



# Recent Funding Increases for FEMA Hazard Mitigation Assistance

Updated November 16, 2021

## Introduction

The Federal Emergency Management Agency (FEMA) recently announced that \$3.46 billion in [Hazard Mitigation Grant Program funding](#) (HMGP) will be made available to states, territories, and tribes (STTs) with [major disaster declarations for the COVID-19 pandemic](#). FEMA also announced [increased funding for the Building Resilient Infrastructure and Communities \(BRIC\) program for FY2021](#). In addition, significant new mitigation funding will be available from FY2022 through the [Infrastructure Investment and Jobs Act \(IIJA\)](#).

## The Infrastructure Investment and Jobs Act

The IIJA appropriates \$3.5 billion for the [Flood Mitigation Assistance Grant Program](#) (FMA), with \$700 million for each of FY2022 to FY2026, and provides a 90% federal cost share for a property: (1) that is located in a census tract with a CDC [Social Vulnerability Index](#) score of not less than 0.5001; or (2) that serves as a primary residence for individuals with a household income of not more than 100% of the applicable area median income. This represents the first time that funding has been appropriated for FMA, which has previously been funded by NFIP policyholders.

The IIJA appropriates \$1 billion for BRIC, with \$200 million in each of FY2022-FY2026. This funding is [in addition to the 6% set-aside](#).

The IIJA also appropriates \$500 million, with \$100 million in each of FY2022-FY2026, to establish state revolving loan funds for hazard mitigation, which were authorized by the [STORM Act](#).

# The Hazard Mitigation Grant Program and the COVID-19 Disasters

HMGP assistance is triggered by a [major disaster declaration](#) or a [Fire Management Assistance Grant \(FMAG\)](#) under the [Stafford Act](#), awarded [on a sliding scale](#) as a percentage of the estimated amount of total federal assistance for the disaster:

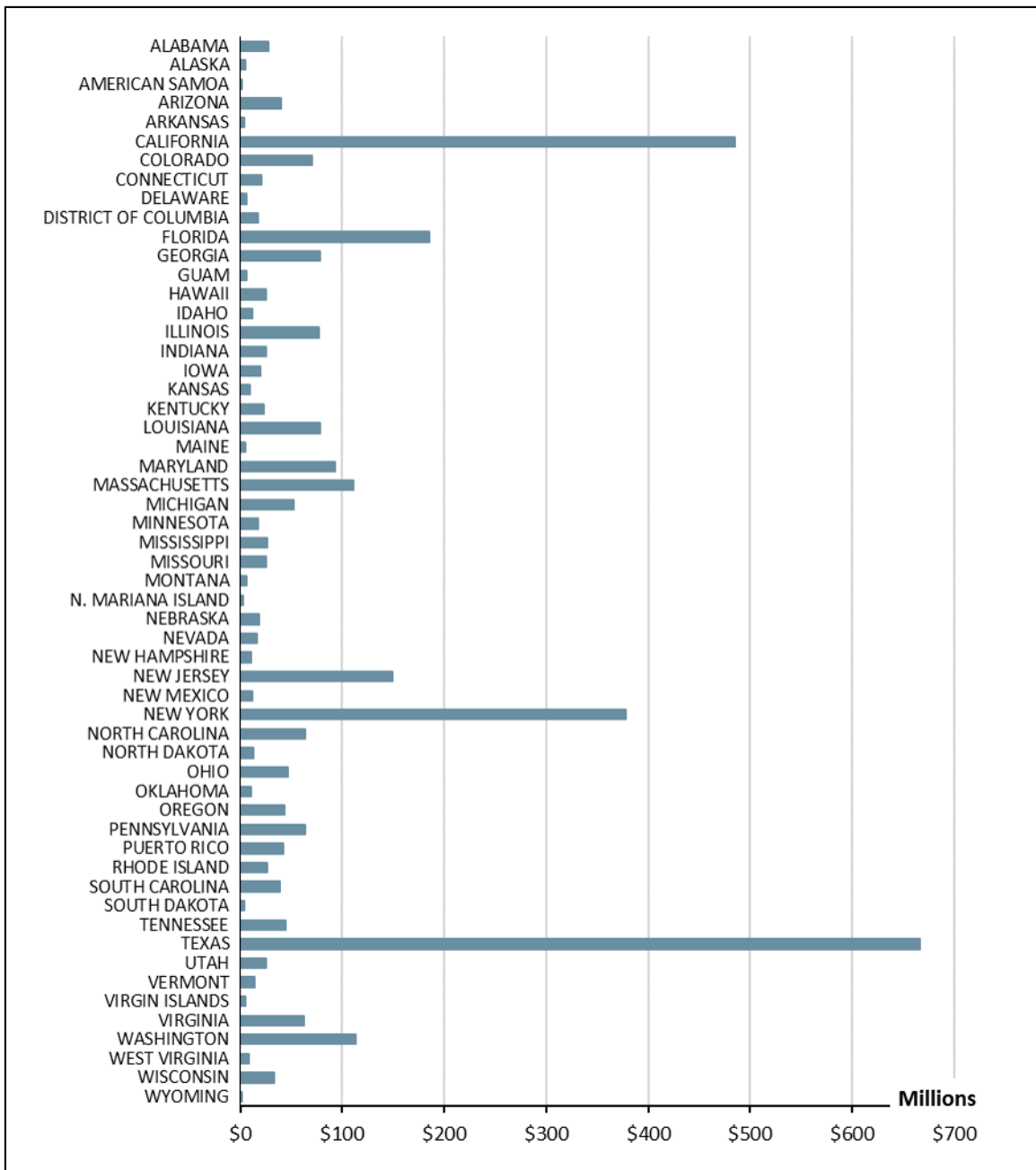
- up to 15% of the first \$2 billion,
- up to 10% for amounts between \$2 billion and \$10 billion, and
- up to 7.5% for amounts between \$10 billion and \$35.333 billion.

States with a FEMA-approved [Enhanced Hazard Mitigation Plan](#) before the disaster are eligible for HMGP funding of 20% of the total amount of disaster assistance.

STTs can use HMGP funding for mitigation projects for any type of natural hazard and for any eligible activity that reduces risk and builds resilience. HMGP funding does not have to be used for the particular incident or disaster type for which it was allocated. For example, funding allocated for wildfires in one county could be used for flood mitigation activities in a different county, if eligible.

FEMA [announced](#) on August 5, 2021, that HMGP funding will be made available to every STT that received a [major disaster declaration for the COVID-19 pandemic](#) for 4% of eligible relief costs (see **Figure 1**). This funding is not restricted to pandemic-related mitigation. Four percent is a lower percentage than is usually awarded for HMPG, but the total funding of [\\$3.46 billion](#) represents the largest amount of HMGP funding in a single fiscal year. (The largest amount previously was [\\$2.29 billion in FY2005](#).)

**Figure I. Hazard Mitigation Grant Program Funding for Major Disaster Declarations Related to the COVID-19 Pandemic**



Source: FEMA, [HMGP Allocations for COVID-19 Declarations](#).

## Pre-Disaster Mitigation

Over the years, post-disaster mitigation has received significantly more funding than pre-disaster mitigation. GAO found that of the approximately \$11.3 billion in mitigation funding obligated from FY2010 to FY2018, 88% was for post-disaster grants through HMGP and PA. FEMA’s competitive pre-

disaster grant programs, FMA and the [Pre-Disaster Mitigation Grant Program](#) (the predecessor of BRIC) accounted for about 12% of the total; see **Figure 2**.

The [BRIC Program](#) began in FY2020, following the [Disaster Recovery Reform Act of 2018](#), which authorized the President to set aside from the [Disaster Relief Fund \(DRF\)](#), for every major disaster declaration, an amount equal to 6% of the total funding awarded under seven sections of the [Stafford Act](#). Based on historical disaster expenditures, FEMA's expectation was that this set-aside would be \$300-500 million per year; however, the [COVID-19 major disaster declarations](#) resulted in additional funding. As of October 31, 2021, [\\$1.629 billion was set aside](#) in the DRF for pre-disaster mitigation.

[\\$500 million was available for BRIC](#) in FY2020. The program was oversubscribed, with [53 states and territories requesting over \\$3.6 billion](#). The Notice of Funding Opportunity (NOFO) for BRIC FY2021 was posted on August 9, 2021, with a total of [\\$1 billion available](#):

- state/territory allocation: \$56 million;
- tribal set-aside: \$25 million;
- national competition: \$919 million.

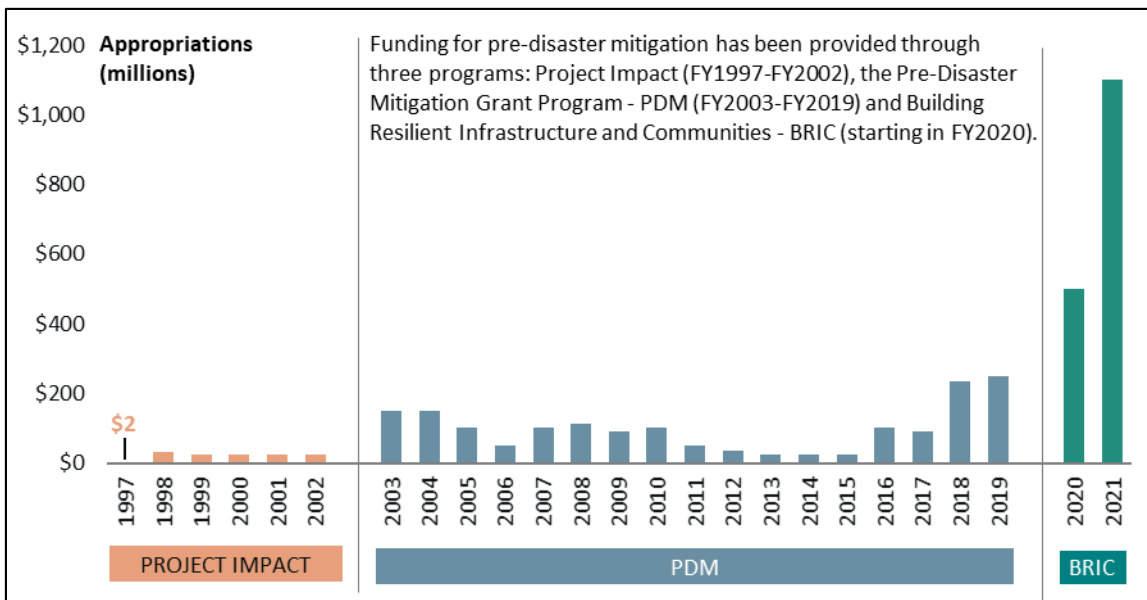
The priorities for FY2021 incentivize

- natural hazard risk reduction activities that mitigate risk to public infrastructure and disadvantaged communities;
- projects that mitigate risk to one or more community [lifelines](#);
- projects that incorporate [nature-based solutions](#);
- projects that enhance [climate resilience](#); and
- projects proposed by applicants who adopt and enforce mandatory building codes based on the latest published editions of [building codes](#).

BRIC FY2021 will promote equity by prioritizing 40% of the funding for disadvantaged communities, in accordance with [E.O. 14008](#) and the [Justice40 Initiative](#).

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**Figure 2. Funding for Pre-Disaster Mitigation FY1997-FY2021**



**Sources:** CRS Report RL34537, *FEMA’s Pre-Disaster Mitigation Program: Overview and Issues*; FEMA, *National Pre-Disaster Mitigation Fund, Fiscal Year 2017 Report to Congress*, September 1, 2017, p. 4; FEMA Notices of Funding Opportunity for the Pre-Disaster Mitigation Grant Program 2017, 2018, and 2019; FEMA Notices of Funding Opportunity for BRIC FY2020 and FY2021.

## Flood Mitigation Assistance

FEMA also operates a [Flood Mitigation Assistance Grant Program \(FMA\)](#), available only to [communities which participate in the NFIP](#) (National Flood Insurance Program). \$200 million was available for FMA in FY2020. FEMA received 236 applications for FMA from 30 states and territories, [requesting total project costs exceeding \\$477 million](#). Twenty-six states did not submit FMA applications.

The FY2021 NOFO for FMA was posted on August 9, 2021, with [\\$160 million available in FY2021](#). FMA will prioritize 40% of funding for disadvantaged communities, and will use the Centers for Disease Control and Prevention (CDC) [Social Vulnerability Index \(SVI\)](#) at a threshold of 0.7501 or greater as a priority scoring criterion.

None of this additional hazard mitigation funding (HMGP, BRIC, or FMA) requires [hazard-resistant or energy-efficient codes and standards](#). These standards [may particularly benefit low-income households and communities](#).

## Author Information

Diane P. Horn  
Analyst in Flood Insurance and Emergency Management

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