

2018 FEDERAL POLICY BRIEF

EMERGENCY MANAGEMENT: HELP FLORIDA RECOVER AND REBUILD

ACTION NEEDED:

Urge Congress to support changes to the recovery process so communities have the necessary resources to rebuild after a major disaster.

BACKGROUND:

Since 2004, Florida has received 20 major disaster declarations, making it one of the most disaster-prone states in the nation. While the state experienced some relief following the hurricanes of 2004 and 2005, it should be noted that, between 2009 and 2014, the state received six major disaster declarations. More recently, Florida was impacted by two major hurricanes in 2016, which left many communities struggling to recover. In 2017, Florida was again devastated by a Category 4 Storm (Hurricane Irma), which resulted in billions of dollars in public and private property losses. Flood damages alone, according to FEMA, has resulted in more than 17,000 flood insurance claims totaling over \$887 million dollars. This makes Hurricane Irma one of the costliest flood events in Florida history.

While recent storm damages were significant, reports indicate that the losses could have been worse had the state and counties not invested in disaster mitigation. Specifically, according to the Florida Division of Emergency Management, in its evaluation of 40 hazard mitigation projects impacted by Hurricane Matthew, over 4,400 structures were protected from storm damage. The 40 projects had a combined capital cost of \$19.2 million in 2016 dollars. Without mitigation, damages to the project sites affected by Mathew would have cost approximately \$81.1 million. The aggregate ROI for the event is 422 percent, with an average project ROI of 97 percent.

While counties continue to invest heavily in mitigation to reduce losses and lessen the federal recovery burden, antiquated recovery policies and regulations continue to hamper the recovery process. Too often counties are promised disaster relief, only to learn later that the reimbursement process is overly bureaucratic, duplicative, and often subjective due inconsistent eligibility determinations by FEMA staff. Moreover, rather than focusing on how to rebuild the community, the bureaucracy is trending toward a rigid accounting process, requiring counties to provide burdensome documentation for recovery projects. When such documentation is deemed insufficient, FEMA immediately dedobligates the funds and requires payment from the county. According to the Florida Division of Emergency Management, FEMA has deobligated more than \$1.5 billion in previously-approved project funds from Florida.

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FAC continues to work closely with its members and has identified issues that can be corrected to make the recovery process fair and more efficient. These issues include:

Urge FEMA to expedite disaster recovery dollars to impacted counties.

Limiting the timeframe for deobligating previously-awarded recovery dollars. Under current law, FEMA can deobligate project funds 3 years after a disaster has been closed out. This means that a project that was completed as a result of a 2005 disaster -- and that disaster finally closes in 2018 -- FEMA can deobligate project funds 16 years later. The solution is to limit the deobligation period to three years following the completion of the project, rather than the conclusion of the disaster declaration.

Prohibiting FEMA from immediately deobligating funds until the applicant has exhausted its appeal rights. As a matter of practice, when FEMA determines projects costs are ineligible, it immediately deobligates those funds. Only then can the county appeal FEMA's determination. Unless FEMA has specific authority, it should be precluded from deobligating funds until the county has presented its case in the regulatory appeal process and FEMA has concluded the county's final appeal.

Investing more in pre-disaster mitigation.

- Since 2000, Congress has made significant commitments to mitigation. While some of this investment is directed at pre-disaster mitigation, a larger portion is tied to disaster declarations and directed to structures that were impacted by the storm. Congress should continue its support of mitigation measures by appropriating more funds to pre-storm initiatives.
- Flood Insurance: The National Flood Insurance Program (NFIP) reduces the impact of flooding on private and public structures by providing insurance to property owners and requiring communities to adopt floodplain management regulations. These efforts help mitigate the effects of flooding on new and improved structures. The NFIP sets to expire on July 30, 2018. FAC supports a multi-year reauthorization with reasonable reforms that protect the consumer.

Local entities that provide evacuation shelter space should be allowed to be reimbursed directly by FE-MA. Historically, school districts in Florida have provided shelter space for residents during evacuations and have been recognized by FEMA as an eligible applicant for reimbursement. Recently, and after no audit exceptions from FEMA over the last 30 years, FEMA has determined in Florida that counties who direct the opening of shelters are the only entity that has the legal authority to seek reimbursement. This means counties will have to reimburse the school districts first, then seek a lengthy reimbursement process from FEMA.

Ensure that disaster supplemental funds approved by Congress under the Bipartisan Budget Act of 2018 are distributed to Florida's Communities.

• \$541 million for the Emergency Watershed Protection Program

Oppose any efforts to rescind funds that were appropriated under the Bipartisan Budget Act of 2018.

The Budget Act provides critical funding for states that should not be rescinded, including:

- \$541 million for the Emergency Watershed Protection Program
- \$10.4 billion to the Army Corps of Engineers for supplemental construction (Herbert Hoover Dike)
- \$616 million to HUD for CDBG Disaster Recovery Initiative in Florida.