



FEMA

September 28, 2018

MEMORANDUM FOR: W. Nim Kidd
Chairman, National Advisory Council

FROM: Brock Long 
Administrator

SUBJECT: Response to May 2018 National Advisory Council Recommendations

In response to the June 19, 2018, memorandum regarding the National Advisory Council (NAC) recommendations from its May 22-24, 2018, meeting in San Diego, CA. I appreciate the NAC's support of FEMA's strategic plan and its counsel as we work together to build a culture of preparedness, ready the nation for catastrophic disasters, and reduce the complexity of FEMA.

I discussed the NAC recommendations with my senior staff and provided direction on ways to incorporate the advice and implement the recommendations, where applicable, in FEMA's strategic initiatives, plans, programs, and policies. I also asked my team to look at statutory and regulatory limitations or authorities that may affect implementation of the recommendations, and any flexibilities in these areas. Like you, I am committed to an increase in pre-disaster mitigation and want to close the insurance gap, communicate with communities and help them prepare more effectively, simplify our program delivery for applicants, and enhance the capabilities of the whole community, particularly our state, local, tribal, and territorial partners.

The attached document provides FEMA program updates related to issues identified in the recommendations. In some cases, we took immediate action to implement the NAC's recommendations. For example:

- The Federal Insurance and Mitigation Administration (FIMA) standardized and extended the application period for Pre-Disaster Mitigation (PDM) grant applications and allowing for pre-award funding for project scoping, engineering analysis, technical study development, design, and similar activities.
- The National Exercise Division proposed the inclusion of "School Safety and Security" as one of the principal objectives for the 2019-2020 National Exercise Program (NEP) cycle. This would drive developing pre-packaged exercise starter kits, which include guides and templates that planners can tailor to their communities.
- The Public Assistance program is updating guidance and procedures to employ a simplified, standard approach to closing projects that use Alternative Procedures (Section 428 of the Stafford Act); they will communicate this approach to regional offices and field staff.

I once again thank you for the advice and input of the NAC. I look forward to the November 2018 NAC meeting and our continued work together.

cc: Daniel Kaniewski, Deputy Administrator, Resilience
Jeffrey Byard, Associate Administrator, Office of Response and Recovery
Jessica Nalepa, Director, Office of External Affairs
David Bibo, Acting Associate Administrator, Office of Policy and Program Analysis

Attachment: Programmatic Updates Related to May 2018 NAC Recommendations

Programmatic Updates Related to May 2018 NAC Recommendations

ISSUE 1: QUANTIFYING MITIGATION INVESTMENTS

FEMA seeks to implement the National Mitigation Investment Strategy by quadrupling investments in mitigation; however, it has not established a baseline level of mitigation investments.

Recommendation 18-14: The Administrator should establish a mitigation policy that clearly defines what mitigation is and create a simple matrix tool by which states are required to gather and enter the mitigation information into a database system as a means for capturing the various project efforts to establish a baseline and utilize it for on-going annual reporting for pre-disaster mitigation investments.

FEMA defines mitigation broadly in its guiding document for the Mitigation investment moonshot and the forthcoming National Mitigation Investment Strategy provides the accepted definition of mitigation investment as an expenditure of resources to engage in risk management actions taken to avoid property damage, reduce loss of life, or transfer natural hazard risks before a disaster strikes. The Flood Insurance and Mitigation Administration (FIMA) has socialized the goal to quadruple mitigation investments by 2022 with many partners, and has collected investment data for a baseline across a number of federal agencies, states, localities, and private sector organizations. FEMA will continue to request that its partners voluntarily submit data in out years to demonstrate progress toward the goal, but does not have the authority to require this information.

ISSUE 2: PRE-DISASTER MITIGATION (PDM) PROJECT PLANNING

Pre-disaster mitigation grant project planning funding is not currently available or reimbursable, which may discourage or delay grant applications.

Recommendation 18-15: The Administrator should allow for grant pre-award costs associated with project development to be eligible for approved PDM projects as this will allow applicants the ability to put together viable projects prior to the notice of funding opportunity (NOFO). This additional time, and the assurance that these costs will be allowable if the project is approved, will encourage applicants to develop a proper scope of work, establish the necessary project details through the work of an engineer or other consultants and then submit a solid viable project.

Recommendation 18-16: The Administrator should establish a standard application period for PDM. This would allow states to establish clear timelines for applicants to work through the application process. Should congressional funding be approved, projects can be awarded more quickly and construction can begin sooner to make the Nation more resilient.

Under the broad authority of the Stafford Act, it appears FEMA can allow reimbursement of pre-award costs upon approval of a project grant award.¹ In addition, federal grants regulation allows for pre-award costs incurred from the opening of the application period.² As such, FIMA will allow for Advance Assistance for PDM beginning in 2018. This follows the model of the Sandy Recovery Improvement Act (SRIA), which made Advance Assistance available under the Hazard Mitigation Grant Program (HMGP).

¹ 42 U.S.C. §5133(b), (e), (g) (Section 203 of the Stafford Act)

² 2 CFR §200.458

Advance Assistance will provide pre-award funding for project scoping, engineering analysis, technical study development, design, and similar activities to expedite and assist with application development. If enacted, provisions in the proposed Disaster Recovery Reform Act would dramatically increase the funding available for pre-disaster mitigation activities; a portion of this potential funding could be dedicated to similar pre-award project development work.

In terms of the PDM application period, FIMA will extend the application period in 2018 from 90 days to 120 days and implement a static application period for the PDM program. The application period will run annually from October 1 through January 31. This static application period will provide much needed certainty for PDM applicants.

Traditionally, funding amounts and the timing of appropriations has varied significantly over the years and FEMA did not use a static application period due to the uncertainty around Congressional appropriations funding the PDM program. However, as recommended, a standard application period will provide the certainty needed for applicants and strengthen the program.

ISSUE 3: FLOOD INSURANCE REQUIREMENTS

Letter of Map Amendments (LOMA) and Revisions (LOMR) may remove flood insurance purchase requirements from properties that remain at risk.

Recommendation 18-17: The Administrator should initiate a policy change whereby a Letter of Map Amendment or Revision does not remove the flood insurance requirement for properties within marginal risk areas. The flood insurance requirement may be in the form of having a “Preferred” flood-insurance policy.

The National Flood Insurance Program (NFIP) is looking at innovative customer-centric means to educate consumers and promote the retention of flood insurance. An interdisciplinary team is exploring how FIMA can retain policyholders affected by map changes. They are looking, for example, at alternative products such as preferred risk policies (PRPs), which the NFIP could market to policyholders as an alternative to eliminating their flood insurance policy. The team is considering plain-language customer-centric letters to offer such an alternative product (e.g., a PRP) and communicate the importance of maintaining flood insurance for those issued a LOMA/LOMR letter. FIMA is currently identifying policyholders affected by LOMA/LOMR updates to pilot such an approach and measure the outcome of this initiative.

ISSUE 4: MODEL BUILDING CODES

Not all areas in the United States adopt or enforce the latest building code editions and outdated building codes do not account for the latest hazard assessments and awareness of actual risk. In addition, the only performance object of building codes is to preserve life; codes do not offer a level of protection against damage from reasonable events.

Recommendation 18-18: The Administrator should establish positive incentives for states, local, tribal, and territorial jurisdictions to adopt and enforce the most recent model building codes. Separate incentive programs should be established for pre- and post-disaster conditions.

Recommendation 18-19: The Administrator should establish awareness programs or education campaigns directed toward both the public and policy makers on the importance of adopting and enforcing the most recent model building codes to effectively mitigate disasters. Initiatives such as

the Coalition for Current Safety Codes (www.coalition4safety.org) could be incorporated into this effort. Separate pre- and post-disaster campaigns should be established.

Recommendation 18-20: In collaboration with the National Institute of Standards and Technology (NIST), the Administrator should provide technical assistance to encourage and facilitate the adoption of the NIST *Community Resilience Planning Guide for Buildings and Infrastructure Systems* and the *Community Resilience Economic Decision Guide for Buildings and Infrastructure Systems* for state, local, tribal, and territorial (SLTT) communities to aid their disaster mitigation planning.

Recommendation 18-21: The Administrator should require all communities to include concepts from the NIST *Community Resilience Planning Guide for Buildings and Infrastructure Systems* and the *Community Resilience Economic Decision Guide for Buildings and Infrastructure Systems* in their hazard mitigation plans and as a condition of receiving Pre-Disaster Mitigation funds (except for planning funds). Separately, the adoption of these guides should be incentivized to receive post-disaster relief funds.

Recommendation 18-22: The Administrator should jointly convene with NIST a committee of experts (from government agencies, codes and standards writing organizations, nongovernmental organizations, disaster management professional associations, and engineering professional associations) to assess and recommend options for revising or supplementing model building codes for new and existing construction to reflect performance goals stated in terms of post-disaster re-occupancy and functional recovery time (in addition to life safety).

FEMA provides a number of incentives for SLTT adoption and enforcement of the latest model building codes and is looking at additional incentives.

- In its “Cost Share” initiative, FEMA is exploring actions that SLTT jurisdictions may take to potentially increase the federal cost share of eligible recovery and mitigation project costs. If this initiative ultimately incorporates building code adoption, SLTT jurisdictions would have an incentive to adopt and enforce the latest building codes to lower their recovery and mitigation project costs.
- Annual Hazard Mitigation Assistance (HMA) non-disaster grants programs (PDM and Flood Mitigation Assistance (FMA)) prioritize applications from communities that have adopted the most current disaster-resistant provisions of consensus codes. The programs do this by considering a community’s Building Code Effectiveness Grading Schedule (BCEGS) rating, as appropriate to the activity type, from a grade of 1 to 10.
- The post-disaster Hazard Mitigation Grant Program (HMGP) provides a “5 Percent Initiative” allowing up to 5 percent of total HMGP grant funds for projects that are difficult to evaluate using benefit-cost analysis (BCA) methodology. FEMA provides an “Additional 5 percent Initiative” as part of this program to help communities increase resilience by adopting or promoting disaster-resistant building codes.³

Under the HMGP initiative above, FEMA recently awarded building code adoption and enforcement funding to the U.S. Virgin Islands (USVI) and Puerto Rico after Hurricanes Irma and Maria. In the case of Puerto Rico, the award of \$79 million (representing the federal cost share) is the largest such project funded by FEMA thus far. In addition to updating codes from

³ A disaster-resistant building not only protects its occupants, but can also be repaired and re-occupied quickly because natural disaster damage is minimized. See https://www.fema.gov/media-library-data/1471961428254-698793a6376496d84044426321f010ac/FactSheet_Clarifying-Building-Code-Elements_081716.pdf.

2009 to 2018, the enforcement office in Puerto Rico will increase its staff from nine to 273 employees.

In addition to providing incentives to SLTT partners, FEMA understands the value of establishing awareness and educational campaigns on the importance of codes to influence SLTT decision-makers. FEMA has a longstanding Memorandum of Understanding (MOU) with the International Codes Council (ICC) in which both organizations partner and collaborate on awareness and education. The highly successful National Building Safety Month Annual campaign is a prime example of these efforts. The combined efforts of FEMA, ICC, and other partners reach hundreds of thousands of people across the country with targeted messaging, theme weeks, blogposts, news stories, and public events. On the public side, 2018 was the most successful in the promotion with close to 500 proclamations issued across the country from numerous states and local communities.

FEMA's work with partners such as the Federal Alliance for Safe Homes (FLASH), a leader in the disaster-safety movement, reveals that the average consumer is uninformed and assumes that builders, developers, real estate professionals, and elected leaders in their community are taking actions to keep them safe, resilient, and protected through building codes. However, these groups often want to relax or weaken codes. Under contract with FEMA, FLASH is exploring messaging and engaging consumers to equip them with building code knowledge and an understanding of how codes protect and keep individuals and buildings safe. This in turn gives consumers a voice to demand adequate codes from their community leaders. Over the next year, FEMA is evaluating the success of this building codes awareness initiative to see whether it is a model for developing campaigns that lead to actions to enhance building codes.

FEMA and NIST, along with other subject matter experts, actively collaborate on building code proposals and together support or oppose changes where there is agreement. FEMA and NIST also conduct joint post-disaster investigations and draw conclusions and recommendations from them. These recommendations inform proposals to change building codes and standards that promote hazard resistant design and construction to reduce building recovery and post-disaster re-occupation time. In addition, FEMA and NIST participate together on the ICC Building Code Action Committee (BCAC), which helps to continue strengthening codes.

The NIST *Community Resilience Planning Guide for Buildings and Infrastructure Systems* and *Community Resilience Economic Decision Guide for Buildings and Infrastructure Systems* are valuable resources, but provide recommendations that alone may not be specific enough to make requirements and may be difficult to enforce. However, there is an opportunity to integrate concepts from the NIST guides into FEMA's hazard mitigation planning resources. FEMA is coordinating with NIST to understand how to leverage the NIST guides to enhance mitigation plans, and to conduct joint outreach to SLTT partners during the mitigation planning process.

FEMA values its partnership with NIST and other industry leaders and will continue to coordinate and collaborate to promote hazard resistant design and construction.

ISSUE 5: MESSAGING AND STORYTELLING

Research shows that people remember and are moved by stories, not facts and threats.

Recommendation 18-23: FEMA should invite creative and entertainment representatives (such as artists, filmmakers, and producers) to share expertise with FEMA staff on the following:

- a. Understanding the pillars of effective storytelling and creating viral material;
- b. Engaging the public, across various demographics, with a message that inspires them to take specific action; and
- c. Partnering with influencers to spread messages of hope (during crises), preparedness, and community building.

Recommendation 18-24: FEMA should define success before undertaking these [public messaging] campaigns. Specifically, FEMA should create or adopt metrics on the effectiveness of all its public-facing messages and report back to the NAC.

- Effectiveness can be defined as moving a person to take a desired action, creating an emergency plan, or as remembering an important piece of information or phrase.
- Engage a data analytics group to assess and analyze data on the effectiveness of these messages to change behavior.

Recommendation 18-25: FEMA should develop and create one message as a core national Preparedness campaign and provide guidance for SLTT entities to add to it with localized messaging.

- Work with private and public partnerships to deliver this message through different mediums (e.g., radio, social media, television) and partners (i.e., American Red Cross, AARP, etc.) as well as state, local, tribal, territorial communities; and
- Research its effectiveness moving the general public to take preparedness actions or remember important preparedness information.

FEMA recognizes the need to gain perspectives from outside the emergency management field, and the power of storytelling, and directly supports these concepts through its public messaging campaign, the *Ready* campaign, as well as new initiatives. FEMA also evaluates the success of its efforts and works closely with its partners to achieve common goals.

FEMA's *Ready* campaign is a national public service campaign designed to educate and empower the American people to prepare for, respond to, and mitigate emergencies and disasters with a goal of increasing the level of basic preparedness across the nation. The *Ready* campaign creates one central message to raise awareness of the need to be prepared for disasters and emergencies that could affect people where they live, work, learn, worship, and visit. FEMA primarily partners with the Ad Council on the *Ready* campaign to develop unique and creative content, and with advertising agencies to deliver content to target audiences. FEMA provides guidance for SLTT entities to add local messaging to materials throughout the year.

Highlights of FEMA's *Ready* campaign include:

- The 2017 *Ready* campaign National Preparedness Month (NPM) coincided with unprecedented natural disasters, which created additional relevance and a sense of urgency. The NPM satellite and radio media tour reached a potential 266.5 million people with coverage in 263 publications and 70 placements in television, radio, and digital outlets, including NBC News, Voice of America, and Telemundo.
- In April 2018, FEMA produced a joint social media toolkit to encourage financial preparedness during Financial Capability Month. The toolkit included suggested graphics, digital events, and social media content available for SLTT to apply within their communities. A number of similar toolkits are available to SLTT partners at

www.ready.gov/toolkits, and the *Ready* campaign will focus on promoting these resources throughout 2019.

- This year, FEMA and the Ad Council partnered with Facebook to focus on digital outreach to young families. The 2018 NPM includes a series of six digital public service announcements (PSAs) directing families to take specific actions such as learning CPR, saving for a disaster, purchasing insurance, and planning for evacuations with families and pets. In 2019, the focus will be on outreach to children and youth with a goal of youth-driven content created in partnership with marketing and advertising firms specializing in messaging to these audiences.
- FEMA, in partnership with the Ad Council, obtained stories and testimonials from disaster survivors that it will incorporate into future campaigns and regular preparedness materials; the NFIP is already using them to highlight insured survivors recovering after recent catastrophic events.
- Recent videos include an earthquake PSA with Dwayne Johnson as part of the theatrical release of *San Andreas*, and a kid-focused PSA in conjunction with Disney's *Big Hero Six*. Copies of all current PSAs are available online at <https://www.ready.gov/videos>.⁴

FEMA measures the success of the *Ready* campaign and related activities using two specific metrics collected from its annual National Household Survey (statistically representative telephone survey):

- Percent of adults that report taking three or more preparedness actions at their workplace, school, home, or other community location in the past year; and
- Percent of adults that have set aside money for emergencies.

These metrics reflect target outcomes in FEMA's effort to build a culture of preparedness and allow FEMA to measure nationwide progress towards this goal. In 2016, 46 percent of survey respondents reported taking three or more preparedness actions in the past year; FEMA aims to report a 1 percent increase in this statistic each year. In 2018, for the first time FEMA will collect information on the percentage of adults who have set aside money for emergencies. The 2018 results will serve as a baseline measurement; in 2019 and beyond, FEMA aims to report a 4 percent increase each year.

In 2018, FEMA launched two new programs, apart from the *Ready* campaign, that will grow and expand its catalog of stories and voices that help shape the future of emergency management:

- The FEMA PrepTalk program invites subject-matter experts and thought leaders to share new ideas, spark conversation, and promote innovative leadership for the issues confronting emergency managers. Each talk includes a video, question and answer session, discussion guide, and additional resources. (See <https://www.fema.gov/preptalks>.)
- The FEMA Podcast is a new audio series that covers innovative ideas in emergency management, as well as stories of communities and individuals recovering after disasters. FEMA invites listeners to discuss the issues presented on a number of social media platforms. (See <https://www.fema.gov/podcast>.)

⁴ Note that some PSAs done with famous personalities expire after a certain timeframe.

There is still more work to do and FEMA continues to look for new and innovative ways to reach new audiences and maximize the effectiveness of messages that move people to action. The Agency is hiring additional videographers and digital staff to develop engaging preparedness and response content that is available across various media. Another area of focus is working with trusted community leaders to amplify messages:

- FEMA is partnering with communities of faith to focus not only on planning for disasters for houses of worship themselves, but also for the communities they serve. By highlighting the influence and role of faith leaders in their communities, FEMA reaches broader audiences through sources they trust.
- In partnership with the AARP, FEMA reaches older Americans and their caregivers with critical information before, during, and after recent disasters. The AARP borrows validated preparedness messaging from FEMA and disseminates the messaging through its proprietary channels. Because the AARP is a trusted voice among its constituents, individuals are more likely to internalize information and take action.
- FEMA manages similar partnerships with organizations trusted in various communities, such as the NAACP, the Boy and Girl Scouts, Operation HOPE, National Voluntary Agencies Active in Disaster (NVOAD), and the American Academy of Pediatrics. The Agency is working to develop new partnerships with groups such as the Association of Financial Counseling and Planning Education (AFCPE) and the National Association of Realtors to further FEMA's strategic goals.

ISSUE 6: CHILDREN AND SCHOOLS

Children make up 25 percent of the U.S. population, but their well-being impacts 100 percent of the population; the particular needs of and issues around children must be addressed in emergency preparedness and response.

Recommendation 18-26: To increase awareness of the needs of children in the emergency management and first response communities, FEMA should develop disaster scenarios to include children, schools, and family units and distribute to SLTT emergency management agencies for adoption.

Recommendation 18-27: In grant guidance, templates, and/or toolkits, FEMA should incentivize programs that include children in drills with appropriate supervision.

- Work with childhood experts to develop age-appropriate drills and response actions; and
- Involve parents/caregivers.

Recommendation 18-28: FEMA should develop and track preparedness, response, and recovery metrics around children and schools before and after a disaster.

- FEMA should invite childhood experts, study designers (which can include, but are not limited to epidemiologists and biostatisticians), selected emergency managers, as well as school officials at the SLTT levels to work with FEMA to create metrics around children. Using those metrics, see how they would apply in recent disasters.
- Examples of possible metrics:
 - Preparedness: percentage of children in a community that know age-appropriate messages;
 - Response: appropriate infant food and supplies in shelters; and
 - Recovery: returning to school; indicators of psychological wellness.

FEMA strives to address the needs of children in emergencies and disasters, prepare schools and local responders, and focus on youth preparedness, education, and outreach.

With the U.S. Department of Education and the American Red Cross, FEMA serves as a co-lead of the National Strategy for Youth Preparedness Education, a strategy outlining key steps that emergency managers, educators, and community leaders can take to teach youth about emergencies and disasters. More than 60 national organizations have affirmed the principles of and pledged to implement the National Strategy. In a new effort, FEMA and the National Strategy Affirmers will catalogue youth preparedness activities currently underway in the U.S., review these activities, and agree to common priority metrics based on the stated goals of each activity. Once established, these metrics will provide national youth preparedness leaders with a barometer by which to judge their progress in building a culture of preparedness among youth.

FEMA has also partnered with the Department of Homeland Security (DHS) Office of Academic Engagement (OAE) to focus on preparedness and response issues in higher education and recently co-sponsored a national seminar and tabletop exercise for higher education institutions, which focused on responding to campus violence and active shooter incidents. More than 375 participants from 90 colleges and universities attended the event.

As part of the National Exercise Program (NEP), FEMA is proposing including school safety and security as one of the principal objectives for the 2019-2020 cycle. The specific objective states,

“Examine the ability of school and university officials, law enforcement, first responders, and community partners to identify and respond to potential threats, establish lines of coordination and communications, share information, execute emergency plans, and validate training and resources to provide for the safety and security of students and teachers before, during, and after an incident.”

Establishing school safety and security as a principal objective would drive developing exercise starter kits, which are tools for conducting and evaluating an exercise, including sample scenarios and discussion questions reviewed by experts.⁵ The tools are flexible and adaptable to meet the needs of individual jurisdictions.

In addition to these efforts at a national, strategic level, FEMA provides information to individuals, families, community groups, and SLTT emergency management agencies, in addition to free, age-appropriate preparedness resources, to help include children in emergency planning, drills, and activities.

- The newly released *Prepare with Pedro: Disaster Preparedness Activity Book* encourages youth and their families to be better prepared for disasters by offering safety advice along with crossword puzzles, coloring pages, matching games, and more. It includes information on evacuations, fire drills, and sheltering-in-place for a variety of natural hazards.
- FEMA has partnered with Save the Children and the National Center for Disaster Preparedness to disseminate research on childcare facility preparedness to emergency management and youth-serving organizations.
- Teen CERT teaches high-school aged students the principles of the Community Emergency Response Team (CERT) program. It includes drills and hands-on activities for common hazards.

⁵ Access exercise starter kits at <https://preptoolkit.fema.gov/>.

Finally, through the Emergency Management Institute (EMI), FEMA offers resident and field courses to address emergency planning for grades K-12. All K-12 curriculum provides direction on incorporating students into planning for drills and exercises, and children are included in the vignettes played within the course curriculum as well as the toolkit. In addition, the discussion components of the courses directly address the safety of children. Courses include:

- *Multi-hazard Emergency Planning for Schools* (E0361), which provides school district teams with the knowledge, skills, and tools needed to review, enhance and sustain an all-hazards/threats school district/school emergency operations plan; and
- *Preparing for Emergencies: What School Staff Need to Know* (E0360), which is designed for teachers in the classroom.

ISSUE 7: WHOLE COMMUNITY (INCLUDING THE POOR AND HOMELESS)

The poor and homeless represent a significant portion of America's population and are not represented in FEMA's "Whole Community" model or strategic plan.

Recommendation 18-29: To receive feedback on the economic realities and adoptive feasibility of the Agency's public-facing programs, FEMA should engage in its strategic planning efforts with more organizations, in all FEMA Regions, who represent and advocate for the poor and homeless.

FEMA is aware that a range of socioeconomic factors impacts an individual's ability to prepare for disasters and continuously refines its national approach to preparing a more resilient nation by integrating every segment of the community in building a culture of preparedness. FEMA agrees on the importance of reaching out to poor and homeless communities and continues to foster relationships and form partnerships with faith and community partners that provide direct support to diverse populations. FEMA also develops communication strategies for its national programs and the emergency management community to reach historically underserved communities more effectively by providing individuals, families, and groups with tailored, compelling, and actionable preparedness messages.⁶ Finally, FEMA looks for scalable solutions that range from low- to no-cost options to optimize levels of family preparedness.

In developing its strategic plan, FEMA solicited the support and expertise of partners representing diverse communities to encourage shared responsibility, identify solutions to challenges in emergency management, and promote partnerships to implement these solutions. Participants included Habitat for Humanity, Southern Baptist Disaster Relief, Salvation Army, Catholic Charities, and the National Low Income Housing Coalition. Additionally, the DHS Center for Faith and Opportunity Initiatives (the DHS Center) serves on the United States Interagency Council on Homelessness (USICH). The DHS Center works to strengthen response systems to assist homeless individuals in recovering from disasters while connecting them to healthcare services. FEMA will continue to engage with community partners, support USICH, and identify additional organizations that represent and advocate for historically underserved communities to understand better the conditions and challenges that poor and homeless communities experience before, during, and after disasters.

⁶ Historically underserved communities include, but are not limited to, people who are socio-economically disadvantaged, people with disabilities and those with access and functional needs, racial and ethnic minorities and other groups (including people with limited English proficiency), children and adults 75 and older, gender and sexuality, and tribal communities.

Approximately 40 percent of Americans do not have the savings to cover unexpected expenses.⁷ Thus, one of FEMA's focused efforts is to help build financial literacy through a performance measure in its strategic plan: "Increase the percentage of people with savings set aside for an emergency." In March 2018, FEMA, in collaboration with the Financial Literacy Education Commission (FLEC), led a social/digital media campaign on the importance of financial preparedness. Throughout the month, FEMA and FLEC members offered practical tips to help improve the nation's financial future. Additionally, FEMA partnered with Operation HOPE, a non-profit organization that provides financial literacy empowerment and economic education, to refresh the Emergency Financial First Aid Kit, which is an emergency preparation tool to assist the nation in minimizing the financial impact of natural disasters.⁸ FEMA will continue to build on the Operation HOPE and FLEC relationships and use the annual National Household Survey to help measure progress in strengthening financial preparedness.

ISSUES 8-11: PUBLIC ASSISTANCE POLICY AND GRANTS MANAGEMENT

FEMA is committed to streamlining assistance for SLTT governments and establishing consistent and standardized business practices throughout the Public Assistance (PA) project life-cycle to reduce complexity and increase the effectiveness of grants. FEMA must do this in a way that simplifies processes for PA grant recipients, while also ensuring stewardship and accountability for the use of public funds. Currently, FEMA is developing doctrine for SLTT partners that will enhance their understanding and implementation of PA, including as related to Alternative Procedures ("Section 428"), Sheltering and Temporary Essential Power (STEP), state led Public Assistance disasters, and programmatic and financial disaster close out. FEMA will update guidance documents, including the Public Assistance Program and Policy Guide (PAPPG), as appropriate.

Issue 8: Eligibility ... Not Engineering (Public Assistance)

FEMA staff often unreasonably question project designs submitted by Public Assistance (PA) applicants, even when designs are certified by licensed professionals.

Recommendation 18-30: The Administrator should revise Chapter 3, Section II. Project Formulation of the *Public Assistance Program and Policy Guide* to make it clear that FEMA's role is to review and validate project design eligibility only – not discretionary design decisions.

- FEMA should be able to offer suggestions to project designs based on eligibility issues, but not dictate design preferences that are unrelated to scope eligibility.
- Applicants and local professionals are best suited to determine local project design.

During the PA project formulation phase, FEMA does not and should not participate in the design process, though it can provide technical assistance if requested. FEMA does, however, review designs to differentiate between eligible and ineligible work, especially in cases where there are improvements or alterations to the pre-disaster design, function, or capacity of a facility. FEMA must also ensure compliance with Environmental and Historic Preservation (EHP) laws and regulations.

⁷ *Report on the Economic Well-Being of U.S. Households in 2016*, Board of Governors of the Federal Reserve System, www.federalreserve.gov/publications/default.htm.

⁸ See <https://www.fema.gov/media-library/assets/documents/96123>.

In cases where an applicant uses the PA Alternative Procedures authorized under Section 428 of the Stafford Act, these reviews are limited to establishing a scope of work to reach an appropriate fixed cost amount and will generally not involve review of the design for the actual recovery solution, except to evaluate hazard mitigation and EHP compliance. This includes but is not limited to instances where post-disaster building design or repairs trigger improvements to satisfy current established codes and standards, or where designs cause a change from the pre-disaster function of the building or facility.

Issue 9: Cost Estimate Validation (Public Assistance)

FEMA often uses a process that is excessively burdensome and administratively complex when validating cost estimates submitted by PA applicants.

Recommendation 18-31: The Administrator should revise Chapter 3, Section II.D. of the *Public Assistance Program and Policy Guide* to:

- a. Simplify cost estimate validations consistent with generally accepted audit sampling methods (e.g., Sampling Considerations of 2 CFR Part 200, formerly Circular A-133); and
- b. Specify that applicant-submitted cost estimates are determined to be valid when sampled cost items are within 10 percent (plus or minus) of the local average baseline used by FEMA for comparison. (Note, the *FEMA Public Assistance Alternative Procedures Validation of Subgrantee Estimates*, May 20, 2013, already calls for this 10 percent threshold; it should be stipulated in policy for all of Public Assistance).

When validating cost estimates for PA projects, FEMA and the state or tribal recipient need to be confident that costs are supported and reasonable. The standard procedure for cost estimate validation allows that applicant-provided estimated costs within 10 percent of a FEMA-established baseline are reasonable. FEMA does not intend to use auditing sampling methods when reviewing applicants' estimates for large projects, but is currently developing cost estimating validation and cost-reasonableness guidance that will simplify and clarify policies and procedures to the extent practicable.

Issue 10: Appeals Ensure Objective Analysis of FEMA First Appeals (Public Assistance)

FEMA rarely overturns PA eligibility decisions on first appeal, which brings into question the impartiality of the first appeal process.

Recommendation 18-32: The Administrator should revise the *FEMA Recovery Directorate Manual*, Public Assistance Program Appeal Procedures to require all first appeals to be reviewed by a different FEMA Regional Administrator than the one whose Region made the original decision being appealed.

FEMA is required to provide fair and impartial consideration of PA appeals, which may in some cases include transfer of an appeal to a different region. As part of the initial intake of a first appeal, staff performs a conflict analysis to determine whether anyone that may be involved in responding to the appeal was involved in the initial eligibility determination. The *PA Regional Standard Operating Procedures for Appeals* documents this process and includes procedural safeguards to deal with this issue, which may include reassigning the appeal to another region.

In most cases, there is no potential for a conflict of interest and such a practice is not necessary. Regional appeals staff that research and assess key facts in the record and objectively evaluate the sides of appeal arguments to draft a decision generally do not deploy to disasters and are not

involved in making eligibility-related decisions, nor are Regional Administrators. Joint Field Office (JFO) leadership, who deploy from around the country, usually make these initial eligibility determinations.

It is also not practical to institute such a practice as a standard. For example, the first appeals workload varies widely between Regions, generally based on the level of disaster activities associated with each region, and therefore regional resources and capacity to process first appeals also varies. Implementing such a practice would require a workload analysis and staffing adjustment, and affect regional allocation for staff salary and benefits and other resources. The practice would also add additional time to process and respond to first appeals.

Issue 11: Overly Complex Section 428 Closeout Procedures (Public Assistance)

The process that the PA program uses to close Alternative Procedures projects (i.e., those permanent work projects authorized through section 428 of the Stafford Act) is onerous, redundant, and unnecessary.

Recommendation 18-33: The Administrator should revise Chapter 3, Section IV.C. of the *Public Assistance Program and Policy Guide* to adopt audit-based sampling for Section 428 closeout validation.

- For Section 428 capped grants, closeout validation should be streamlined and require minimal work.
- Validation of Section 428 project documentation at closeout should mimic Improved Project validation.
 - FEMA would only review a small representative sample of all submitted documentation.
 - The applicant would only need to submit documentation to support up to the capped amount of the Section 428 Project Worksheet (PW), similar to a capped Improved Project PW.

FEMA will employ a simplified, standard approach to closing Alternative Procedures projects and will update the appropriate guides and standard operating procedures (for permanent work and debris) to reflect the simplified process, then communicate that process to its Regions.

ISSUE 12: SIMPLIFY INDIVIDUAL ASSISTANCE DECLARATION FACTORS

Recommendation 18-34: The Administrator should not implement the proposed Individual Assistance declaration criteria and should instead institute a multiple stakeholder reassessment including representatives from all levels of government and all 10 FEMA Regions.

The Sandy Recovery Improvement Act (SRIA) directed FEMA to provide more objective criteria for evaluating the need for Individual Assistance (IA), clarify the eligibility threshold, and speed a declaration of a major disaster or emergency. The law also stipulated that FEMA must work with representatives of SLTT to review, update, and revise regulations related to IA declaration factors. Based on these requirements, FEMA conducted extensive outreach when developing the rule, including meetings with the NAC, the National Emergency Management Association, the International Association of Emergency Managers, FEMA regional offices, and Tribal governments. In addition, FEMA published a Notice of Proposed Rulemaking and proposed guidance, from which it received 58 public comments, including comments from multiple state and local emergency management agencies. FEMA has addressed the feedback received during the public comment period and incorporated it into a final rule.

FEMA believes that the rulemaking and accompanying guidance will meet the stated goals of SRIA as well as FEMA's strategic goal to reduce the complexity of FEMA by streamlining the disaster survivor and grantee experience and is moving forward to publish the final rule.

ISSUE 13: TRIBAL EMERGENCY MANAGEMENT CAPABILITIES

Tribal emergency management capabilities are limited for much of the tribal population.

Recommendation 18-35: The Administrator should direct the Tribal Affairs Division to begin requesting a waiver from the Office of Management and Budget (OMB) to conduct a baseline capability survey throughout Indian Country.

Recommendation 18-36: The Administrator should establish mechanisms for the Federal Integration Teams to work directly with Tribes to develop pre-event capability. This process should be bi-directional so that Tribal representatives can either host FEMA staff or FEMA staff host Tribal personnel. This method will provide the opportunity for tribes with developing programs to not only understand what is needed but also why the process works in the manner it does.

Recommendation 18-37: The Administrator should develop Incident Management Assistance Teams (IMAT) consisting of Tribal emergency management subject matter experts to assist Tribes during disaster response and recovery. Current IMAT teams should also add a specific position for understanding relevant cultural concerns.

- USAR Teams or Tribal Hotshot firefighting teams could be a model for such teams.

The success of FEMA's mission depends on its ability to understand and support the needs of emergency management partners and the communities it serves. Understanding tribal emergency management capabilities is essential for coordinating and providing federal assistance. Establishing a baseline assessment of these capabilities would help FEMA understand the resources available to tribes as well as identifying unmet needs.

FEMA previously worked to develop a survey tool to establish baseline capabilities and identify gaps in tribal emergency management programs. FEMA is evaluating this tool to determine what revisions it would require to assess tribal capabilities adequately, or whether FEMA and its partners may find a better means of assessment. Other potential means to assess capabilities and/or inform development of an assessment tool, may include:

- Using the revised Stakeholder Preparedness Review (SPR), which is a self-assessment of current capability levels against the targets identified in the Threat and Hazard Identification and Risk Assessment (THIRA). Tribes that receive funding through the Tribal Homeland Security Grant Program (THSGP) must complete the assessment. FEMA will use the results of these self-assessments to help inform further efforts to establish a baseline of tribal capabilities.
- FEMA Integration Teams (FITs) may support an assessment survey to establish a baseline of tribal emergency management capabilities across the country. FEMA is still exploring this option and determining the level of support needed and available.

As part of its strategic objective to enhance intergovernmental coordination, FEMA is establishing FITs that co-locate with SLTT partners to provide direct FEMA program support and technical assistance. FEMA did not deploy Tribal FITs in the first phase of the FIT rollout; however, FEMA encourages tribes to work directly with their respective Regional Administrator

to determine whether a FIT could meet an interested tribal government's needs. FEMA will support tribes to determine the scope of their technical assistance needs and potential for a FIT.

Tribes may also benefit from opportunities that provide technical assistance, including assessing and building capabilities, but would not require a FIT. FEMA is evaluating several options that would provide such assistance. For example, FEMA is looking at current regional capabilities and resources available to provide such assistance to tribes, potentially in coordination with FITs already deployed, and is also considering geographic, demographic, and other indicators that may help guide the level and type of technical assistance provided.

In addition, FEMA is interested in developing bi-directional opportunities for training and educating FEMA staff and tribal emergency management officials on a range of topics that may include developing emergency management capabilities, as well as understanding various FEMA programs and the unique challenges faced by tribes. This would be an excellent way to cross-train tribal and FEMA staff. FEMA also recommends that once Tribal FITs are established, tribes may gain expertise through mentor and/or peer-to-peer support across tribal jurisdictional and state boundaries, and FEMA could facilitate such connections.

Based on current needs, FEMA does not envision deploying a National-level IMAT for tribal emergencies and/or disasters and can address potential threats for tribal nations using Regional IMAT resources. However, there is a need to augment Regional IMATs with staff who have the requisite technical and cultural skills, including experience with tribal operations, such as those designated with the tribal specialty (similar efforts are underway in other FEMA cadres).

In looking at initial tribal declarations, early technical assistance from FEMA program subject matter experts trained in tribal cultural awareness and experienced in working with tribal nations is a key to success for tribal governments new to disaster declarations. FEMA is currently developing and revising policies and training for FEMA and tribal staff that will help fill knowledge gaps and highlight tribal-specific considerations for FEMA program delivery. The Agency is also working to qualify staff in its PA and IA cadres with a Tribal Specialty designation. In addition, for declarations in Indian Country, FEMA works with tribal leaders to develop tribe-specific cultural awareness training for all FEMA staff working with the tribe. Finally, all FEMA staff are required to complete the *IS-650A: Building Partnerships with Tribal Governments* course, based on a previous NAC recommendation.

FEMA will continue to work with the NAC, the NAC Tribal Subcommittee members, and national and regional tribal association partners to find new ways to assess and understand tribal emergency management capabilities, work alongside our tribal partners, and take into consideration the specific and unique needs of tribal governments before, during, and after disasters.