

Honorable Mitch McConnell, Majority Leader, U.S. Senate
Honorable Charles Schumer, Minority Leader, U.S. Senate
Honorable Thad Cochran, Chairman, Senate Appropriations Committee
Honorable Patrick Leahy, Ranking Minority Member
Honorable Ron Johnson, Chairman, Senate Homeland Security
And Governmental Affairs Committee
Honorable Claire McCaskill, Ranking Minority Member
January 9, 2018

Dear Leadership of the Senate, Appropriations and Homeland Security
and Governmental Affairs Committees,

Thank you in advance for your efforts to ensure disaster recovery support is developed in an expeditious manner that supports vulnerable communities across the nation. The below signed organizations have very serious concerns about elements of the Disaster Recovery Reform Act (DRRA), now merged with the Disaster Supplemental Appropriations bill, H.R. 4667. Since this legislation moved very quickly from introduction to passage in the House, there has been no opportunity to examine potential negative impacts of some provisions which could undercut very positive provisions in the legislation. We urge that the authorizing language (formerly H.R. 4460) be considered separately by the Homeland Security and Governmental Affairs Committee or at least be amended before passage. The Congress does need to focus on delivering much needed aid to disaster-affected communities without undercutting long-standing policies for allocation and accountability of disaster relief funds.

Our groups are pleased that the DRRA would establish a new fund under the Robert T. Stafford Disaster Relief and Emergency Assistance Act to substantially increase funds available for FEMA pre-disaster hazard mitigation projects. However, we have grave concerns about language in Section 2009 (subsections a and b) that would allow waivers of basic longstanding policies for accountability of funds made available in the wake of federal disaster declarations. The language also would specifically allow money from the newly enhanced Hazard Mitigation Grant program, derived from the Disaster Relief Fund, to flow to Army Corps of Engineers- type projects, thereby potentially drawing funding away from much-needed FEMA hazard mitigation projects. While these large structural flood control projects can be helpful in reducing flood losses, they have their own set of standards and funding streams through the Army Corps of Engineers. Our concerns are summarized here.

1. There are tremendous unmet needs for the kinds of mitigation projects for which FEMA has expertise. The demand for such projects far exceeds FEMA's capacity to fund them, yet these kinds of projects have been shown to save at least \$4 for every \$1 invested.¹ With disaster related costs and occurrences

¹ A new report due out later this week by the National Institute of Building Sciences is likely to show an even greater benefit-cost ratio for federal mitigation grants than previously identified.

escalating dramatically, the need to make these investments in reducing disaster costs for taxpayers is essential. It was recently reported that Louisiana has estimated it has over 2,400 homes eligible for buyouts and relocation due to high flood risk, but does not have the funds (the estimated cost of the buyouts is \$1.2 billion) to address the problem. Since hurricane Harvey, Harris County, TX now has requests for more than 3,800 buyouts.

2. FEMA's expertise is in hazard mitigation projects such as buyouts, relocations, elevations, movement of utilities out of harm's way, neighborhood drainage work and improvements to culverts. Additionally, identifying innovative strategies to mitigate infrastructure, as well as ensuring the infrastructure can be adapted to changing conditions, is also a clear need that can be funded through DRF funds. These are the types of projects that should be funded through the Disaster Relief Fund, rather than large engineering projects undertaken by the Corps of Engineers through their separate streams of funding. This is something the Army Corps of Engineers does and there is a separate and well-defined process by which Congress appropriates funds for these types of projects. Section 2009(a) provides for waiver of the existing prohibition of duplication of benefits across agencies and programs. This waiver could potentially allow use of disaster funds appropriated to other agencies as well. Basic requirements restricting the duplication of benefits have long served as a key means to assure accountability of the use of federal taxpayer funds for disaster assistance.
3. Benefit-Cost project evaluations and criteria, and the expertise to evaluate specific projects, differ significantly between FEMA and the Corps. Moreover, FEMA-type projects often have superior benefit-cost ratios. There is a long backlog of Corps projects that are authorized but haven't met the Corps' criteria for benefit-cost. Section 2009 would specifically allow such projects to be funded by FEMA. FEMA does not have the necessary engineering expertise to evaluate and oversee large levee, dam and floodwall projects. The Corps does. This also would circumvent Congressional appropriations and oversight.
4. FEMA's cost-share is typically 75/25 while the Corps' is 65/35. FEMA funding would be more attractive and would avoid strict Corps requirements and oversight for the types of projects they have expertise to oversee. Again, Section 2009 would waive requirements to avoid duplication of benefits between agencies and programs.

We believe that substantial investment in hazard mitigation is essential to reduce the increasingly high costs to taxpayers and vulnerable communities, from natural disasters. The losses from 2017's three major hurricanes, wildfires and other disasters are now estimated to total over \$306 billion, making 2017 the most expensive disaster year in U.S. history.

The nation needs more investment in non-structural and nature-based hazard mitigation and management of flood risk. The high cost of structural flood control

projects would very likely siphon away a critical new source of hazard mitigation funding while duplicating functions funded and overseen by the Army Corps of Engineers.

We urge that the likely adverse impacts of Section 2009(a) and (b) be fully evaluated and revised before passage of H.R. 4667, an appropriations bill now containing a piece of significant authorizing legislation that has not undergone careful consideration.

Again, we thank you for your diligent efforts to ensure communities across the nation, struggling to protect themselves from extreme weather events, have the support needed to build and re-build stronger and safer. We appreciate your attention to our serious concerns.

Respectfully and sincerely,

Association of State Floodplain Managers

Association of State Wetland Managers

Consumer Mortgage Coalition

Enterprise Community Partners, Inc.

Natural Resources Defense Council

Union of Concerned Scientists

Cc: Leadership of the U.S. House of Representatives