

Natural Disasters of 2017: Congressional Considerations Related to FEMA Assistance

November 2, 2017 (IN10810)

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

Stafford Act Declarations and Response

Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the [Stafford Act](#)), the President [may declare an emergency or major disaster](#) to authorize federal assistance, if the capacities of state and tribal governments are overwhelmed. Generally, emergency declarations help avert further catastrophes, whereas major disaster declarations address significant needs following eligible disasters. For example, in 2017, emergency declarations were made prior to the landfall of hurricanes, as well as to address the emerging threats of a possible dam failure in California. Major disaster declarations have been made for a [wide](#)

[range of disasters](#).

As authorized by numerous sections of the Stafford Act (e.g., [§302](#)) and the Homeland Security Act of 2002 (e.g., [§504](#)), FEMA is responsible for coordinating the federal disaster response, as guided by the [National Response Framework](#) and subcomponent policies. Many [deployable federal assets](#) have been used in responding to the 2017 disasters. Other federal agencies are frequently incorporated by, and compensated for, their federal response through [Mission Assignments](#). Congress may evaluate whether the federal response support for the 2017 disasters has been effectively led by FEMA and supported by other federal agencies, and if not, use forthcoming after-action reports (similar to those following previous disasters, such as [Hurricane Sandy](#)) to inform congressional oversight and possible reforms.

Federal Financial Assistance from FEMA

FEMA has multiple disaster assistance programs, including:

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

The above FEMA grant programs all have state [cost-share requirements](#). PA cost-shares can be adjusted by the Administration, but IA and HMGP cost-shares are set in law. Congress has occasionally adjusted cost-shares for specific states and disasters, such as after the [2005 Gulf](#)

[Coast hurricanes](#). Major disaster declarations for Florida, Puerto Rico, Texas, and U.S. Virgin Islands related to hurricanes in 2017 have all had cost-share adjustments for PA.

FEMA also administers non-grant financial assistance:

- The National Flood Insurance Program (NFIP) is the primary source of flood insurance coverage for residential properties in the United States. The NFIP has [implemented temporary changes](#) to the claims process to allow policyholders to receive funds more quickly in some of the areas affected by floods in 2017. However, [past data](#) on participation rates suggest that many properties in the [Special Flood Hazard Areas \(SFHAs\)](#) that have been affected by the hurricanes may not have flood insurance. By law, [federal assistance](#) to the owners of these uninsured properties is more restricted than to the owners of properties with insurance or those living outside the SFHA.
- [Key provisions](#) of the NFIP were reauthorized through December 8, 2017 ([P.L. 115-56](#), Division D, §130). OMB has requested [revisions to the NFIP](#). These and other reform ideas may be considered by Congress before expiration of these authorities.
- The [Community Disaster Loan \(CDL\) Program](#) provides loan assistance to governments to compensate for the loss of tax and other revenues following disasters. Recent [provisos](#) in appropriations for CDLs afford discretion to the Trump Administration in providing these loans, so past guidance on CDLs may not apply to future loans. Historically, these loans have frequently been forgiven.

Funding for FEMA Assistance

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

The [NFIP](#) was not designed to retain funding to cover claims for truly extreme events; instead, the law allows the Program to [borrow money from the Treasury](#) for such events. FEMA borrowed \$5.285 billion from the Treasury to meet initial claims from Hurricane Harvey, which reached the borrowing limit of \$30.425 billion. As [requested by the Administration](#), P.L. 115-72 will cancel \$16 billion of NFIP debt, reducing the NFIP debt to \$14.425 billion.