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Disaster Relief and Response: FY2003 Supplemental Appropriations

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Disaster Relief and Response: FY2003 Supplemental Appropriations

Summary

On July 7, 2003, President Bush submitted a second supplemental appropriations request to Congress for FY2003. The request seeks \$1.889 billion for three disaster relief activities: \$289 million for wildfire suppression and rehabilitation carried out by the Departments of Agriculture and the Interior, \$1.550 billion for disaster relief administered by the Department of Homeland Security (DHS), and \$50 million for the investigation and recovery associated with the Space Shuttle *Columbia* disaster. For the most part, Members of Congress evince support for the disaster relief funding request; however, some debate has occurred on other funding sought, notably funding for AmeriCorps grants.

The Administration seeks funding for three categories of federal disaster relief and response activities: wildfire suppression and rehabilitation, disaster relief associated with tornadoes and potential hurricanes, and unanticipated costs associated with the disintegration of the Space Shuttle *Columbia*. Some have advocated expedited action on the supplemental. The House and Senate have approved different versions of the supplemental legislation; H.R. 2859, approved by the House on July 25, would appropriate \$984 million only for the Disaster Relief Fund (DRF) administered by DHS. The Senate approved legislation (H.R. 2657) on July 11 that would appropriate over \$2 billion for several accounts, including \$1.5 billion for the DRF, \$100 million for AmeriCorps, and over \$300 million for wildfire suppression. Debate will continue as some Members seek to add other provisions to the measure to meet other urgent needs.

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Disaster Relief and Response: FY2003 Supplemental Appropriations

Most Recent Developments

On July 7, 2003, President Bush submitted a request for emergency supplemental appropriations for FY2003 that totaled \$1.9 billion. On July 9, 2003, the Senate Appropriations Committee reported the FY2004 legislative branch appropriations measure (S. 1383), with the FY2003 supplemental in Title III. The Committee added \$100 million for the Corporation for National and Community Service for operating expenses for AmeriCorps grants and for educational awards funded from the National Service Trust, among other provisions. The next day, July 10, the Senate incorporated the text of S. 1383 into the legislative branch appropriations bill that had been passed by the House (H.R. 2657) on July 9. As approved by the Senate on July 11, H.R. 2657 includes, in addition to the amount requested and the AmeriCorps funding, \$25 million more for wildfire response and prevention and \$10 million for flood prevention for the Corps of Engineers, resulting in a total of \$2.044 billion, 8.2% more than requested.

On July 21 the House Appropriations Committee reported a measure (not yet numbered) that would fund the President's request and also provide \$136 million for urgent needs, including \$30 million more for wildfire fighting, \$32 million for the federal judiciary, \$60 million for flood control projects, and roughly \$15 million for specific disasters in Michigan and the Midway Atoll. The House Committee rejected an amendment to provide additional funding for AmeriCorps grants.

In order to expedite funding for the Disaster Relief Fund (DRF) administered by the Department of Homeland Security (DHS), on July 25 the full House approved a smaller supplemental appropriations measure, H.R. 2859, which solely includes \$983.6 million for the DRF. During debate on this measure Members rejected an amendment to require rescissions from discretionary accounts to cover the costs of this supplemental.

Overview

The July 7, 2003 request by President Bush seeks additional funding for three departments and one independent agency as follows:

- \$1.55 billion for the Department of Homeland Security;
- \$253 million for the Department of Agriculture;
- \$36 million for the Department of the Interior; and
- \$50 million for the National Aeronautics and Space Administration.

The \$1.55 billion request for the Department of Homeland Security (DHS), which represents 82% of the total request, is for the Disaster Relief Fund (DRF). Grants from the DRF aid state and local governments, certain nonprofit organizations, and individuals and families victimized by catastrophes that overwhelm state and local resources. State emergency management officials maintain that supplemental funding is required because the DRF has reached “a dangerously low level” for FY2003.

The combined budget authority requested for the Departments of Agriculture and the Interior — \$289 million (15% of the total request) — is for federal wildfire suppression activities and the rehabilitation of burned areas, especially in the western states. Some expect the summer wildfire season to be particularly severe due to the ongoing drought and dry timber conditions.

The requested \$50 million (3% of the total) for the National Aeronautics and Space Administration (NASA) is for additional and unanticipated costs associated with the recovery, investigation, and analysis of the Space Shuttle *Columbia* accident. **Table 1** provides summary information on the request and subsequent action by Congress.

Table 1. FY2003 Supplemental for Disaster Response and Relief, Administration Request and Congressional Action
(\$ in millions)

Federal agency	Purpose	Request (July 7)	House (July 25)	Senate (July 11)	Enacted
Dept. of Homeland Security, (DHS) Emergency Preparedness and Response (EPR)	disaster relief fund activities authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act	1,550	984 ^A	1,550	
Dept. of Agriculture	wildfire suppression, rehabilitation of burned areas, pest control	253		273	
Dept. of the Interior, Bureau of Land Management (BLM)	wildfire suppression, rehabilitation of burned areas	36		61	
National Aeronautics and Space Administration (NASA)	recovery and investigation associated with Space Shuttle <i>Columbia</i>	50		50	

Federal agency	Purpose	Request (July 7)	House (July 25)	Senate (July 11)	Enacted
Corporation for National and Community Service	AmeriCorps grants	0		100	
Army Corps of Engineers	flood control, repair of facilities	0		10	
Total		1,889	984	2,044	

Source: Administration request: U.S. Office of Management and Budget, "Estimate #12, FY 2003 Emergency Supplemental: Departments of Agriculture, Homeland Security, Interior, and National Aeronautics and Space Administration — 7/7/03," available on the OMB website at http://www.whitehouse.gov/omb/budget/amendments/supplemental_7_7_03.pdf, visited July 9, 2003. Congressional action: H.R. 2657.

Notes: The Senate added authority for the Secretary of Agriculture to use \$20 million of the funds of the Commodity Credit Corporation to suppress and control a cricket infestation. Accordingly, this table adds that amount to the \$253 approved for wildfire management activities of the Department of Agriculture.

^A H.R. 2859, approved by the House on July 25, 2003. In addition, the House Appropriations Committee reported an unnumbered bill on July 21, 2003 that would appropriate a total of \$2.016 billion in supplemental funding for FY2003.

Issues of Debate

Historically, little debate has occurred on federal disaster assistance funding measures. Questions may be asked, however, on the types of activities to be funded through this request, the addition of funding measures by Members of Congress for activities not requested by the Administration, and the appropriations history of the accounts included in the supplemental measure. For example, in addition to meeting the Administration's request for funding in these three areas, the Senate voted to add \$100 million to the Corporation for National and Community Service for AmeriCorps grants, in addition to funds for other emergency activities. An amendment to provide similar funding was rejected by the House Appropriations Committee on July 21, 2003.¹

The remainder of this report provides background information on the activities to be funded through the supplemental appropriations process.

¹ For background on the AmeriCorps grants see: RS20420, *AmeriCorps and Other Service Programs: Description and Funding Levels*, by Ann Lordeman.

Disaster Relief Fund

The Department of Homeland Security uses funds appropriated to the disaster relief fund (DRF) to provide assistance authorized by the Stafford Act.² Stafford Act aid is available after the President issues a declaration that federal assistance is needed to supplement the resources of overwhelmed states and localities.³ Federal assistance supported by DRF money is used by states, localities, and certain non-profit organizations to restore damaged or destroyed facilities, clear debris, and aid individuals and families with uninsured needs, among other activities.

Few disagree about the disaster relief needs facing the nation at present. In calendar year 2002, President Bush issued 49 major disaster declarations; thus far in calendar year 2003, 26 such declarations have been issued, 11 of which have involved tornadoes, some of which have proven particularly destructive. In addition, hurricane season has begun. The National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce has projected that this hurricane season will likely be a “near-normal” or “above-normal” season for Atlantic coast hurricanes, with 11 to 15 tropical storms expected, 6 to 9 of which may become hurricanes, 2 to 4 of which could be “major hurricanes.”⁴

Five types of declarations may be issued by the President or the Secretary of DHS, summarized as follows:⁵

- **Major disaster.** The President can declare a major disaster upon the request of the governor of the affected state.⁶ A declaration authorizes DHS to administer various federal disaster assistance programs for victims of declared disasters. Each declaration specifies the type of incident covered, the time period covered, the types of disaster assistance available, the counties affected by the declaration, and also identifies the Federal Coordinating Officer.

² The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq.

³ For more information on the Stafford Act and the DRF see: CRS Report RL31791, *Emergency Management Funding for the Department of Homeland Security: Information and Issues for FY2004*, by Keith Bea, Rob Buschmann, Ben Canada, Wayne Morrissey, C. Stephen Redhead, and Shawn Reese.

⁴ U.S. Department of Commerce, National Oceanic and Atmospheric Administration, “NOAA: 2003 Atlantic Hurricane Outlook,” at [<http://www.cpc.noaa.gov/products/outlooks/hurricane.html>], visited July 9, 2003.

⁵ Summaries adapted from FEMA testimony in: U.S. Congress, Committee on Appropriations, Subcommittee on VA, HUD, and Independent Agencies, *Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations for 2001*, hearing, 106th Cong., 2nd sess., Feb. 29, 2000 (Washington: GPO, 2000), p. 702.

⁶ For criteria considered in the declaration of a major disaster, see: 44 CFR 206.48.

- **Emergency.** The declaration process for emergencies is the same as for major disasters; however, an emergency declaration authorizes only emergency response activities, debris removal, and disaster housing programs. DRF expenditures for an emergency are limited to \$5 million per declaration, unless Congress is notified otherwise.
- **Fire suppression.** The Secretary of DHS is authorized to provide fire suppression assistance to supplement the resources of communities when fires threaten such destruction as would warrant a major disaster declaration.
- **Defense emergency.** Upon request from the governor of an affected state, the President may authorize the Department of Defense (DoD) to carry out emergency work for a period not to exceed 10 days. DoD emergency work is limited to work essential for the preservation of life and property.
- **Pre-declaration activities.** When a situation threatens human health and safety, and a disaster is imminent but not yet declared, the Secretary of DHS may place agency employees on alert. DHS monitors the status of the situation, communicates with state emergency officials on potential assistance requirements, and deploys teams and resources to maximize the speed and effectiveness of the anticipated federal response and, when necessary, performs preparedness and preliminary damage assessment activities.

The Homeland Security Act of 2002 (P.L. 107-296) transferred the authorities and functions previously carried out by the Federal Emergency Management Agency (FEMA) to DHS and charged the Secretary of Homeland Security with responsibility for administering these activities. Some of that authority will likely be delegated to and carried out by the Under Secretary for Emergency Preparedness and Response within DHS.

A major disaster declaration, which may be issued only by the President, makes available the full range of federal disaster relief assistance to stricken counties and cities. Some types of assistance available under a major disaster declaration include the repair, replacement, or reconstruction of public and nonprofit facilities, cash grants for personal needs of victims, temporary housing vouchers or replacement accommodations, and unemployment assistance related to the disaster.⁷ By comparison, an emergency declaration authorizes less assistance.⁸ The costs of major disasters exceed those associated with the other four declarations.

⁷ For statutory provisions that authorize the assistance to be provided under the Stafford Act see Title IV of the Act at [<http://www.fema.gov/library/stafact.shtm>], visited July 11, 2003.

⁸ For a comparison of the types of assistance authorized for major disasters, see Title IV of the Stafford Act, 42 U.S.C. 401-422, and for emergencies, see Title V of the Stafford Act, 42 U.S.C. 5191-5193.

Table 2 of this report lists appropriations made to the DRF since 1974, the first year in which the current span of federal assistance was provided by the federal government. Prior to FY1989, supplemental appropriations made to the DRF were approved infrequently and generally exceeded the amount originally appropriated in each fiscal year by roughly \$100 or \$200 million.⁹ By comparison, since FY1989, appropriations have exceeded \$1 billion in each fiscal year and supplemental appropriations have been approved in all but FY1991 and FY2000.

The last two columns of **Table 2** show that a similar growth pattern has developed for outlays from the DRF. Prior to FY1989, outlays from the DRF averaged \$568 million, and on only two occasions (Hurricane Frederic in FY1978 and the eruption of Mt. St. Helens in FY1980) exceeded \$1 billion. Since 1989, however, average annual outlays have exceeded \$2 billion, due to significant hurricanes (Hugo in FY1989, Andrew in FY1992, Floyd in FY1999), earthquakes (Loma Prieta in FY1990, Northridge in FY1994), floods (Midwest floods of 1993, Red River floods of 1995), and the terrorist attacks of September 11, 2001. During FY2002, FEMA distributed almost \$4 billion in disaster relief to 32 states (and territories) in response to 42 major disaster declarations.¹⁰ Since 1989, roughly \$37 billion constant dollars has been provided in disaster relief, more than three-quarters of the \$47 billion provided since 1974.

Table 2. Disaster Relief Fund, FY1974-FY2004
(millions of dollars, 2002 constant dollars)

FY	^A Req.	Appropriations				Outlays	
		Orig.	Supp.	Total appropriations		Nominal	Constant
				Nominal	Constant		
74	100	200	232	433	1,483	250	857
75	100	150	50	200	624	206	643
76	187	187	0	187	552	362	1,067
77	100	100	200	300	830	294	813
78	150	115	300	415	1,077	461	1,196
79	200	200	194	394	938	277	660
80	194	194	870	1,064	2,278	574	1,229
81	375	358	0	358	698	401	780
82	400	302	0	302	552	115	211
83	325	130	0	130	228	202	354
84	0	0	0	0	0	243	408
85	100	100	0	100	161	192	309
86	194	100	250	350	549	335	527
87	100	120	^B 0	120	181	219	330
88	125	120	0	^C 120	175	187	273

⁹ An exception occurred in FY1980 after the eruption of Mt. St. Helens.

¹⁰ U.S. Department of Homeland Security, *Emergency Preparedness and Response Justification of Estimates Fiscal Year 2004*, (Washington: 2003), p. S-1.

FY	Appropriations						Outlays	
	AReq.	Orig.	Supp.	Total appropriations		Nominal	Constant	
				Nominal	Constant			
89	200	100	^D 1,108	1,208	1,705	140	198	
90	270	98	^E 1,150	1,248	1,686	1,333	1,800	
91	270	0	0	0	0	552	724	
92	^F 184	185	4,136	^G 4,321	5,568	902	1,162	
93	292	292	2,000	^H 2,292	2,880	2,276	2,860	
94	^I 1,154	292	^J 4,709	5,001	6,121	3,743	4,582	
95	320	320	^K 3,275	3,595	4,277	2,116	2,518	
96	320	222	^K 2,275	2,497	2,905	2,232	2,596	
97	320	^L 1,320	^L 3,300	4,620	5,239	2,551	2,893	
98	^M 2,708	320	^N 1,600	1,920	2,141	3,252	3,626	
99	^O 2,566	^P 1,214	^Q 1,130	2,344	2,541	3,746	4,060	
00	2,780	^R 2,780	0	2,780	2,888	2,628	2,730	
01	2,909	300	^{S,T} 4,383	4,677	4,730	3,220	3,257	
02	1,366	2,164	^U 7,008	9,172	9,172	3,947	3,947	
03	1,843	800	—	800	—	^V 5,094	—	
04	1,956	—	—	—	—	^V 3,518	—	
Total	22,108	12,784	38,170	50,948	62,179	45,568	46,609	

Sources: U.S. President annual budget documents; appropriations legislation; U.S. Federal Emergency Management Agency budget justifications. Constant dollar calculations: U.S. Dept. of Commerce, Bureau of Economic Analysis, State and local government chain-type price index, Table 7.11, found at [<http://www.bea.doc.gov/bea/dn/nipaweb/SelectTable.asp?Selected=N#S7>], visited Feb. 25, 2003.

^A Data in the request column generally represent the first budget request submitted by the Administration each year and do not include amended or supplemental requests. However, note additional detail in this column.

^B In February 1987, a total of \$57,475,000 was rescinded and transferred from the DRF to the Emergency Food and Shelter Program account (P.L. 100-6). That amount was returned to the fund the same year in supplemental appropriations legislation enacted in July 1987 (P.L. 100-71).

^C P.L. 100-202, the Continuing Appropriations Act for Fiscal Year 1988, appropriated \$120 million for disaster relief. According to FEMA, the original appropriation for that fiscal year was \$125 million, but \$5 million was transferred to the Department of Labor for “low income agriculture workers.”

^D Supplemental funds were included in P.L. 101-100, continuing appropriations legislation enacted after Hurricane Hugo struck in September 1989. According to FEMA, this amount was “referred to as a supplemental but was an increase in the original appropriation during a continuing resolution.”

^E P.L. 101-130, enacted after the Loma Prieta earthquake, appropriated \$1.1 billion in supplemental funding for FY1990. In addition, \$50 million was appropriated in P.L. 101-302, dire emergency supplemental appropriations legislation. Table 2 does not reflect a \$2.5 million transfer from the President’s unanticipated needs fund.

^F FY1992 request does not include the budget amendment of \$90 million submitted by the Administration.

^G Appropriations for FY1992 included a \$943 million dire emergency supplemental in P.L. 102-229, enacted in the fall of 1991 after Hurricane Bob; \$300 million after the Los Angeles riots and flooding in Chicago (spring of 1992) in P.L. 102-302; and \$2.893 billion in P.L. 102-368 after Hurricanes Andrew and Iniki, Typhoon Omar, and other disasters.

^H Total for FY1993 includes the \$2 billion supplemental approved after the Midwest floods of 1993 (P.L. 103-75).

^I The original FY1994 budget request was \$292 million. On July 29, 1993, a supplemental request of \$862 million was sent by President Clinton to Congress.

^J Supplemental appropriations for FY1994 enacted after the Northridge earthquake struck Los Angeles (P.L. 103-211).

^K Additional supplemental appropriation approved for Northridge earthquake costs (P.L. 104-19) for FY1995, with the same amount (\$3.275 billion) reserved for a contingency fund for FY1996. However, \$1 billion of the contingency fund was rescinded in FY1996 omnibus appropriations, P.L. 104-134. In the same legislation, another \$7 million was also appropriated to other FEMA accounts for costs associated with the bombing of the Alfred P. Murrah federal building in Oklahoma City.

^L The FY1998 budget appendix (p. 1047) noted a transfer of \$104 million from the disaster relief fund in FY1996. In the FY1997 appropriations act (P.L. 104-204), \$1 billion that had been rescinded in FY1996 (P.L. 104-134) was restored, and \$320 million in new funds were appropriated. Supplemental appropriations of \$3.3 billion were approved in P.L. 105-18 after flooding in the Dakotas and Minnesota, and after storms in other states were declared major disasters. The legislation specified, however, that of the total, \$2.3 billion was to be available in FY1998 only when FEMA submitted a cost control report to Congress. This requirement was met, and the funding was made available in FY1998.

^M The FY1998 request consisted of a \$320 million base amount plus \$2.388 billion “to address actual and projected requirements from 1997 and prior year declarations.” (*Budget Appendix FY1998*, p. 1047).

^N Supplemental appropriations legislation (P.L. 105-174) for FY1998 approved for flooding associated with El Niño and other disasters.

^O The FY1999 request consisted of \$307,745,000 for the DRF and an additional \$2,258,485,000 in contingency funding to be available when designated as an emergency requirement under the Balanced Budget Act of 1985, as amended.

^P The FY1999 omnibus appropriations act (P.L. 105-277) included funds for costs associated with Hurricane Georges, flooding associated with El Niño, and other disasters.

^Q Emergency supplemental appropriations for FY1999 (P.L. 106-31) included \$900 million for tornado damages as well as \$230 million for unmet needs, subject to allocation directions in the conference report (H.Rept. 106-143).

^R FY2000 appropriations act (P.L. 106-74) included disaster relief funding as follows: \$300 million in regular appropriations and \$2.5 billion designated as emergency spending for costs associated with Hurricane Floyd and other disasters. In addition, the Consolidated Appropriations Act (P.L. 106-113) authorized the Director of FEMA to use up to \$215 million in disaster relief funds appropriated in P.L. 106-74 for the purchase of residences flooded by Hurricane Floyd, under specified conditions.

^S Supplemental appropriations legislation (P.L. 106-246) authorized that \$77 million from the DRF to be used for buyout and relocation assistance for victims of Hurricane Floyd. The Act also appropriated \$500 million in a separate account for claim compensation and administrative costs associated with the Cerro Grande fire that destroyed much of Los Alamos, New Mexico.

^T P.L. 107-38 appropriated \$40 billion in response to the terrorist attacks of September 11, 2001. Pursuant to the statute, these funds for FY2001 were allocated by the Office of Management Budget

from the Emergency Response Fund (ERF). Of the total appropriated in P.L. 107-38 after the September 11 attacks, \$4.4 billion were allocated for FY2001 through P.L. 107-117 (115 Stat. 2338).

^U Congress appropriated \$2.651 billion for FY2002 in P.L. 107-206 to meet additional needs associated with the terrorist attacks. Funds for FY2002 also include \$4.4 billion provided from the ERF, largely for recovery costs in New York City.

^V Outlay data based on current estimates.

Wildfire Management

The 2000 and 2002 fire seasons were, by most standards, among the worst in the past 50 years. Many argue that the threat of severe wildfires has grown, because many forests have unnaturally high fuel loads (e.g., dead trees and dense undergrowth) and an historically unnatural mix of plant species (e.g., selectively logged or containing exotic invaders). Fuel treatments have been proposed to reduce the threats from wildfires, including prescribed burning (setting fires under specific conditions); commercial logging followed with appropriate slash disposal; and other treatments (e.g., pre-commercial thinning). Proponents of fuel reduction argue that needed treatments often are delayed by environmental studies, administrative appeals, and litigation. However, many project opponents fear that simplifying fuel reduction projects could enable timber companies to increase logging on federal lands and that such projects might not receive proper environmental review.¹¹

In response to the succession of wildfires, Congress has appropriated more funds for wildfire management in each successive fiscal year since FY1999, as shown below in **Table 3**.

Table 3. Wildfire Management Appropriations, FY1999-FY2004
(\$ in millions)

Agency	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004 Request
Forest Service	722.4	1,008.0	1,882.8	1,560.3	2,007.0	1,541.8
Bureau of Land Mgt.	336.9	591.0	977.1	678.4	839.2	698.7
Total Wildfire	1,059.3	1,598.9	2,859.9	2,238.8	2,846.1	2,240.5

Source: CRS Report RS21544, *Wildfire Protection Funding* by Ross W. Gorte.

¹¹ For more information see: CRS Issue Brief IB10076, *Public (BLM) Lands and National Forests*, Ross W. Gorte and Carol Hardy Vincent, coordinators and CRS Report RS21544, *Wildfire Protection Funding*, by Ross W. Gorte.

Space Shuttle *Columbia* Disaster

On February 1, 2003, NASA's Space Shuttle *Columbia* broke apart while returning to Earth from a 16-day science mission in orbit. All seven astronauts — six Americans and one Israeli — were killed. An investigation began immediately after the disaster occurred and continues. Three hearings have been held on the *Columbia* disaster to date, and more are expected once the *Columbia* Accident Investigation Board releases its report later this summer. The Consolidated Appropriations Resolution for FY2003 (P.L. 108-7) included \$50 million for the recovery and investigation of the disaster. The President's request includes an additional \$50 million for those costs.¹²

Conclusion

The activities included in the President's second FY2003 supplemental request — funding needs for wildfires, disasters, and the *Columbia* disaster — appear relatively noncontroversial. Debate has already occurred, and may continue, on additional funds sought by Members of Congress for activities not requested by the President, notably funding for AmeriCorps grants.

¹² For more information see: CRS Report RS21408, *NASA's Space Shuttle Columbia: Quick Facts and Issues for Congress*, by Marcia S. Smith. CRS Report RL31821, *The National Aeronautics and Space Administration's FY2004 Budget Request: Description, Analysis, and Issues for Congress*, by Marcia S. Smith, Daniel Morgan, and Wendy Schacht.