



# 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; 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. 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 December 31, 2022, there was \$3.995 billion in the 6% set-aside in the DRF.

### **Building Resilient Infrastructure and Communities**

FEMA introduced a new program in FY2020, the Building Resilient Infrastructure and Communities Grant Program (BRIC), with \$500 million available in FY2020 and \$1 billion available in FY2021. FEMA anticipates that \$500 million will be available for BRIC in FY2023.

In FY2022, a total of \$2.295 billion is available in three categories:

- 1. State/territory allocation: \$112,000,000
- 2. Tribal set-aside: \$50,000,000
- 3. National competition: \$2,133,000,000

Each state and tribe can apply for up to \$2 million in categories (1) and (2) and may submit an unlimited number of 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.

The priorities for BRIC in FY2022 are to incentivize

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- natural hazard risk reduction activities that mitigate risk to public infrastructure and disadvantaged communities;
- projects that incorporate nature-based solutions;
- projects that enhance climate resilience and adaptation; and
- adoption and enforcement of the latest published editions of building codes.

FEMA is promoting equity in BRIC by prioritizing 40% of funding for disadvantaged communities, in accordance with E.O. 14008 and the Justice40 Initiative. Four of the six BRIC qualitative evaluation criteria require an explanation of how the project would benefit disadvantaged communities, and one technical evaluation criterion will prioritize communities with a Centers for Disease Control and Prevention (CDC) Social Vulnerability Index (SVI) score of 0.60-0.79. BRIC also reduces the nonfederal cost share from 25% to 10% for Economically Disadvantaged Rural Communities (EDRCs); however, this criterion excludes any community larger than 3,000 people and may not support many underserved communities.

A new form of assistance introduced in BRIC is the provision of non-financial Direct Technical Assistance (DTA) for communities to build capacity and develop applications to support underserved populations. FEMA has suggested that DTA is especially important to disadvantaged communities. In FY2020, FEMA selected eight communities to receive DTA, including six small, impoverished communities and three tribes. In FY2021, FEMA selected 20 communities to receive DTA, 17 of which are disadvantaged, including six EDRCs and five tribes. In FY2022, FEMA intends to award DTAs to at least 40 communities.

FEMA introduced an alternative cost-effectiveness methodology for FY2022 BRIC applications to make it easier for disadvantaged communities to meet FEMA's Benefit-Cost Analysis (BCA) requirements. This new methodology will use a lower discount rate if the mitigation activity (1) benefits disadvantaged communities; (2) addresses climate change impacts; (3) has benefits that are hard to quantify; or (4) is subject to higher costs due to the use of low carbon building materials or compliance with the Federal Flood Risk Management Standard.

#### **Considerations for Congress**

The majority of funding for hazard mitigation comes from FEMA, which administers four 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. Because the Hazard Mitigation Grant Program 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.

Any state that has had a major disaster declaration in the seven years prior to the application start date is eligible to apply for BRIC funding. Although all jurisdictions are currently eligible for BRIC due to the COVID-19 major disaster declarations, this may not be the case in future. Restricting pre-disaster mitigation funding to communities that have experienced a recent disaster could preclude communities with a clear risk under a changing climate from receiving funding when that risk has not yet eventuated, which may make it more difficult for locations facing major impacts of climate change to plan ahead. For this reason, Congress may wish to consider whether these requirements should be relaxed.

Some stakeholders have expressed concern that smaller projects may be less likely to obtain support in BRIC, and disadvantaged communities may not have the capacity to apply for and administer large grants

under BRIC or meet cost share requirements. Generally, BRIC's cost share is 75% federal and 25% nonfederal, but EDRCs are eligible for an increase in cost share up to 90% federal and 10% nonfederal.

BRIC was oversubscribed in FY2020, with 53 states and territories and 40 tribes requesting over \$3.6 billion. Three states/territories did not apply: Mississippi, Puerto Rico, and the U.S. Virgin Islands. FEMA selected 406 subapplications for further review, and selected 22 awards in 10 states in the national competition. Only one competitive project was selected from a non-coastal state and no competitive applications were selected from FEMA Regions 5, 6, 7, or 8.

FEMA received requests for \$4.16 billion in FY2021 from all 56 states and territories and 55 tribes, and selected 367 subapplications for further review, and selected 53 projects in 19 states in the national competition. Every FEMA region was selected for at least one competitive award.

All of the selected competitively awarded projects in both years are from states with statewide building codes. The most heavily weighted technical evaluation criteria relate to building code activities, and applications from states without statewide codes may be at a disadvantage.

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