



FEMA Pre-Disaster Mitigation: The Building Resilient Infrastructure and Communities (BRIC) Program

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Changes to Pre-Disaster Mitigation Funding

The federal government has historically provided resources to assist in post-disaster recovery and to reduce future risk. Funding for pre-disaster mitigation changed significantly with the passage of the Disaster Recovery Reform Act of 2018 (DRRA, Division D of P.L. 115-254). For each major disaster declaration, the President may set aside from the Disaster Relief Fund (DRF) an amount equal to 6% of the estimated aggregate amount of funding awarded under seven sections of the Stafford Act.

FEMA expected this set-aside to be about \$300-\$500 million per year on average. However, the large amount of disaster assistance associated with the COVID-19 major disaster declarations has resulted in additional funding for pre-disaster mitigation. As of February 28, 2021, there was \$1.055 billion set aside in the DRF for pre-disaster mitigation. FEMA has not yet decided whether it will make available all of the set-aside funds each year or hold some back for years with fewer disasters. If FEMA does not use all of the set-aside funding in a given year, it is not clear whether the funds will remain restricted to use for pre-disaster mitigation or be used for other disaster-related expenses.

Building Resilient Infrastructure and Communities

FEMA introduced a new program in FY2020, the Building Resilient Infrastructure and Communities Grant Program (BRIC). Any state that has had a major disaster declaration in the seven years prior to the application start date is eligible to apply. All states, territories, and recognized tribal governments are eligible in FY2020 due to the COVID-19 pandemic disaster declarations.

A total of \$500 million was available in FY2020 in three categories:

1. State/territory allocation: \$33.6 million

2. Tribal set-aside: \$20 million

3. National competition: \$446.4 million

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Applicants were able to submit an unlimited number of mitigation project applications in category (3), each valued up to \$50 million. The \$50 million cap for an individual mitigation project represents a significant increase; the largest amount available previously was \$10 million. Since funding for predisaster mitigation began in 2003, only two projects have been awarded more than \$4 million, and 280 projects (approximately 7%) have been awarded more than \$1 million.

The priorities for BRIC in FY2020 were to incentivize

- public infrastructure projects;
- projects that mitigate risk to one or more community lifelines;
- projects that incorporate nature-based solutions; and
- adoption and enforcement of the latest published editions of building codes.

BRIC priorities also included a focus on future conditions, with applications evaluated on how the project would anticipate future conditions, such as population and demographics, climate change, and sea level rise. A new feature of BRIC is that projects submitted to the national competition are to be reviewed on both technical criteria and qualitative criteria such as risk reduction effectiveness and partnerships.

FEMA received 980 applications for BRIC funding in FY2020, the highest number received to date. Fifty-three states and territories requested over \$3.6 billion, with 62 tribal applications requesting \$20.2 million. Twenty-five states submitted projects with a cumulative amount of \$50 million or more federal share and five states submitted applications with cumulative amounts over \$200 million federal share. FEMA received seven applications for which individual project amounts reached the maximum of \$50 million.

Community Project Funding

The House Committee on Appropriations has recently announced that it will accept Member requests for Community Project Funding (CPF) for pre-disaster mitigation in appropriations bills for the upcoming fiscal year (FY2022). One of the three accounts designated for CPF in the Homeland Security funding bill is pre-disaster mitigation grants. Only projects that meet the requirements in the FY2020 BRIC Notice of Funding Opportunity will be considered for this new congressionally directed spending. BRIC criteria will inform the committee's decisionmaking on CPF requests but will not be definitive. All successful CPFs will be funded through the FEMA Federal Assistance account.

Considerations for Congress

The majority of funding for hazard mitigation comes from FEMA, which administers three Hazard Mitigation Assistance (HMA) programs and also funds Public Assistance mitigation measures funded under Section 406 of the Stafford Act. The 6% BRIC set-aside has increased pre-disaster mitigation funding significantly; however, post-disaster mitigation still receives far more resources. 88% of the HMA funding obligated by FEMA for FY2010 through FY2018 was for post-disaster grants, with only 12% for pre-disaster mitigation. Because HMGP and PA mitigation funds are only available to states *following* a major disaster declaration, they cannot be targeted at areas with greater risk of future losses. As a result, disasters determine to a great extent where the federal government invests in disaster resilience, and this may not correlate with the greatest risks.

States are no longer guaranteed a minimum amount as they were under PDM. However, according to FEMA, projects submitted in category (1) should be funded up to the \$600,000 maximum if they submit eligible applications up to this limit.

Some stakeholders have expressed concern that smaller projects or funding for planning may be less likely to obtain support in BRIC, and that small, impoverished, or rural communities may not have the capacity to apply for and administer the larger amounts which could be funded by BRIC. FEMA has tried to mitigate such concerns through the introduction of new criteria for assessing applications, such as the percentage of the population that will directly benefit from the project, and the impacts of the project on socially vulnerable populations.

The increase in funding for pre-disaster mitigation may also lead to challenges in meeting the nonfederal cost share. Generally, BRIC's cost share is 75% federal and 25% nonfederal, but small, impoverished communities are eligible for an increase in cost share up to 90% federal and 10% nonfederal. Despite this, many communities may find it difficult to meet cost share requirements, particularly as local resources have been reduced during the pandemic.

Congress may wish to examine the awards under BRIC to look at the balance of funding between large and small awards. Congress may also wish to require FEMA to report on lessons learned from the first year of the BRIC program.

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