



POSITION STATEMENT: Elimination of Pre-Disaster Mitigation Program

Position Statement #2012-02

April 19, 2012

This statement summarizes the position of the Natural Hazard Mitigation Association on the proposed elimination of the Pre-Disaster Mitigation (PDM) program. It was adopted by the NHMA Board of Directors on April 13, 2012.

We understand the need for reductions in budget and wholly support FEMA in its efforts to streamline programs and increase efficiency. NHMA is, however, concerned with the proposed elimination of FEMA's only all hazards, pre-disaster mitigation grant program in the President's Budget Request for FY 2013. We believe the PDM program must remain a separate, stand-alone grant program to truly be effective in achieving the goal of reducing risk to natural hazards – a goal strongly supported by the National Preparedness Goal and current draft National Mitigation Framework. NHMA supports the inclusion of mitigation as an eligible activity under the new National Preparedness Grant Program (NPGP), but we are concerned that, without the PDM program, state and local governments will more likely choose more glamorous, quick and less controversial ways to spend scarce federal dollars than on mitigation planning and mitigation projects. Additionally, we do not feel that a decision to eliminate PDM should be made prior to the release of more complete information regarding what the NPGP will fund.

Recommendations:

1. NHMA recommends the retention of the PDM program for FY 2013 at its already greatly reduced 2012 funding level of \$36 million. NHMA further recommends that the FY 2013 PDM funding cycle be used as an opportunity by FEMA to test, evaluate and report to Congress on recommended process and policy changes that would improve PDM so as to make its administration more effective and efficient. NHMA is prepared to support such an effort by FEMA and hopes it is called upon to do so. In time, appropriations for the PDM program should be increased and stabilized at its original authorized amount of \$150 million per year.
2. In the future, FEMA should consider whether the obligation of PDM funds would be expedited if administered more directly by the states, similar to the Department of Housing and Urban Development's Community Development Block Grant (CDBG) and other Federal grant programs. FEMA should consider applying a comprehensive, risk-based allocation method that obligates a locked-in percentage or minimum allocation of PDM funds delegated to each state in a manner consistent with Regional and State Threat Hazard Identification and Risk Assessments. Funds could then be administered by states using FEMA's Hazard Mitigation Assistance (HMA) guidance and technical assistance, and in compliance with FEMA-approved state and local hazard mitigation plans.
3. If the PDM program is eliminated, NHMA recommends a minimum funding level of \$150 million or 10% of total funds, whichever is greater, be established for pre-disaster mitigation planning and projects in the NPGP. This would help FEMA sustain its commitment to pre-disaster mitigation as a core capability and mission area of the National Preparedness Goal, while at the same time ease concerns that mitigation activities will not be funded under the NPGP due to its stated priorities on increasing homeland security, emergency readiness and national response capacity.

Our position is based on the following:

- From its beginnings as “Project Impact” to its current state, PDM serves as the only dedicated pre-disaster source of Federal mitigation funding for state, local and tribal jurisdictions that are proactively working to become more resilient to all hazards. These members of the whole community rely heavily on the PDM program and do not wish to wait for a major disaster declaration to access Federal funding through the Hazard Mitigation Grant Program (HMGP) or other post-disaster sources.
- According to congressionally-mandated independent studies of FEMA grant programs, the Multihazard Mitigation Council (MMC) found that, on average, each dollar spent on mitigation saves society an average of \$4 in avoided future losses. Results also indicated that FEMA mitigation grants often lead to additional loss reduction activities.
- Building on these studies, the Congressional Budget Office issued a report on potential Federal cost savings from the PDM program that noted a proportional savings would benefit two FEMA programs: the National Flood Insurance Program and its disaster relief programs which are funded by discretionary appropriations.
- More than 21,000 communities are covered under FEMA-approved local hazard mitigation plans, many of which are developed and updated through financial assistance from the PDM program (more than \$87 million to date). These plans include the identification of local mitigation strategies and cost-effective projects, many of which are submitted for PDM funding or become implemented using local or other resources.
- PDM encourages pre-event planning decisions that make the identification, prioritization and implementation of post-disaster recovery and mitigation activities more timely and effective. This includes those activities routinely funded through HMGP and other federal grant programs which support construction and other activities which, if not well designed with harm prevention in mind, have the unanticipated effect of significantly increasing the risks and consequences of foreseeable natural events.
- PDM encourages and supports mitigation planning activities for communities with varying hazard risks and local capabilities. The program incentivizes local communities to make their own investments in hazard mitigation activities through PDM’s local cost share or in-kind match requirement, and also make use of other federal state and private programs to build a more resilient future. PDM does not limit these safe development incentives to only those areas impacted by a major disaster declaration, thus encouraging efforts by communities in states which do not regularly receive major disaster declarations to lessen future risk to natural events. FEMA has invested in and maintains a strong capability to administer hazard mitigation grants by conducting national technical reviews, benefit-cost analysis, etc. for HMGP and other programs. This robust capability has proven readily transferable to administering PDM funds most effectively and consistently with mitigation program objectives.
- FEMA consistently receives applications for many more PDM projects than it can fund, demonstrating there is no lack of need or interest in the program. Funds have been distributed widely – but not always rapidly or using the most systematic approach. NHMA believes the pace of PDM funding obligations can be expedited through a variety of legislative, policy and process improvements to the existing program.

*The **Natural Hazard Mitigation Association (NHMA)** promotes hazard mitigation and the reduction of risk. This is accomplished through the following goals: creation of a forum for professional to share their ideas and experiences, establishing hazard mitigation as a profession in its own right, functioning as a professional and unified voice for hazard mitigation managers in the public marketplace for ideas and the political arena, achieving greater awareness of the social component of hazard mitigation decisions, developing more effective mitigation programs which benefit the community as a whole and ingrain mitigation as part of societies culture. Membership is open to anyone interested in supporting the goal of reducing disaster losses including mitigation managers, experts, professionals, students, government officials, community activists, academics, and others who are working in the field of hazard mitigation.*