federal programs and (2) actions Congress or federal agencies could take to provide for a more efficient and effective federal approach to disaster recovery.

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## Assessment of the Federal Approach and Challenges

To assess the federal approach to disaster recovery, as well as changes to it over time, we reviewed relevant statutes and regulations. These included the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), as amended,<sup>1</sup> Housing and Community Development Act of 1974, as amended,<sup>2</sup> Moving Ahead for Progress in the 21st Century Act of 2012,<sup>3</sup> Sandy Recovery Improvement Act of 2013,<sup>4</sup> the Disaster Recovery Reform Act of 2018,<sup>5</sup> and supplemental appropriations acts. We also reviewed interagency coordination documents, such as the *National Disaster Recovery Framework*.<sup>6</sup> To identify the number of federal agencies and departments involved in disaster recovery, we analyzed the *National Disaster Recovery Framework* Recovery Support Function's primary and coordinating agencies, as well as supporting organizations.<sup>7</sup>

To identify the challenges applicants have faced in leveraging disaster recovery assistance we focused on five federal grant programs available to state and local governments and transit agencies—Public Assistance and Hazard Mitigation Grant Program (HMGP) within the Federal Emergency Management Agency (FEMA); Community Development Block Grant Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT) within the Department of Housing and Urban Development (HUD); and

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<sup>1</sup>42 U.S.C. § 5121 et seq.

<sup>2</sup>42 U.S.C. § 5301 et seq.

<sup>3</sup>Pub. L. No. 112-141, 126 Stat. 405 (2012).

<sup>4</sup>Pub. L. No. 113-2, div. B, 127 Stat. 4, 39.

<sup>5</sup>Pub. L. No. 115-254, div. D, 132 Stat. 3186, 3438.

<sup>6</sup>Department of Homeland Security, *National Disaster Recovery Framework*, 2<sup>nd</sup> ed. (Washington, D.C.: June 2016).

<sup>7</sup>The *National Disaster Recovery Framework* is organized around six recovery support functions: community planning and capacity building; health and human services; economic recovery; natural and cultural resources; housing; and infrastructure systems. The framework identifies coordinating, primary, and supporting agencies for each recovery support function.

the Federal Transit Administration's (FTA) Public Transportation Emergency Relief Program within the Department of Transportation (DOT).<sup>8</sup> We selected these programs because they (1) account for the majority of the federal grant funding for public infrastructure projects post-disaster; (2) represent variation in how long the programs have been in existence to capture possible change over time; and (3) are programs where our prior work has identified issues arising from how federal disaster recovery programs work together. For a list of our previous work in this area, see the related GAO products page at the end of this report.

To understand the goals and structure of the selected programs, we reviewed related agency documents, such as policy, procedures, regulation, and memoranda of agreement/understanding. In addition to reviewing our prior work on federal disaster programs, we reviewed that of the Inspectors General, the Congressional Research Service, the FEMA National Advisory Council, as well as other relevant reports to identify findings related to the federal approach to disaster recovery.<sup>9</sup> We interviewed officials at FEMA, HUD, and DOT about the design and implementation of the five selected programs and how they fit into the overall federal approach to disaster recovery. We also met with officials from the U.S. Army Corps of Engineers to discuss their role in federal disaster recovery, specifically coordination related to the five selected programs. We interviewed officials with federal coordinating bodies such as the Recovery Support Function Leadership Group and Mitigation Framework Leadership Group, to obtain their perspectives.<sup>10</sup>

To obtain perspectives from state, local, and territorial officials about their experiences with the selected programs, we selected a non-generalizable

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<sup>8</sup>We leveraged prior and ongoing GAO work related to assistance to individuals for the second objective. For a list of our previous work in this area, see the Related GAO Products page at the end of this report.

<sup>9</sup>FEMA's National Advisory Council is comprised of up to 35 members appointed by the FEMA Administrator to advise on all aspects of emergency management, including preparedness, protection, response, recovery, and mitigation for natural disasters, acts of terrorism, and other intentional or accidental disasters. See 6 U.S.C. § 318.

<sup>10</sup>The Recovery Support Function Leadership Group is an intergovernmental coordinating body tasked with improving the effectiveness and unity of effort of coordinated federal recovery responsibilities, as well as to resolve operational, resource, and policy issues related to interagency recovery actions at the national level. The Mitigation Framework Leadership Group is an intergovernmental coordinating body tasked with coordinating mitigation efforts across the federal government and assessing the effectiveness of mitigation capabilities as they are developed and deployed across the nation.



sample of nine disasters based on major disaster declarations that occurred across seven states and territories from calendar year 2012 through 2018.<sup>11</sup> Specifically, we selected New Jersey and New York (2012 Hurricane Sandy), West Virginia (2016 flooding), Texas (2017 Hurricane Harvey), Puerto Rico (2017 hurricanes Irma and Maria), California (two 2018 wildfires), and North Carolina (2018 Hurricane Florence). We selected disasters that occurred from 2012 through 2018 to capture disasters that are recent enough for the recovery experiences to be current but also old enough to be well into the recovery process. We also selected a range of disasters based on incident type, severity, and geographic location. To obtain perspectives on the challenges state and local entities faced managing multiple federal disaster recovery programs, we selected disasters with more than \$500 million in assistance from calendar years 2012 through 2020 and received assistance from at least two of the three agencies included in our review.

We then conducted semi-structured interviews with officials from five states, one territory and 14 localities to obtain perspectives on the challenges they faced during their recoveries from these disasters. We interviewed state and territorial officials across different functional areas, including emergency management, hazard mitigation, housing, and transportation. We then selected local entities within each state and territory locations that may have received more than one source of assistance by analyzing FEMA Public Assistance grant data and available county-level data from HUD and FTA. We selected localities for socioeconomic variation using the Centers for Disease Control and Prevention's 2018 social vulnerability index metric.<sup>12</sup> We also solicited and considered suggestions from state officials and reviewed CDBG-DR action plans to determine areas identified as having the greatest need for disaster assistance. See Table 4.

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<sup>11</sup>We did not interview tribal officials as part of the semi-structured interviews. In this report, when discussing challenges applicants faced, we use the term "state and local officials" to refer to officials we met with from five states, one territory, and 14 local entities.

<sup>12</sup>The Centers for Disease Control and Prevention created the Social Vulnerability Index to help public health officials and emergency response planners identify and map the communities that will most likely need continued support to recover following an emergency or natural disaster. The index indicates the relative social vulnerability by county based on 15 variables, including unemployment, minority status, and disability.

**Appendix I: Objectives, Scope, and Methodology**

**Table 4: Selected State and Local Government Entities, by Disaster**

<b>Disaster</b>	<b>FEMA Region</b>	<b>State Offices</b>	<b>Local Governments</b>
2012 Hurricane Sandy, New York and New Jersey (DR-4085 and DR-4086)	Region 2	New Jersey Department of Community Affairs, Disaster Recovery and Mitigation New Jersey Transit New Jersey Office of Emergency Management	Port Authority of New York and New Jersey New York City
2016 Severe Storms, Flooding, Landslides, and Mudslides, West Virginia (DR-4273)	Region 3	West Virginia Emergency Management Division West Virginia Community Advancement and Development Office	Summers County
2017 Hurricane Harvey, Texas (DR-4332)	Region 6	Texas Division of Emergency Management Texas General Land Office Texas Department of Transportation	Harris County City of Houston (Harris County) City and County of Victoria Jefferson County Houston/Harris County METRO
2017 Hurricane Irma and Hurricane Maria, Puerto Rico (DR-4336 and DR-4339)	Region 2	Puerto Rico Central Office for Recovery, Reconstruction, and Resiliency Puerto Rico Department of Housing	City of San Juan Municipality of Jayuya
2018 Wildfires, California (DR-4382 and DR-4407)	Region 9	California Governor's Office of Emergency Services California Department of Housing and Community Development California Department of Transportation	City of Lakeport (Lake County) City of Paradise (Butte County)
2018 Hurricane Florence, North Carolina (DR-4393)	Region 4	North Carolina Disaster Response and Recovery North Carolina Department of Transportation	Brunswick County City of Lumberton (Robeson County)

Legend: FEMA = Federal Emergency Management Agency; DR = Major Disaster Declaration

Source: GAO. | GAO-23-104956

We also identified challenges in two other ways. We met with officials from the five FEMA regions where the nine disasters occurred to discuss the federal recovery efforts related to these disasters and the challenges they observed state and local officials facing. We also reviewed our prior reports to identify known challenges associated with the five selected federal disaster recovery programs.

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## Identification and Assessment of Options

**Identifying options.** To identify options to improve the federal government's approach to disaster recovery, we used multiple strategies to search for potentially relevant literature published from 2010 through 2021. Our methodology provided a range of potential options for discussion with experts and was not designed to produce an exhaustive list of options. Specifically,

- We searched databases (e.g., ProQuest, EBSCO, and SCOPUS) using relevant key words (e.g., policy options, disaster recovery, disaster assistance). We also searched the Congressional Research Service report database, Congress.gov, Harvard University's Think Tank Search,<sup>13</sup> and more general internet searches using the same relevant key words. We also searched for proposed legislation that included ideas to reform the federal government's approach to disaster recovery. We supplemented these searches with literature referred to us by officials at the National Academy of Public Administration and the National Academy of Sciences' Resilient America program and from the selected experts.
- We then reviewed all of the compiled literature to identify those that discussed policy options related to reforming the federal approach to disaster recovery. These approaches yielded 32 relevant sources that together contained 146 options.<sup>14</sup> We supplemented those sources with options identified by federal, state, and local officials, and other disaster recovery stakeholders we interviewed as part of our review.<sup>15</sup>
- We grouped and distilled the options from relevant literature into a list of 11 high-level options to improve the federal government's approach to disaster recovery.<sup>16</sup> This entailed, for example, combining similar specific ideas into a single higher-level option. For six of the 11 high-level options, we also identified 30 specific actions for implementing the high-level option. For actions attributed to a single source in our

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<sup>13</sup>[https://guides.library.harvard.edu/hks/think\\_tank\\_search](https://guides.library.harvard.edu/hks/think_tank_search).

<sup>14</sup>We identified 15 of the final 32 sources through the literature database search. The initial literature database searches yielded 104 results of which we determined 15 were relevant and 89 were not because, for example, they were duplicate results or out of scope. We identified the remaining 17 of the final 32 sources through our other search methods including the Congressional Research Service report database and Harvard University's Think Tank Search. Many of the 32 sources included multiple options.

<sup>15</sup>The other disaster recovery stakeholders included two former FEMA Administrators.

<sup>16</sup>We excluded options that focused on improving disaster recovery programs at a single agency.

review of the literature, we provided the relevant citation in our report. Based on suggestions from the selected experts, we added three actions for a total of 33 specific actions.<sup>17</sup>

**Identifying experts.** To identify experts, we used the results of the literature search and solicited recommendations from the National Academy of Public Administration, the National Academy of Sciences' Resilient America program, and the FEMA National Advisory Council. We selected 20 experts representing a range of experience in disaster recovery, using the following criteria:

- Area of subject matter expertise. To ensure that our panel captured as many aspects of disaster recovery as possible, we selected experts that represented an array of disaster recovery-related areas of expertise, including: disaster recovery; disaster resilience; emergency management; critical infrastructure; transportation; and housing.<sup>18</sup>
- Professional discipline. To ensure that our panel captured the breadth of professional disciplines involved in disaster recovery, we selected experts knowledgeable in engineering, public policy, law, emergency management, and housing.
- Organizational type. To ensure that our panel captured the unique roles and perspectives of various entities involved in disaster recovery, we selected experts from federal, state, local, and tribal government, research institutes or universities, advocacy or membership groups, private consultancy, and public or nonprofit organizations.
- Diversity. To ensure that our panel included viewpoints that were inclusive of different experiences and perspectives, we selected experts that represented gender, ethnic and racial, and regional diversity.

In selecting experts, we considered their current and former positions and affiliations. Table 5 lists the 20 experts who participated in our panel and relevant affiliations as of the panel in March 2022.

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<sup>17</sup>The expert panel suggested adding three actions relating to providing technical assistance and capacity grants to incentivize investments in disaster resilience and to lowering the benefit-cost analysis threshold for vulnerable communities or expanding the range of variables considered in calculating the benefit cost calculations.

<sup>18</sup>Additional consideration was given to selecting experts with expertise in climate adaptation; community disaster resilience; hazard mitigation; intergovernmental relations; and vulnerable communities.

**Appendix I: Objectives, Scope, and Methodology**

**Table 5: Experts Who Participated in GAO’s Panel Discussions and Relevant Affiliations**

<b>Expert</b>	<b>Affiliations<sup>a</sup></b>
Thad Allen	Booz Allen Hamilton; U.S. Coast Guard
Ryan Buras	California Office of Emergency Services
Curtis Brown	Institute for Diversity and Inclusion in Emergency Management; Virginia Department of Emergency Management; Research Institute for Social Equity, Virginia Commonwealth University
Matt Cowles	National Emergency Management Association
Brian Gerber	Arizona State University
Stan Gimont	Hagerty Consulting, Inc.; Department of Housing and Urban Development
Theresa Gregor	Inter-Tribal Long Term Recovery Foundation
Derrick Hiebert	Deloitte; King County Emergency Management
Dave Kaufman	CNA; Georgetown University; Federal Emergency Management Agency
Daniel Kaniewski	Marsh McLennan; Federal Emergency Management Agency; Homeland Security Studies and Analysis Institute
John Lavallee	Agua Caliente Band of Cahuilla Indians
Holly Leicht	Empire State Development; Department of Housing and Urban Development
Marion McFadden	Enterprise Community Partners; Department of Housing and Urban Development <sup>b</sup>
Edward Sniffen	Hawaii Department of Transportation; American Association of State Highway and Transportation Officials
Mike Sprayberry	Hagerty Consulting, Inc.; North Carolina Emergency Management
Eric Tate	University of Iowa
Robert Troy	California Office of Emergency Services
Libby Turner	Federal Emergency Management Agency
Floyd Velasquez	Morongongo Band of Mission Indians
Adrienne L. Williams-Octalien	U.S. Virgin Islands Office of Disaster Recovery

Source: GAO. | GAO-23-104956

<sup>a</sup>Affiliations include those at the time of the expert panel discussions in March 2022 and prior affiliations that were considered in selecting the expert to participate in the effort.

<sup>b</sup>Marion McFadden served as Deputy Assistant Secretary for Grant Programs at the Department of Housing and Urban Development (HUD) between 2014 and 2016. Subsequent to participating in our panel discussions, she accepted an appointment at HUD as the Principal Deputy Assistant Secretary for Community Planning and Development.

To help identify any potential biases or conflicts of interest, we asked each expert to disclose whether they had investments, sources of earned income, organizational positions, relationships, or other circumstances that could affect, or be viewed to affect their perspectives. None of the experts reported potential conflicts that would affect their ability to participate in the panel discussions.

**Identifying Strengths and Limitations of Options.** After selecting the experts and identifying options, in March 2022, we convened four 4-hour virtual panel sessions led by methodologists experienced in conducting panel discussions. To the extent possible, selected experts participated in each of the four panels. In each panel discussion between two and four of the options were systematically addressed with experts asked to provide their views on: (1) the strengths and limitations of each option and (2) whether the option would improve the efficiency,<sup>19</sup> effectiveness,<sup>20</sup> equity,<sup>21</sup> and disaster resilience<sup>22</sup> of the federal approach. We also asked the experts to discuss the feasibility of implementing the option and any steps that could be taken to implement it. The discussions were recorded and transcribed to ensure that we accurately captured experts' statements.

We analyzed the transcripts to identify common themes and key statements from the experts. We did not poll experts or seek consensus on the strengths and limitations of the options discussed. Consequently, we do not provide counts or otherwise quantify the number of experts citing particular strengths or limitations. As such, we attribute statements from experts we collected as part of these panel discussions to the "panel of experts" or "experts in our report." This includes statements made by

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<sup>19</sup>We defined efficiency as when a government program or activity gets the most value from available resources. GAO, *Government Auditing Standards: 2018 Revision Technical Update April 2021*, [GAO-21-368G](#) (Washington, D.C.: April 14, 2021).

<sup>20</sup>We defined effectiveness as measuring the extent to which the federal government is achieving its goals and objectives. [GAO-21-368G](#).

<sup>21</sup>Executive Order 13,985 defines *equity* as "the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality." Exec. Order No. 13, 985, *Advancing Racial Equity and Support for Underserved Communities through the Federal Government*, 86 Fed. Reg. 7009 (Jan. 25, 2021).

<sup>22</sup>Our 2019 Disaster Resilience Framework defines the term disaster resilience as the ability to prepare for anticipated hazards, adapt to changing conditions, and withstand and recover rapidly from disruptions. Hazard mitigation (actions taken to lessen the impact of disasters) and climate adaptation (actions taken to address the actual and anticipated effects of climate change) are two kinds of actions that enhance disaster resilience by reducing disaster risk. GAO, *Disaster Resilience Framework: Principles for Analyzing Federal Efforts to Facilitate and Promote Resilience to Natural Disasters*, [GAO-20-100SP](#) (Washington, D.C.: Oct. 23, 2019).

individual experts. Further, we do not report all expert responses in this report but instead report themes and illustrative examples. In reporting the results of our analysis, we also provide additional context from the relevant literature we reviewed.

**Identifying Federal Actions.** To identify what actions Congress could take to provide for a more efficient and effective federal approach to disaster recovery, we reviewed our prior work in this area and Congressional Research Service reports on past efforts that used independent commissions to address complex cross-government policy issues.<sup>23</sup>

We compared agency actions with Executive Order 14058, *Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government*;<sup>24</sup> and FEMA's, HUD's, and DOT's strategic plans for 2022-2026.<sup>25</sup> We also interviewed officials at FEMA, HUD, and DOT about any steps they had taken to implement the options.

We conducted this performance audit from February 2021 to November 2022 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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<sup>23</sup>GAO, *The Nation's Retirement System: A Comprehensive Re-evaluation Is Needed to Better Promote Future Retirement Security*, [GAO-18-111SP](#) (Washington, D.C.: Oct. 18, 2017); GAO, *21st Century Challenges: Reexamining the Base of the Federal Government*, [GAO-05-325SP](#) (Washington, D.C.: Feb. 1, 2005); Congressional Research Service, *Congressional Commissions: Overview and Considerations for Congress*, R40076 (Washington, D.C.: Jan. 14, 2022).

<sup>24</sup>Exec. Order No. 14,058, *Transforming Federal Customer Experience and Service Delivery To Rebuild Trust in Government*, 86 Fed. Reg. 71,357 (Dec. 16, 2021).

<sup>25</sup>FEMA, *2022-2026 FEMA Strategic Plan: Building the FEMA our Nation Needs and Deserves*, (Washington, D.C.: Dec. 16, 2021); HUD, *Fiscal Year 2022-2026 Strategic Plan*, (Washington, D.C.: Mar. 28, 2022); and DOT, *Strategic Plan FY2022-2026*, (Washington, D.C.: Mar. 28, 2022).

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# Appendix II: Information on Options for Improving Disaster Recovery

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Based on our review of relevant literature, interviews with federal, state and local officials, and our panel of experts, we identified 11 options to improve the federal government’s approach to disaster recovery.<sup>1</sup> The following appendix includes a description of each option including strengths, limitations, and specific actions that could be taken to implement them. Where relevant, we briefly describe related efforts or steps federal agencies have taken to implement aspects of the options. Other than where we have made prior recommendations, we do not endorse any particular option; rather, the appropriate mix of options to improve disaster recovery is a policy choice and requires complex tradeoffs.

The options discussed in this appendix are listed in Table 6.

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**Table 6: Options to Improve the Federal Government’s Approach to Disaster Recovery**

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|--|
| 1. Develop new coordinated efforts to clearly and consistently communicate about recovery programs.          |
| 2. Provide coordinated technical assistance throughout disaster recovery.                                    |
| 3. Develop models to more effectively coordinate across disaster recovery programs.                          |
| 4. Develop a single online application portal for disaster recovery that feeds into one repository.          |
| 5. Standardize requirements of federal disaster recovery programs.   |
| 6. Simplify requirements of federal disaster recovery programs.  |
| 7. Further incentivize investments in disaster resilience as part of federally-funded recovery programs.     |
| 8. Identify desired recovery outcomes and develop a mechanism to track these across programs.                |
| 9. Prioritize disaster recovery funding for vulnerable communities across all federal programs. <sup>a</sup> |
| 10. Consolidate federal disaster recovery programs.  |
| 11. Adjust the role of the federal government in disaster recovery.  |
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Source: GAO analysis of relevant literature; interviews with federal, state, and local officials; and our panel of experts. | GAO-23-104956

<sup>a</sup>The Centers for Disease Control and Prevention defines at-risk groups, or socially vulnerable communities, as a group within the overall population having a higher degree of demographic or socioeconomic vulnerability, rendering them more likely to be adversely affected by disaster.

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<sup>1</sup>We selected 20 experts with a range of experience in disaster recovery to participate in virtual panel sessions to discuss the options we identified including their strengths and limitations and whether the option would improve the federal government’s approach to disaster recovery, among other things. We analyzed the results to identify common themes and key statements from the experts. Statements collected from the panel discussions are attributed to the “panel of experts” or “experts” in our report.



# OPTION 1: DEVELOP NEW COORDINATED EFFORTS TO COMMUNICATE ABOUT RECOVERY PROGRAMS

The federal government could develop new, coordinated efforts to clearly and consistently communicate information with disaster survivors and state, local, tribal, and territorial governments about the full range of federal disaster recovery programs.

Specifically, this could involve:

- ◆ Providing comprehensive, accurate and consistent information about each agency's programs including how they interact with other agencies' programs, such as through fact sheets or workshops providing eligibility requirements and relevant regulations.
- ◆ Improving communication of information by using analytics to help agencies learn whether the information is being downloaded and better ensure that it is reaching the target audiences.
- ◆ Ensuring existing resources reach vulnerable communities, including rural communities.



FEMA employees register Hurricane Harvey survivors at the Houston Convention Center.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements; the Federal Emergency Management Agency (FEMA) (photo). | GAO-23-104956

## STRENGTHS

- Implementing this option could leverage existing sources of information, such as program fact sheets and webinars. Additionally, if the resources are web-based and widely accessible, it could help ensure they reach vulnerable communities.
- Implementing this option could build on ongoing efforts to make it easier to locate and access disaster assistance information, such as FEMA MAX-TRAX or [DisasterAssistance.gov](https://www.fema.gov/disaster-assistance).

## LIMITATIONS

- The resources and information provided may be lengthy and complex which could limit their usefulness.
- Implementing this option would require significant time and resources to continuously update given the number and complexity of the programs involved and varying program availability based on disaster supplemental appropriations. Additionally, it is unclear who would be responsible for doing so.
- Different federal agencies and offices within agencies may interpret program requirements and make eligibility determinations differently, which could complicate efforts to successfully implement this option.

Source: GAO analysis of expert statements. | GAO-23-104956

## RELATED AGENCY EFFORTS

- According to FEMA, the agency developed MAX-TRAX, a collaborative online platform, to manage disaster recovery missions across partners from states, local, tribal, and territorial governments and other federal agencies. Experts indicated this tool has been helpful in improving coordination of their disaster recovery efforts and identifying available resources.
- FEMA developed DisasterAssistance.gov in December 2008 to allow individuals to find disaster assistance that meets personal needs, apply for and check the status of disaster assistance, among other things. Experts noted that DisasterAssistance.gov has improved over time but is difficult to navigate. Further, its usefulness is limited to individual recipients, not state and local entities. In 2022, according to the Performance.gov website, the Office of Management and Budget is evaluating whether to expand DisasterAssistance.gov for small businesses.
- The Recovery Support Function Leadership Group created the Disaster Resource Library on FEMA's website in collaboration with other federal agencies to provide links to information on federal disaster recovery resources to state, local, territorial, and tribal governments, as well as nonprofits, businesses, healthcare institutions, schools, and individuals and households.
- FEMA developed a Roadmap to Federal Resources for Disaster Recovery in June 2022 that may help state, local, tribal, and territorial entities navigate some of the challenges commonly encountered after a disaster and understand how federal funding program can align to support potential solutions.

# OPTION 2: PROVIDE COORDINATED TECHNICAL ASSISTANCE THROUGHOUT DISASTER RECOVERY

The federal government could provide coordinated technical assistance to disaster survivors and state, local, tribal, and territorial governments throughout disaster recovery.

Specifically, this could involve:

- ◆ Partnering across federal agencies to train caseworkers to be knowledgeable about all of the federal disaster recovery programs available.
- ◆ Training caseworkers to consider regional differences, including cultural competence.<sup>2</sup>

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements. | GAO-23-104956

## STRENGTHS

- Implementing this option by having cross-trained caseworkers could provide greater consistency throughout the recovery process and across multiple federal agencies for applicants at the state, local, tribal, and territorial level as well as disaster survivors. This could improve the applicant and disaster survivor experience by, for example, providing a single resource to explain eligibility requirements and program interdependencies.
- Implementing this option by providing resources for non-English speakers or providing resources that take regional context into account could improve equity and effectiveness of program delivery.
- Implementing this option could increase the use of programs because applicants would have more awareness of available options and would have assistance in navigating the application process.

## LIMITATIONS

- Implementing this option would be challenging because disasters vary in size and severity, and to some extent the technical assistance would need to be tailored for each specific disaster.
- Implementing this option would require training caseworkers to the point of expertise on the many disaster recovery programs, which may not be practical or realistic.
- Implementing this option may be challenging because it is unclear which federal agency is best positioned to lead implementation of this option and what additional authorities and resources that agency would need to develop the cadre of caseworkers empowered to guide disaster survivors or state, local, tribal, and territorial governments through multiple federal agencies' programs.
- Implementing this option may not address the issue of a lack of capacity in some jurisdictions that cannot maintain disaster recovery professionals outside of the funding provided by some recovery grants.

Source: GAO analysis of literature and expert statements. | GAO-23-104956



Hurricanes Irma and Maria Disaster Recovery Center, Christiansted, U.S. Virgin Islands.

Source: GAO. | GAO-23-104956

<sup>2</sup>According to the U.S. Department of Health and Human Services, cultural competence includes the ability of individuals and systems to respond respectfully and effectively to people of all cultures, classes, races, ethnic backgrounds, sexual orientations, and faiths or religions in a manner that recognizes, affirms, and values the worth of individuals, families, tribes, and communities, and protects and preserves the dignity of each.

# OPTION 3: DEVELOP MODELS TO MORE EFFECTIVELY COORDINATE ACROSS DISASTER RECOVERY PROGRAMS

The federal government could develop flexible or scalable models to more effectively coordinate across all federal disaster recovery programs for large-scale or multi-jurisdictional disaster recovery efforts.

Specifically, this could involve:

- ♦ Creating a coordinated group of federal agencies that can develop models for recovery to be used across different states, localities, tribal governments, and territories.
- ♦ Developing a database of infrastructure projects ongoing and planned in response to a specific disaster to improve coordination across federal agencies and state, local, tribal, and territorial jurisdictions.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements. | GAO-23-104956

## STRENGTHS

- Implementing this option could improve coordination among and between federal agencies and state, local, tribal, and territorial governments by putting additional emphasis on pre-planning for disaster recovery.
- Implementing this option could incorporate disaster recovery exercises, similar to those done for disaster response. For example in 2018, FEMA facilitated the National Level Exercise, involving federal agencies, state and local jurisdictions, and private organizations, to simulate a major hurricane hitting the Mid-Atlantic. FEMA published a report detailing key findings and recommendations for future response efforts.
- Implementing this option through the development of a database of infrastructure projects could inform other recovery efforts planning similar recovery projects, including those with funding from multiple federal agencies and programs. This could lead to a more efficient and effective use of programs, especially for jurisdictions with less disaster recovery experience.

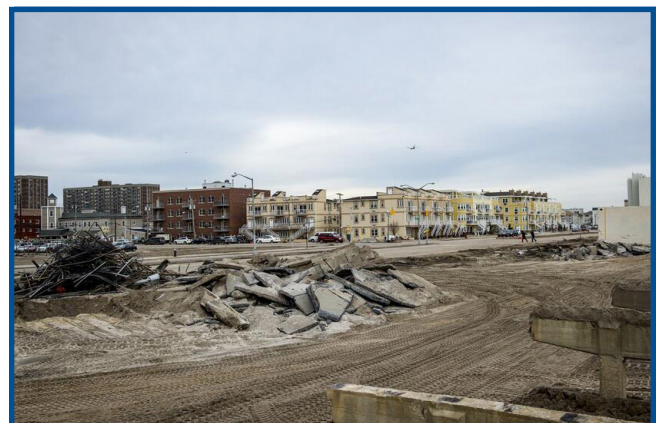
## LIMITATIONS

- State, local, tribal, and territorial governments may prefer to design their own recoveries and may be reluctant to adopt a federally developed model.
- Federal agencies' disaster recovery program policies and procedures are generally not flexible or designed to work together, which could complicate any joint models and protocols.
- Implementing this option may require the use of incentives, such as funding and other resources, if federal agencies are reluctant to participate in more in-depth coordination for smaller disasters.

Source: GAO analysis of literature and expert statements. | GAO-23-104956

## RELATED AGENCY EFFORTS

- In 2014, FEMA established the Sandy Regional Infrastructure Resilience Coordination group to facilitate disaster recovery following Hurricane Sandy. The group was comprised of multiple federal agencies as well as state and local governments. The group coordinated long-term recovery and major infrastructure repair efforts, examined gaps in disaster resilience, and determined the funding and resources available from various federal agencies. The group also provided oversight and used an infrastructure project database to ensure federal agencies incorporated key principles of disaster resilience into their formulation, evaluation, and prioritization of infrastructure investments related to rebuilding after Hurricane Sandy.
- The National Incident Management System is a standardized approach to coordinating responses to incidents. The system is intended to guide emergency responders at all levels of government and the private sector. States must agree to adopt the system to receive preparedness funding from FEMA. This system for disaster response could be adapted for a similar role in disaster recovery.



Damage from Hurricane Sandy to Rockaway Boardwalk, Queens NY.

Source: FEMA/K.C. Wilsey. | GAO-23-104956

# OPTION 4: DEVELOP A SINGLE ONLINE APPLICATION PORTAL FOR FEDERAL PROGRAMS

The federal government could develop a single, online application portal for federal disaster recovery program applicants, including individuals and state, local, tribal, and territorial governments, that feeds into one data repository.

Specifically, this could involve:

- ◆ Helping applicants identify which federal programs fit their specific recovery needs based on their eligibility.
- ◆ Utilizing existing sources of data to help inform program eligibility (i.e., tax data at the Internal Revenue Service, building rent rolls, or census data for income status) and reduce the need for applicants to input duplicative information.
- ◆ Feeding information submitted by applicants through the portal into a single repository of applicant information across federal programs and providing a means to avoid duplication of federal benefits.
- ◆ Developing data sharing agreements between federal agencies to address data sharing and privacy issues, among other things.
- ◆ Ensuring that the portal reflects cultural competence and is accessible for non-English speakers.<sup>3</sup>

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements. | GAO-23-104956

## STRENGTHS

- Implementing this option could improve the applicant experience by streamlining the application process for disaster survivors and state and local applicants, for example by reducing the need for applicants to input duplicative application information for multiple federal programs.
- Implementing this option by feeding applicant information through a single repository could reduce the resources agencies and state, local, tribal, and territorial governments spend on ensuring applicants are not receiving duplicative benefits.
- Implementing this option could help address state, local, tribal, and territorial government capacity limitations by reducing the amount of work needed to complete multiple applications for different disaster recovery programs.
- Establishing a data repository could make it easier to assess the efficiency and effectiveness of disaster recovery programs, because it would result in the availability of consistent data needed for program and outcome assessment.
- Implementing this option could encourage federal agencies to streamline their requirements and align time frames, which could better manage fragmentation across federal disaster recovery programs.

## LIMITATIONS

- Implementing this option could be challenging due to the costs associated with developing a new system, including the costs and challenges of integrating a new system with existing application systems across multiple federal agencies.
- Implementing this option would likely require one federal agency or entity to be the lead for establishing data collection policies and procedures, updating and maintaining the data system, and ensuring data quality, among other things.
- Implementing this option would require that federal agencies address cross-agency privacy and data sharing concerns.

Source: GAO analysis of literature and expert statements. | GAO-23-104956

<sup>3</sup>According to the U.S. Department of Health and Human Services, cultural competence includes the ability of individuals and systems to respond respectfully and effectively to people of all cultures, classes, races, ethnic backgrounds, sexual orientations, and faiths or religions in a manner that recognizes, affirms, and values the worth of individuals, families, tribes, and communities, and protects and preserves the dignity of each.



## OPTION 4: DEVELOP A SINGLE ONLINE APPLICATION PORTAL FOR FEDERAL PROGRAMS

### RELATED AGENCY EFFORTS

- The Department of Housing and Urban Development (HUD) and FEMA have a data matching program. The agreement states that HUD and FEMA will compare and match data for HUD-assisted individuals who are also receiving forms of housing assistance under FEMA's Individual and Households Program. The agencies can use the data in a number of ways. For example, HUD may use FEMA data to inform Community Development Block Grant Disaster Recovery allocations. Additionally, if HUD has data sharing agreements with its Community Development Block Grant Disaster Recovery grantees, these grantees may use FEMA data to check for duplication of benefits.
- According to FEMA officials, FEMA, HUD, the Small Business Administration, and other interagency partners are participating in working groups facilitated by the Office of Management and Budget to identify solutions to overcome data sharing and privacy challenges to implement a consolidated application for disaster recovery programs. As of July 2022, the working group completed a 90-day effort focused on producing actionable recommendations for implementing both programmatic and technical solutions to improve the disaster survivor experience and reduce the need to navigate across agencies for disaster assistance.



Lava flow from the Kilauea eruption engulfs a plant nursery, Kapoho, Hawaii.

Source: National Guard. | GAO-23-104956

# OPTION 5: STANDARDIZE REQUIREMENTS OF FEDERAL DISASTER RECOVERY PROGRAMS

The federal government could standardize requirements for federal disaster recovery programs.

Specifically, this could involve:

- ♦ Adopting a “first touch” rule, meaning the interpretation of a requirement used by the first federal agency to interact with a disaster survivor or state, local, tribal or territorial government prevails.<sup>4</sup>
- ♦ Prioritizing the requirements of the primary federal funding source for a particular recipient and require any secondary funding sources to align their requirements with the primary agency in the event of a contradiction.
- ♦ Codifying the Community Development Block Grant Disaster Recovery to standardize requirements.
- ♦ Adopting a standardized preliminary disaster assessment process and ensuring that it is used by all federal agencies involved in short- and long-term recovery.
- ♦ Developing consistent cost-share requirements for federal disaster recovery programs.<sup>5</sup>
- ♦ Developing common definitions across federal disaster recovery programs (i.e., low- and moderate-income standards, vulnerable communities).
- ♦ Identifying one federal agency to review disaster recovery projects for compliance with common regulations and requirements (i.e., environmental and historic preservation reviews and the Davis-Bacon Act) and establish agreements that other federal agencies will accept its determination.<sup>6</sup>
- ♦ Adopting common interpretations of the same legal requirements (i.e., environmental and historic preservation reviews and the Davis-Bacon Act) for disaster recovery projects.
- ♦ Identifying one federal agency, for each applicant or funded project, to de-conflict requirements, where multiple federal agencies’ jurisdictions overlap.
- ♦ Standardizing the benefit-cost analysis across federal disaster recovery programs and providing more pre-calculated benefits, while considering the potential impact on vulnerable communities.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements. | GAO-23-104956



A Texas emergency highway repair project following Hurricane Harvey; repaired road built to updated design standards.

Source: GAO. | GAO-23-104956

<sup>4</sup>Martín, Carlos, Brandi Gilbert, Dan Teles, and Brett Theodos. *Housing Recovery and CDBG-DR: A Review of the Timing and Factors Associated with Housing Activities in HUD’s Community Development Block Grant for Disaster Recovery Program* (Washington, D.C.: April 2019): 74.

<sup>5</sup>Martín, Carlos, and Alexander Williams, *A Federal Policy and Climate Migration Briefing for Federal Executive and Legislative Officials* (Washington, D.C.: March 2021): 27.

<sup>6</sup>Leicht, Holly M., *Rebuild the Plane Now: Recommendations for Improving Government’s Approach to Disaster Recovery and Preparedness* (New York: July 2017): 17.

## OPTION 5: STANDARDIZE REQUIREMENTS OF FEDERAL DISASTER RECOVERY PROGRAMS

### STRENGTHS

- Implementing this option by codifying the Community Development Block Grant Disaster Recovery could expedite recovery, provide consistency in which disasters receive funding, and allow states to better plan their recovery and optimize use of their resources.
- Implementing this option by developing common definitions and adopting common interpretations of requirements could expedite the application review process and help facilitate a single shared application for disaster assistance. Specifically, standardizing the definitions around vulnerable communities and including more multidimensional definitions, such as race and ethnicity as well as income, could help address equity and systemic barriers to these programs.
- Implementing this option by identifying one federal agency to review disaster recovery projects for compliance with common regulations and requirements, such as the environmental and historic preservation reviews, and expanding the list of project types that do not have to go through the environmental and historic preservation review (i.e. categorical exclusions) could create efficiencies and help expedite disaster recovery.
- Implementing this option by standardizing the benefit cost analysis could help low-capacity communities if it includes more pre-calculated benefits and more pre-disaster identification of cost effective project types. This could also improve equity if the standardization includes values for difficult-to-quantify benefits, such as community well-being, and puts less emphasis on property values.

### LIMITATIONS

- May not improve community resilience if the standardized requirements do not promote long-term risk reduction.
- Implementing this option by prioritizing the requirements of one federal program over others, including the “first touch” rule, could increase complexity and slow the recovery process if there were disagreements about which entity’s interpretations prevailed. This is also a challenge for standardizing the benefit cost analysis and other requirements.
- Implementing this option by using the “first touch” rule could create unintended incentives for applicants to start their application with a federal agency they perceive to have more lenient requirements or generous interpretations.
- Implementing this option by standardizing definitions could be politically challenging and could unintentionally create limiting definitions, rather than flexible and encompassing definitions, particularly around social vulnerability.

Source: GAO analysis of literature and expert statements. | GAO-23-104956

# OPTION 6: SIMPLIFY REQUIREMENTS OF FEDERAL DISASTER RECOVERY PROGRAMS

The federal government could simplify requirements of federal disaster recovery programs.

Specifically, this could involve:

- ◆ More clearly identifying waivers and exemptions to existing requirements, policies, or practices. For example, the federal government could more clearly identify National Environmental Policy Act categorical exclusions, such as those related to repair and replacement of homes. These exclusions are a set of actions that a federal agency has determined do not normally have a significant effect on the human environment.
- ◆ Identifying cross-eligibility between federal disaster recovery programs and other public benefit programs (i.e., Social Security Disability Insurance).<sup>7</sup>
- ◆ Allowing state, local, tribal, and territorial governments to comply with state or local environmental review laws if they are substantially equivalent. Determination could be conducted in advance of disasters to identify state or local requirements that are substantially equivalent to federal requirements.
- ◆ Allowing state, local, tribal, and territorial governments' flexible use of management costs across open disasters.<sup>8</sup>
- ◆ Establishing a maximum amount that individuals and/or households can receive in federal disaster recovery benefits across multiple federal agencies before the prohibition on duplication of benefits applies.
- ◆ Allowing for federal disaster recovery funding to be awarded directly to large municipalities (versus awarding funding to municipalities through states).

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements. | GAO-23-104956

## STRENGTHS

- Implementing this option could expedite disaster recovery by reducing the time required to complete and approve applications. For example, implementing this option by making determinations in advance of a disaster, such as by identifying waivers and exceptions, or allowing governments to comply with state, local, tribal, and territorial laws that are substantially equivalent could help expedite disaster recovery.
- May particularly benefit recovery in communities with fewer resources and less capacity to navigate complex programs. For example implementing this option by allowing flexible use of management costs across multiple disasters could improve state, local, tribal, and territorial government capacity because the resource flexibility could encourage communities to retain staff for disaster recovery and resilience.
- Implementing this option by establishing a maximum federal benefit before the prohibition on duplication of benefits applies could reduce federal, state, local, tribal, and territorial entities' expense of monitoring and recouping benefits below the threshold and expedite delivery of benefits to individuals and households.
- Implementing this option by allowing for federal disaster recovery funding to be awarded directly to large municipalities could reduce opportunities for political favoritism to affect the intrastate distribution of disaster recovery funds.

## LIMITATIONS

- Implementing this option could be a complex undertaking as it may require changes to multiple statutes as well as federal agencies' policies and regulations and their interpretations.
- Implementing this option may be challenging because it would likely also require federal agencies to agree on their interpretations of existing requirements as these can vary across and within agencies.
- Implementing this option by establishing a maximum amount before the prohibition on duplication of benefits applies could be difficult as recovery costs vary by disaster.
- Implementing this option by allowing for federal disaster recovery funding to be awarded directly to large municipalities could reduce state capacity because they may receive less management cost funding. Additionally, the size of the municipality does not necessarily reflect its capacity to effectively manage disaster recovery funding. Further, states are responsible for managing their hazard mitigations plans and individual municipalities may not select projects that reduce the overall disaster risk to the state.

Source: GAO analysis of expert statements. | GAO-23-104956

<sup>7</sup>Urban Institute, *Improving the Disaster Recovery of Low-Income Families* (Washington, D.C.: October 29, 2021), accessed Oct. 29, 2021, <https://www.urban.org/debates/improving-disaster-recovery-low-income-families>.

<sup>8</sup>National Emergency Management Association, *NEMA 2021 National Policy Priorities* (Lexington, K.Y.: 2021), accessed Aug. 24, 2022, <https://www.nemaweb.org/index.php/files/113/2021-Meeting-of-the-States/295/NEMA--2021-Policy-Priorities.pdf>



## OPTION 6: SIMPLIFY REQUIREMENTS OF FEDERAL DISASTER RECOVERY PROGRAMS

### RELATED AGENCY EFFORTS

- FEMA has taken steps to simplify the application process for lower-cost projects by increasing the small project threshold to \$1 million in August 2022.



Aftermath of the Carr Fire in Shasta County, California.

Source: GAO. | GAO-23-104956

# OPTION 7: FURTHER INCENTIVIZE INVESTMENTS IN DISASTER RESILIENCE AS PART OF FEDERALLY-FUNDED RECOVERY PROGRAMS

The federal government could further incentivize investments in disaster resilience as part of its disaster recovery programs.

Specifically, this could involve:

- ♦ Adding disaster resilience requirements to federal disaster recovery programs. This could include integrating resilience requirements into state and local building codes, standards for zoning, and mitigation strategies such as housing retrofits, elevations, and planned buyouts.
- ♦ Accounting for environmental and social impacts in benefit-cost analysis for federal disaster recovery programs.
- ♦ Defining a disaster resiliency standard for public infrastructure and allocating disaster recovery funding to meet a survivability standard.<sup>9</sup> Survivability is the capability of a building to provide adequate shelter for its occupants to survive within it for several post-disaster days without reliance on outside infrastructure.
- ♦ Facilitating pre-planning for post-disaster recovery by identifying how investments can be targeted to improve disaster resilience, which federal agencies to involve, and what funding may be made available.
- ♦ Providing technical assistance to state, local, tribal, and territorial governments during disaster recovery to support greater disaster resilience of federally-funded projects.
- ♦ Providing capacity-building grants to help state, local, tribal, and territorial governments to help them improve the disaster resilience of federally-funded projects.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements. | GAO-23-104956

## STRENGTHS

- Implementing this option by requiring that federally funded projects meet higher building code and disaster resiliency standards than already exist at the state or local level could improve community disaster resilience and reduce future risk.
- Implementing this option by facilitating pre-disaster planning, including through the use of specific funding or targeted technical assistance, could increase state and local capacity to better incorporate disaster resilience into post-disaster recovery projects and further prioritize future risk reduction.
- Implementing this option by allowing applicants to include environmental and social impacts in their benefit cost analyses may help vulnerable communities most at risk of future disasters, qualify for more federal funding for disaster recovery and disaster resilience projects, because property values are often lower in those communities. In addition, investments in disaster resilience in these communities might be particularly beneficial because they are often most at risk of future disasters.
- Implementing this option by defining a disaster resiliency standard could be helpful for increasing the disaster resilience of infrastructure, though experts said that the standard should be tied to continuity in critical function or an immediate occupancy standard rather than survivability.

## LIMITATIONS

- Implementing this option by requiring that federally-funded projects meet higher building code and disaster resiliency standards could increase the upfront costs of disaster recovery projects because it is generally more expensive to do so. This could particularly affect disaster recovery for communities with fewer resources.
- Implementing this option by adding disaster resilience requirements to federal disaster recovery programs could add more complexity to an already long and difficult process when communities want to rebuild as quickly as possible. It could require, for example, more information for federal agencies, such as cost-effectiveness calculations, or could mean applying to additional disaster resiliency focused programs.

Source: GAO analysis of literature, expert statements, and FEMA policy. | GAO-23-104956

<sup>9</sup>Disaster Housing Recovery Coalition, *Federal Emergency Management Agency Recovery Policy Recommendations* (Washington, D.C.: Aug. 26, 2020), accessed Nov. 18, 2021, <https://nlihc.org/explore-issues/projects-campaigns/disaster-housing-recovery/policy>.

## OPTION 7: FURTHER INCENTIVIZE INVESTMENTS IN DISASTER RESILIENCE AS PART OF FEDERALLY-FUNDED RECOVERY PROGRAMS

### RELATED AGENCY EFFORTS

- In September 2020, FEMA updated its policy on the inclusion of ecosystem services as a benefit in the calculation of cost-effectiveness for some of its hazard mitigation grant programs, including the Hazard Mitigation Grant Program and Public Assistance mitigation. Ecosystem services support risk reduction through erosion control, air quality, recreation space and water filtration, and provide mitigation opportunities as well as benefit the ecosystem. Previously, the benefit-cost ratio had to reach a certain threshold before ecosystem services could be included, but FEMA eliminated this requirement, stating that the natural environment is an important component of a community's resilience strategy.



Structural elevation to mitigate flood damage, Panama City Beach, FL.

Source: GAO. | GAO-23-104956

# OPTION 8: IDENTIFY DESIRED RECOVERY OUTCOMES AND DEVELOP A TRACKING MECHANISM

The federal government could identify desired disaster recovery outcomes and develop a mechanism to consistently track these across all federal agencies and disaster recovery programs.

Specifically, this could involve:

- ◆ Providing the outcomes and information collected by agencies publically on a single federal website for easy access.
- ◆ Establishing an independent board to compile and assess available information across agencies and identify lessons learned.
- ◆ Increasing federal agencies' abilities to collect and share data among federal agencies.



National Guard assisting following Typhoon Yutu, the Commonwealth of the Northern Mariana Islands.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements; U.S. Air Force (photo). | GAO-23-104956

## STRENGTHS

- Implementing this option could help establish a shared vision for desired disaster recovery outcomes and help align agency efforts toward achieving a common goal.
- Implementing this option could improve outcome measurement to assess program impact and performance, which could lead to more efficient and effective recovery programs. For example, collecting and sharing data on outcomes could reveal where parts of the recovery process are not working, increase transparency, and lead to improved service delivery.
- Implementing this option could improve our understanding of who benefits from disaster recovery programs and could inform efforts to improve the equity of recovery programs. For example, measuring outcomes for individual survivors could shed light on who is benefiting from recovery programs and who is not, potentially identifying opportunities to increase equity in the delivery of recovery programs. In December 2021, we found there was limited research on the outcomes for individual disaster survivors and there were opportunities for the FEMA, HUD, and the Small Business Administration to better identify and address access barriers and disparate outcomes. ([GAO-22-104039](#))
- Implementing this option could provide for consistent data collection and analysis standards across federal agencies and facilitate identification of best practices to help recovering communities use federal resources more effectively. For example, the data may help identify actions state, local, tribal, or territorial governments have taken that reduced recovery time.

## LIMITATIONS

- Implementing this option could be challenging because there is limited federal data on disaster recovery spending and consistent data on recovery outcomes could be similarly difficult to compile.
- Implementing this option could be a burden for state, local, tribal, and territorial governments if they were responsible for collecting the data, especially those with fewer resources.
- To ensure that agencies are held accountable for collecting and reporting their data, implementing this option could require a third party agency not directly involved in executing disaster recovery to compile and manage all the data and maintain the data system.
- Implementing this option will only be as useful as the recovery outcomes measured. For example, if federal agencies focus on specific program delivery outputs and metrics and not on community defined recovery outcomes, the benefit could be limited.

Source: GAO analysis of literature and expert statements. | GAO-23-104956

## RELATED AGENCY EFFORTS

- FEMA has developed Unified Recovery Outcomes. FEMA officials stated that they developed the Unified Recovery Outcomes jointly with the Recovery Support Function Leadership Group as part of their ongoing efforts to better integrate other federal agencies' capabilities into recovery field operations. For example, one Unified Recovery Outcome is that survivors can afford permanent housing within the affected community without post-disaster assistance. FEMA has included the Unified Recovery Outcomes in its Federal Coordinating Officers' Senior Leadership Common Operating Picture briefings since November 2021. Experts said the outcomes are high level and generic, but could serve as a starting point for implementing this option.



# OPTION 9: PRIORITIZE DISASTER RECOVERY FUNDING FOR VULNERABLE COMMUNITIES

The federal government could prioritize disaster recovery funding for vulnerable communities across all federal programs.<sup>10</sup>

Specifically, this could involve:

- ◆ Amending the eligibility requirements for disaster recovery programs to prioritize vulnerable communities—individuals in at-risk areas based on climate and disaster risk assessments.
- ◆ Allowing vulnerable communities to apply for additional funding for management costs or allowing them to roll-over management cost funding from disaster to disaster.
- ◆ Lowering the benefit-cost analysis threshold for vulnerable communities, expanding the range of variables considered in calculating the benefit-cost calculations—including things that cannot be monetized such as social and ecological factors, or waiving the benefit cost analysis requirement for mitigation measures that have already demonstrated cost-effectiveness.



Damaged public housing unit in Puerto Rico, February 2020.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements; GAO (photo). | GAO-23-104956

## RELATED AGENCY EFFORTS

- FEMA is in the process of launching its Swift Current Initiative to fund flood mitigation for certain properties at high risk of flooding. According to FEMA, the program also aims to promote equity in delivery of funds by prioritizing assistance that benefits vulnerable communities. For example, FEMA is basing selection decisions on the Centers for Disease Control and Prevention's Social Vulnerability Index and contributing up to 90 percent of the federal cost share for vulnerable communities. This index helps public health officials and emergency response planners identify and map the communities that will most likely need continued support to recovery following an emergency or natural disaster.
- FEMA's Building Resilient Infrastructure and Communities grant program is prioritizing assistance that benefits vulnerable communities, in part in response to Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, and the Justice40 Initiative.<sup>11</sup> To do so, four of the six qualitative evaluation criteria for the program requires sub-applicants to address how a project will benefit vulnerable communities. The Building Resilient Infrastructure and Communities grant program also reduces the non-federal cost share from 25 percent to 10 percent for economically disadvantaged rural communities and provides non-financial direct technical assistance to up to 20 communities in fiscal year 2021 to help build local capacity.
- In 2014, HUD launched the Natural Disaster Resilience Competition, which incorporated a benefit cost analysis requirement that allowed applicants to provide up to three pages summarizing benefits or costs that are difficult to quantify. Experts noted that this provided greater opportunities for rural and natural infrastructure projects that can provide natural solutions to coastal flooding and erosion, among other things. Examples include permeable pavement and driveways, mangroves and wetlands, and sand dunes.

<sup>10</sup>The Centers for Disease Control and Prevention defines at-risk groups, or socially vulnerable communities, as a group within the overall population having a higher degree of demographic or socioeconomic vulnerability, rendering them more likely to be adversely affected by disaster. According to the Intergovernmental Panel on Climate Change, vulnerability may also be used to describe areas or communities located in areas at greater risk of climate related disaster events, such as wildfires, flooding, storm surge, or sea level rise. For this option, experts discussed both socially vulnerable communities as well as those at risk of climate related disaster events.

<sup>11</sup>Exec. Order No. 14,008, 86 Fed. Reg. 7619 (Feb. 1, 2021). Justice40 is a whole-of-government effort to ensure that Federal agencies work with states and local communities to deliver at least 40 percent of the overall benefits from Federal investments in climate and clean energy to vulnerable communities.

## OPTION 9: PRIORITIZE DISASTER RECOVERY FUNDING FOR VULNERABLE COMMUNITIES

### STRENGTHS

- Implementing this option could help reduce gaps between communities and individuals who have historically received federal benefits after disasters and those that have not.
- Implementing this option through additional and more flexible use of management cost funding could help vulnerable communities build greater capacity.
- Additional funds could help vulnerable communities overcome barriers to building greater disaster resilience into their disaster recovery projects. For example, given that property values in vulnerable communities tend to be lower, either lowering the benefit-cost threshold or expanding the range of variables considered in calculating the benefit-cost of hazard mitigation projects could improve vulnerable communities' abilities to qualify for federal hazard mitigation funding.

### LIMITATIONS

- Prioritizing some communities over others may be politically challenging.
- Some communities may lack necessary capacity to develop the applications, including the benefit cost analysis, and to cover the non-federal share for projects.
- Available federal data may not be detailed or comprehensive enough to be used to identify the most vulnerable communities. For example, in December 2021, we found that FEMA, Small Business Administration, and HUD lack key data to examine patterns and indicators of potential access barriers and disparate recovery outcomes. ([GAO-22-104039](#))
- Socially vulnerable communities are often located in areas at high risk of disasters. Therefore, experts noted that providing additional federal funding to these communities could inadvertently reduce community disaster resilience by encouraging the rebuilding of homes and infrastructure in high-risk areas.

Source: GAO analysis of prior work, literature, and expert statements. | GAO-23-104956

# OPTION 10: CONSOLIDATE FEDERAL DISASTER RECOVERY PROGRAMS

The federal government could consolidate federal disaster recovery programs.

Specifically, this could involve:

- ◆ Collapsing the number of disaster recovery programs into five or more broad, flexible grant and loan programs by area of expertise.
- ◆ Providing a single federal disaster recovery block grant that identifies funding options by sector.
- ◆ Creating a federal “ombudsman” and overall coordinator who will be the central point of contact across all federal disaster recovery programs.<sup>12</sup>
- ◆ Reorganizing existing federal disaster recovery programs into a single agency focused on disaster resilience and recovery efforts.
- ◆ Creating a new agency focused on long-term disaster recovery that provides capacity, technical assistance, shared data, best practices, and cross-program coordination and encouraging community and recovery planning.



Marine debris following Hurricane Irma, Marathon, FL.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements; GAO (photo). | GAO-23-104956

## STRENGTHS

- Implementing this option could reduce the administrative burden on disaster survivors and state, local, tribal, and territorial governments.
- Implementing this option by reducing the number of agencies or collapsing the number of recovery programs by areas of expertise could reduce the complexity and simplify implementation of carrying out disaster recovery projects.
- Implementing this option by providing a single block grant could improve the state, local, tribal, and territorial government’s flexibility in applying for and receiving disaster recovery assistance. For example, a single block grant could expedite disaster recovery by reducing the complexity of the application process. It could also provide state and local governments more flexibility to fund hazard mitigation and resilience projects as part of their recovery efforts.
- Implementing this option by creating a federal ombudsman to consolidate and coordinate oversight of disaster recovery programs could help alleviate local capacity challenges. Experts noted that the ombudsman would need appropriate authorities to direct and coordinate with other federal agencies to be effective. Experts suggested reestablishing the Federal Disaster Recovery Coordinator position at FEMA to more effectively coordinate disaster recovery or positioning the role at the Office of Management and Budget or the Executive Office of the President.
- Implementing this option could reduce the siloes between funding streams and better integrate disaster recovery and resilience programs, thus reducing long-term risk.
- Implementing this option by creating a new federal agency could provide an opportunity to design an approach to disaster recovery that proactively focuses on mitigation, adaptation and recovery while also incorporating effectiveness and equity into its core mission.

## LIMITATIONS

- Implementation of these options could face political pushback, given the vested interest of the federal agencies involved and the number of Congressional committees of jurisdiction that oversee existing disaster recovery programs.
- Implementing this option by creating a new agency would not necessarily reduce the complexity of the programs.
- Implementing this option by providing a single block grant could negatively affect efforts to distribute resources equitably or prioritize projects that reduce national risk if states opted to distribute the funds according to other priorities.
- Implementing this option by creating a new federal agency may not address fundamental problems facing the existing agencies. For example, creating a new agency would not address state, local, tribal, and territorial capacity challenges to effectively recover after a disaster.
- Implementing this option by creating a new agency for recovery and resilience may create additional coordination challenges because the line between response and recovery is not always clear and decisions made during response can impact recovery or result in more duplication of effort.

Source: GAO analysis of literature and expert statements. | GAO-23-104956

<sup>12</sup>Liu, Amy, *Federal Post-Disaster Recovery: A Review of Federal Programs Summary of Key Observations and Recommendations from a Stakeholder Roundtable*, (Washington, D.C.: May 2010): 3.

# OPTION 11: ADJUST THE ROLE OF THE FEDERAL GOVERNMENT

The federal government could adjust its role in disaster recovery.

Specifically, this could involve:

- ◆ Raising the dollar loss threshold for Presidential major disaster declarations, those made when a disaster is of such severity and magnitude that effective response is beyond the capabilities of the state, tribal, or territorial government.<sup>13</sup>
- ◆ Creating an adjustable state, local, tribal, and territorial government cost share for federal disaster recovery assistance based on a jurisdiction's financial capacity and extent of recovery needs.
- ◆ Creating a new disaster deductible to help lower the costs of future disasters and provide an incentive for state, local, tribal, and territorial governments to protect communities and taxpayers from disasters before they happen. States could reduce their deductible by investing in disaster risk-reduction strategies.



Sandbags along Yellowstone River, Livingston, Montana.

Source: GAO analysis of literature; interviews with federal, state, and local officials; and expert statements; GAO (photo). | GAO-23-104956

## STRENGTHS

- Implementing the option by raising the threshold for major disaster declarations, could broaden available disaster assistance if it incentivizes or requires states to develop their own disaster assistance programs. This could also provide incentives for state, local, tribal, and territorial governments to further invest in disaster resilience and risk reduction activities in order to minimize their own future disaster recovery costs.
- Implementing this option through a disaster deductible could also encourage state, local, tribal, and territorial governments to invest in disaster risk reduction activities to reduce the cost of their annual deductible.
- Implementing this option through the creation of an adjustable cost share based on financial capacity and extent of recovery needs could improve equity in program delivery. For example, vulnerable communities could have their cost share reduced or waived.

## LIMITATIONS

- Reducing the federal role and associated costs in disaster recovery may not be feasible given the increasing frequency and intensity of disasters. Experts also noted that any implementation of this option would need to be done with enough time for state, local, territorial and tribal governments to adjust and plan for future disaster recovery needs.
- This option may disproportionately negatively affect vulnerable communities because they often live in areas at highest risk of disaster damage.
- Implementing this option by raising the threshold for major disaster declarations—which are declared at the state level—could more negatively affect vulnerable communities, including tribal communities, within larger states who would not receive federal assistance.
- Implementing this option could disproportionately affect some states, territories and tribal governments, including those that do not have their own disaster assistance programs or states that are less financially sound.

Source: GAO analysis of literature and expert statements. | GAO-23-104956

<sup>13</sup>Rose, Adam, Philip Ganderton, Jonathan Eyer, Dan Wei, Raphael Bostic, and Detlof von Winterfeldt, "The Role of a Deductible/Credit System for Post-Disaster Public Assistance in Meeting Alternative Policy Goals," *Journal of Environmental Planning and Management*, vol. 63, no. 12, 2163-2193 (2020).



# Appendix III: Comments from the Department of Homeland Security

U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

October 20, 2022

Chris P. Currie  
Director, Homeland Security and Justice  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Re: Management Response to Draft Report GAO-23-104956, "DISASTER RECOVERY: Actions Needed to Improve the Federal Approach"

Dear Mr. Currie:

Thank you for the opportunity to comment on this draft report. The U.S. Department of Homeland Security (DHS or the Department) appreciates the U.S. Government Accountability Office's (GAO) work in planning and conducting its review and issuing this report.

Federal Emergency Management Agency (FEMA) leadership is pleased to note GAO's recognition that FEMA operates disaster recovery programs for individual disaster survivors through its Individual Assistance program, as well as programs for state, territorial, tribal, and local governments affected by disasters. However, leadership disagrees with the GAO's characterization of the Federal approach to disaster recovery as "fragmented."

More specifically, emergency management is a multifaceted endeavor encompassing many phases, from pre-disaster resilience and preparedness to incident response and recovery to post-disaster resilience. Throughout the disaster lifecycle, emergency management requires multiple fields of subject-matter expertise, including but not limited to housing, transportation, mass care, and various infrastructure systems. Further, emergency management also involves multiple actors, from local municipalities to states, territories, and tribal governments, as well as Federal interagency groups incorporating the private and nonprofit sectors.

Working across multiple Federal Departments and agencies is the norm under the Recovery Support Function Leadership Group (RSFLG), which consists of multiple Departments and agencies across the Federal government, including senior officials from

Federal Departments that work together to help communities recover from a disaster. The RSFLG allows Federal agencies to coordinate disaster recovery work under the National Disaster Recovery Framework (2<sup>nd</sup> Edition, dated June 2016)<sup>1</sup> across the six Recovery Support Functions in order to provide communities with unified Federal assistance as quickly and effectively as possible. The RSFLG improves the effectiveness and unity of effort of coordinated Federal Recovery responsibilities, and also resolves operational, resource, and policy issues related to interagency recovery actions at the national level.

Successful emergency management outcomes require integration, rather than fragmentation, across these phases, fields of expertise, and actors. FEMA, as the Federal agency responsible for emergency management, takes a leadership role in integrating emergency management capabilities in each of these areas. In executing this responsibility, FEMA –

- Oversees the development of integrated emergency management doctrine, such as the “National Response Framework” (4<sup>th</sup> Edition, dated October 28, 2019)<sup>2</sup> and “National Disaster Recovery Framework;”
- Facilitates development of integrated emergency management policy and investments in emergency management capabilities as chair of the Mitigation Framework Leadership Group, Emergency Support Function Leadership Group, and Recovery Support Function Leadership Group; and
- Provides technical and financial assistance to support integrated resilience, response, and recovery planning at all levels of government.

FEMA is committed to improving recovery outcomes for survivors and communities through successfully integrating all facets of emergency management.

The draft report contained four recommendations, including two recommendations for FEMA with which the Department concurs. Enclosed find our response to each recommendation. DHS previously submitted technical comments addressing several accuracy, contextual, and other issues under a separate cover for GAO’s consideration.

<sup>1</sup> [https://www.fema.gov/sites/default/files/2020-06/national\\_disaster\\_recovery\\_framework\\_2nd.pdf](https://www.fema.gov/sites/default/files/2020-06/national_disaster_recovery_framework_2nd.pdf)

<sup>2</sup> [https://www.fema.gov/sites/default/files/2020-04/NRF\\_FINALApproved\\_2011028.pdf](https://www.fema.gov/sites/default/files/2020-04/NRF_FINALApproved_2011028.pdf)

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**Appendix III: Comments from the Department  
of Homeland Security**

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Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you again in the future.

Sincerely,

JIM H CRUMPACKER Digitally signed by JIM H  
CRUMPACKER  
Date: 2022.10.20 07:59:48 -04'00'

JIM H. CRUMPACKER, CIA, CFE  
Director  
Departmental GAO-OIG Liaison Office

Enclosure

**Enclosure: Management Response to Recommendations  
Contained in GAO-23-104956**

GAO recommended the FEMA Administrator:

**Recommendation 1:** In consultation with the Recovery Support Function Leadership Group, identify and take steps to better manage fragmentation between its disaster recovery programs and other federal programs, including consideration of the options identified in this report. If FEMA determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress.

**Response:** Concur. FEMA's Office of Response and Recovery (ORR) and Office of Policy and Program Analysis (OPPA) will explore ways to streamline disaster assistance across multiple programs and improve efficiency, taking into account options identified in this draft report, such as strengths and limitations. FEMA is coordinating with the Departments of Transportation (DOT) and Housing and Urban Development (HUD), and will more specifically identify its actions to implement this recommendation in the "180-Day Letter."<sup>3</sup> Estimated Completion Date (ECD): December 29, 2023.

**Recommendation 4:** Identify and take steps to better manage fragmentation across its disaster recovery programs, including consideration of the options identified in this report. If FEMA determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress.

**Response:** Concur. FEMA's ORR and OPPA will explore ways to streamline disaster assistance across multiple programs and improve efficiency, taking into account findings from this draft report. FEMA is also coordinating with the DOT and HUD, and will more specifically identify its actions to implement this recommendation in the 180-Day Letter. ECD: December 29, 2023.

<sup>3</sup> A written statement on actions taken, on-going, or planned regarding GAO recommendations provided within 180 days of the receipt of a final GAO report to Members of Congress, the Office of Management and Budget (OMB), and the GAO, pursuant to the requirements of 31 U.S.C. Section § 720, "Agency Reports," and OMB Circular A-50, "Audit Followup."

# Appendix IV: Comments from the Department of Housing and Urban Development



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

PRINCIPAL DEPUTY ASSISTANT SECRETARY  
FOR COMMUNITY PLANNING AND DEVELOPMENT

Mr. John Pendleton  
Director, Financial Markets and Community Investment  
Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Re: GAO Audit – Draft Report GAO-22-104956

Dear Mr. Pendleton:

On September 23, 2022, the Government Accountability Office (GAO) provided HUD with the draft report entitled “Disaster Recovery: Actions Needed to Improve the Federal Approach” [GAO-23-104956]. The report evaluates the role of five federal disaster response and recovery programs administered by the Federal Emergency Management Agency (FEMA), HUD, and the U.S. Department of Transportation (DOT). The draft report characterizes the federal role in disaster response as “fragmented” and outlines eleven possible options to improve the federal approach. The GAO suggests the formation of an independent commission to evaluate the eleven proposed options, as well as other possible reforms. The draft contains three identical recommendations, one for each of the subject federal agencies that are reviewed in the report. The draft recommendation for HUD provides that:

The Secretary of Housing and Urban Development should, in consultation with the Recovery Support Function Leadership Group, identify and take steps to better manage fragmentation between its disaster recovery programs and other federal programs, including consideration of the options identified in this report. If HUD determines that it needs authority for actions that it seeks to implement, it should request that authority from Congress (Recommendation 2).

The Department concurs with this draft recommendation and will review the options provided in the GAO’s draft report, as well as the identified strengths and limitations, as it continues to explore ways to streamline disaster assistance across multiple programs and improve efficiency. HUD estimates that this review will be completed by December 31, 2023.

The draft report indicates that GAO selected the following federal disaster response and recovery programs for review, because these programs represent “the majority of federal grant funding for public infrastructure projects post-disaster.” The five programs selected by the GAO include: FEMA’s Public Assistance (PA) program and its Hazard Mitigation Grant Program; HUD’s Community Development Block Grant disaster recovery (CDBG-DR) and mitigation (CDBG-MIT) programs; and DOT’s Public Transportation Emergency Relief Program.

HUD is unique among these federal agencies and programs, in that CDBG-DR and CDGB-MIT funds have been appropriated by Congress as *supplemental* appropriations of

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**Appendix IV: Comments from the Department  
of Housing and Urban Development**

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CDBG funds, as authorized by the Housing and Community Development Act of 1974 (HCDA), as amended. The supplemental nature of these funds, and the legislative mandate to address unmet needs in the most impacted and distressed areas, is a recognition that these funds are intended to address gaps that remain after other Federal recovery assistance has been provided. Further, the HCDA allows recipients of CDBG funds to undertake a wide range (more than 26) of community development activities. In the appropriation of CDBG-DR and CDBG-MIT funds, Congress has repeatedly extended the flexibility of the HCDA to disaster-impacted communities and has authorized the use of the HUD funds for “housing, restoration of infrastructure and economic revitalization.”

Although the report briefly mentions HUD’s statutory requirement to provide CDBG-DR and CDBG-MIT assistance to primarily benefit low- and moderate-income people and areas, HUD encourages the GAO to highlight in the final report that CDBG-DR and CDBG-MIT funds are the only source of federal disaster recovery funds with this specific purpose. HUD also notes that CDBG-DR and CDBG-MIT funds are the only major sources of federal disaster assistance that *require* grantees to solicit and incorporate the priorities of local communities in the grantee’s plan for the use of those funds.

The draft report appropriately cites the National Disaster Recovery Framework as the organizational framework for federal disaster recovery efforts. The draft report also recommends that FEMA, HUD, and DOT rely on the Recovery Support Federal Leadership Groups as the mechanism for evaluating improvements to federal disaster and mitigation program delivery. In framing, HUD’s CDBG-DR and CDBG-MIT assistance in the context of post-disaster investments in infrastructure, the draft should also recognize HUD’s leadership role in the implementation of the housing support function established by the National Disaster Recovery Framework. HUD notes that since Hurricane Sandy, CDBG-DR grantees have used nearly 62% of the allocated funds for housing recovery.

The draft report indicates that one possible option for improvement is the consolidation of all federal recovery efforts within a single agency or that federal agencies should assume more distinct roles in recovery. The draft cites, for instance, potential “confusion” among grantees in using HUD funds for infrastructure rather than housing. As noted above, however, Congress has reflected the broad purposes of the HCDA in its appropriation of CDBG-DR and CDBG-MIT funds and in its discussion of infrastructure investment using these funds, the draft report could be improved by noting that one of the most common uses (and for grantees - - critical uses) of CDBG-DR funds for infrastructure is to meet the local match requirement of FEMA’s Public Assistance program, consistent with the non-federal match activity authorized under the HCDA for the use of “regular” CDBG funds.

With regard to the most recent appropriations of CDBG-DR funds and HUD’s implementation of those funds, the GAO notes that the experts consulted for the report indicated that “reducing the siloes between disaster recovery and resilience programs could improve long-term risk reduction.” HUD would encourage the GAO to note in the final report that in the appropriation of CDBG-DR funds for 2020, 2021, and 2022 disasters (Public Law (P. L.) 117-43 and P. L. 117-180), Congress provides for the integration of mitigation funding with disaster recovery funds and HUD further extends this elimination of the recovery/mitigation “silo” by

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**Appendix IV: Comments from the Department  
of Housing and Urban Development**

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requiring the integration of mitigation measure in all construction and rehabilitation activities (87 FR 31636).

Finally, the permanent authorization of CDBG-DR is noted in the draft in a footnote, but not as an option for consideration. From a HUD perspective, authorization is key to addressing many of the challenges that the draft report frames in the context of its discussion of these funds. At a minimum, HUD would encourage GAO to note in the text of the report that the President's Fiscal Year 23 budget included support for CDBG-DR authorization and that the U.S. House of Representatives passed legislation to provide permanent authorization this year.

Thank you for this opportunity to comment on this draft GAO report as it relates to HUD's critical role in federal disaster recovery and mitigation. If you have any questions regarding the information in this letter, please contact Ms. Tennille S. Parker, Director, Disaster Recovery and Special Issues Division, (202) 402-4649, or by email at [Disaster\\_Recovery@hud.gov](mailto:Disaster_Recovery@hud.gov).

Sincerely,

<b>MARION MCFADDEN</b>	Digitally signed by MARION MCFADDEN Date: 2022.10.28 16:44:02 -04'00'
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Marion M. McFadden  
Principal Deputy Assistant Secretary  
for Community Planning and Development

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# Appendix V: GAO Contacts and Staff Acknowledgements

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## Staff

## Acknowledgements

In addition to the contact named above, Claudia Becker (Assistant Director), Caryn Kuebler (Analyst-in-charge), Peter Choi, Ben Crossley, David Dornisch, Sierra Hicks, Tracey King, Amanda K. Mullan, Joe Thompson, Walter Vance, and Adam Vogt made key contributions to this report.



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# Related GAO Work

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*Disaster Assistance: Actions Needed to Strengthen FEMA's Housing Inspection Process*, [GAO-23-104750](#) (Washington, D.C. Oct. 26, 2022).

*Flood Mitigation: Actions Needed to Improve Use of FEMA Property Acquisitions*, [GAO-22-104694](#) (Washington, D.C., Sep. 13, 2022).

*FEMA: Opportunities to Help Address Mission and Management Challenges*, [GAO-22-105786](#) (Washington, D.C., Feb. 16, 2022).

*Disaster Recovery: Additional Actions Needed to Identify and Address Potential Recovery Barriers*, [GAO-22-104039](#) (Washington, D.C., Dec. 15, 2021).

*Disaster Recovery: Better Data Are Needed to Ensure HUD Block Grant Funds Reach Vulnerable Populations*, [GAO-22-104452](#) (Washington, D.C., Nov. 10, 2021).

*Climate Resilience: Options to Enhance the Resilience of Federally Funded Roads and Reduce Fiscal Exposure*, [GAO-21-436](#) (Washington, D.C., Sep. 22, 2021).

*Disaster Block Grants: Factors to Consider in Authorizing a Permanent Program*, [GAO-21-569T](#) (Washington, D.C.: May 19, 2021).

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*Disaster Recovery: HUD Should Take Additional Action to Assess Community Development Block Grant Fraud Risks*, [GAO-21-177](#) (Washington, D.C.: May 5, 2021).

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*Disaster Resilience: FEMA Should Take Additional Steps to Streamline Hazard Mitigation Grants and Assess Program Effects*, [GAO-21-140](#) (Washington, D.C.: Feb. 2, 2021).

*Disaster Housing: Improved Cost Data and Guidance Would Aid FEMA Activation Decisions*, [GAO-21-116](#) (Washington, D.C., Dec. 15, 2020).

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*National Flood Insurance Program: Fiscal Exposure Persists Despite Property Acquisitions*, [GAO-20-509](#) (Washington, D.C., Jun. 25, 2020).

*National Preparedness: Additional Actions Needed to Address Gaps in the Nation's Emergency Management Capabilities*, [GAO-20-297](#) (Washington, D.C.: May 4, 2020).

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*Puerto Rico Disaster Recovery: FEMA Actions Needed to Strengthen Project Cost Estimation and Awareness of Program Guidance*, [GAO-20-221](#) (Washington, D.C.: Feb. 5, 2020).

*Emergency Transportation Relief: Federal Transit Administration and FEMA Took Actions to Coordinate, but Steps Are Needed to Address Risk of Duplicate Funding*, [GAO-20-85](#) (Washington, D.C., Nov. 13, 2019).

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*Emergency Transportation Relief: Agencies Could Improve Collaboration Begun during Hurricane Sandy Response*, [GAO-14-512](#) (Washington, D.C., May 28, 2014).

*Highway Emergency Relief: Strengthened Oversight of Project Eligibility Decisions Needed*, [GAO-12-45](#) (Washington, D.C., Dec. 8, 2011).

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