



FEMA

MEMORANDUM FOR: Dominic Mancini
Deputy Administrator
Office of Information and Regulatory Affairs
Office of Management and Budget

THROUGH: Eric Hysen
Chief Information Officer
Department of Homeland Security

FROM: Justo Hernandez
Deputy Chief Administrative Officer
Mission Support
Federal Emergency Management Agency

SUBJECT: **Emergency Approval Request of Office of Management and Budget (OMB)
Collection 1660-0076, Hazard Mitigation Grant Program (HMGP)
Application and Reporting in Support of 59 COVID-19 Major Disaster
Declarations and Expanded Program Activities**

The Federal Emergency Management Agency (FEMA) seeks emergency approval from the Office of Management and Budget (OMB) for 1660- 0076, Hazard Mitigation Grant Program (HMGP) Application and Reporting activities. Emergency approval of the proposed new collection is required to ensure that FEMA is able to receive and process Fiscal Year (FY) 2022 applications to implement HMGP COVID – 19 disaster relief aid under fifty-nine Presidentially declared major disaster declarations.

HMGP grants provide mitigation funding for post disaster hazard mitigation measures that reduce the risk of, or increase resilience to, future damage, hardship, loss or suffering in any area affected by a major disaster, or any area affected by a fire. In accordance with the Paperwork Reduction Act (PRA) and the OMB implementing regulations at 5 C.F.R. § 1320.13, FEMA certifies that: (1) this information is necessary to the mission of the agency, (2) this information is necessary prior to the normal timeframes established under the PRA, (3) public harm is

reasonably likely to result if normal clearance procedures are followed, and (4) unanticipated events have occurred.

Significant increases in COVID-19 Presidentially authorized funding and executive order requirements have substantially increased funding and significantly increased information collection requirements for the HMGP program in FY 2022. The emergency request is necessary to avoid PRA related delays in the implementation of the FY 2022 HMGP program for fifty-nine major disaster declarations. Program interruption places significant financial, administrative, and technical burdens on states, local governments, territories, and Tribes (SLTT's) to maintain ongoing COVID-19 disaster recovery operations, apply for hazard mitigation grants, and implement mitigation projects that decrease risk to critical infrastructure, significantly reduce nationwide property damages, mitigate suffering, and save lives. Delay to Hazard Mitigation Assistance (HMA)'s program activities also threatens the implementation of projects targeting underserved communities, as defined by Justice40 criteria established by EO 14008. Justice40 establishes equity and environmental justice criteria to guide implementation of EO 14008 by directing climate change investments to Justice40 defined underserved communities. The data collected under this information collection is necessary to establish program eligibility requirements, document major disaster vulnerabilities, impacts to community risk and resiliency, and collect data to construct program effectiveness metrics.

Mission Legal Justifications

Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (Pub. L. 93-288, codified at 42 U.S.C. § 5170c), authorizes FEMA, following a Presidentially-declared disaster, to provide financial assistance to SLTT governments and certain private nonprofit organizations for post disaster hazard mitigation measures that reduce the risk of, or increase resilience to, future damage, hardship, loss or suffering in any area affected by a major disaster, or any area affected by a fire for which assistance was provided under Section 420 of the Stafford Act. On March 13, 2020, President Trump declared a nationwide emergency in response to the COVID-19 pandemic pursuant to Sec. 501(b) of the Stafford Act. The disaster declaration included 59 major disaster declarations that covered 50 states, five territories and four Federally recognized Tribal governments. On August 5, 2021, President Biden authorized \$3.46 billion from the Disaster Relief Fund (DRF) for HMGP. The funding is applicable to the pre-existing 59 COVID-19 major disaster declarations. The additional \$3.46 billion significantly impacts HMGP information collection requirements for FY 2022.

2 CFR 200.329 requires that all grant awards operation be monitored. Therefore, the recipients must submit a Quarterly Progress Report (QPR) to the Regional Administrator on a quarterly basis, certifying how the funds are being used and reporting on the progress of activities funded under the subrecipient awards made to the recipient by FEMA. The Regional Administrator and

recipient negotiate the date for submission of the first report. QPRs describe the status of those projects on which a final payment of the Federal share has not been made to the recipient, and outline any problems or circumstances expected to result in noncompliance with the approved award conditions. The 59 additional Covid-19 disaster declarations significantly increase HMGP project monitoring information collection requirements.

Executive Order 14008 and Executive Order 13985 are intended to advance equity in the Hazard Mitigation programs. Updates to information collections are necessary to document socioeconomic conditions and provide data for program evaluation metrics to meet requirements, goals and priorities established in the Infrastructure Investment and Jobs Act (IIJA) and Executive Orders 13985 and 14008. The Justice40 Initiative, outlined in section 223 of Executive Order 14008, is a critical part of the Administration's whole-of-government approach to environmental justice, and supports the Administration's comprehensive approach to advancing equity for all in line with Executive Order 13985. FEMA is committed to prioritizing these communities to meet the climate change and equity goals set by EO 14008. The 59 additional Covid-19 disaster declarations significantly increase HMGP project monitoring information collection requirements to collect data and monitor compliance with EO 14008 and EO 13985 goals and objectives.

The Foundations for Evidence-Based Policymaking Act of 2018 ("Evidence Act") (Pub. L. 115-435) establishes evaluation using systematic data collection and analysis of programs, policies, and organizations intended to assess their effectiveness and efficiency as an essential program activity. Hazard Mitigation programs are currently revising information collections to simplify data collection, reduce burden, coordinate data collection across programs, develop performance metrics, and meet goals and priorities as stipulated in The Evidence Act. Program implementation of the Evidence Act will necessitate changes to information collections to align the Paperwork Reduction Act of 1995, OMB's implementing guidance for the Information Quality Act, and the Performance Framework¹ outlined in the Government Performance and Results Act Modernization Act of 2010.² Additionally, the Build America, Buy America Act (BABAA) (Pub. L. 117-58) and Executive Orders 13985 and 14008 establish requirements, goals and priorities that require additional information requirements for FY 2022 HMGP. The 59 additional Covid-19 disaster declarations significantly increase HMGP project and

² For example, the Information Quality Act, Privacy Act, and Paperwork Reduction Act of 1995. See Office of Mgmt. & Budget, Exec. Office of the President, OMB M-19-15, Improving Implementation of the Information Quality Act (2019), available at <https://www.whitehouse.gov/wp-content/uploads/2019/04/M-19-15.pdf>.

³ "Billion Dollar Weather and Climate Disasters: Overview," National Oceanic & Atmospheric Administration (NOAA) National Centers for Environmental Information (July 9, 2018), <https://www.ncdc.noaa.gov/billions/>. This figure does not include the billions of dollars of additional damage caused by less costly weather events. <https://www.ncdc.noaa.gov/billions/> <https://www.govinfo.gov/content/pkg/PLAW-111publ352/pdf/PLAW-111publ352.pdf>

performance metric data collection and performance monitoring information collection requirements to comply with Evidence Act intent to assess HMGP program effectiveness.

Paperwork Reduction Act Timelines

In accordance with 44 CFR § 206.436 (d), states must submit all local HMGP applications and funding requests for the purpose of identifying new projects to the Regional Administrator within 12 months of the date of disaster declaration. The HMGP application deadline for Covid-19 disasters is August 5, 2022. An emergency approval for this information collection is required to allow collection of the information on the HMGP applications before the August 5, 2022, deadline. The HMGP program has received approximately 1,200 applications under the COVID-19 disaster declarations. Some states may request the Regional Administrator to extend the application time limit by additional 30-to-90-day increments, not to exceed a total of 180 days under 44 CFR § 206.436 (e).

Furthermore, Section 311 of the Consolidated Appropriations Act, 2022 (Pub. L. 117-103) increased the increased the federal cost share for Stafford Act emergencies and major disaster declarations declared during calendar years 2020 and 2021 to not less than 90 percent of the eligible cost of HMGP assistance. The legislation applies to all current FY 2022 HMGP local and Tribal sub applicants and significantly alters application and program financial management information collection requirements. The Consolidated Appropriations Act, 2022 does not provide additional funding for HMGP COVID-19 relief beyond the \$3.46 billion released by President Biden. Counterintuitively, the legislative adjustments to cost share and lack of additional funding have the overall impact of providing less money for management costs for states to distribute to each of the current 1,200 local sub applicant projects operating under sub applications entered under previous federal cost share requirements. Therefore, the Federal cost share adjustment will likely cause significant changes to the state distribution of funds to current sub applications and may require changes to application narrative and application review procedures. Additionally, the legislative changes will likely result in a significant increase in applications by sub applicants close to the August 5, 2022, deadline and in states that secure application extensions under 44 CFR § 206.436 (e).

An emergency approval for this information collection is necessary to adjust to the 1,200 COVID-19 HMGP applications under the August 5, 2022, deadline; and account for the additional information collection burdens that may extend past August 5, 2022, application deadlines. Adhering to the standard PRA timeframe would significantly hinder FEMA's ability to disperse the \$3.46 billion in HMGP COVID-19 assistance distributed across 59 major disaster declarations in FY 2022.

Public Harm is Reasonably Likely to Result if Normal Clearance Procedures are Followed

HMGP program investments in SLTT communities are essential to implement FY 2022 program activities to maintain an uninterrupted application, funding, grant monitoring, and project close-out cycle under the COVID-19 disaster declarations. The FY 2022 HMGP cycle impacts disaster preparation and mitigation for an SLTT network of public and private stakeholders. An emergency approval for this information collection is necessary to process the anticipated 2,500 HMGP Covid-19 applications under the August 5, 2022, deadline. The \$3.46 billion in major disaster assistance in FY 2022 represents a substantial national investment in community risk reduction, prevented property damages and lives saved, and potentially billions of dollars in averted disaster damages. The 2019 DHS National Mitigation Investment Strategy states that “since 1980, 246 weather-related disasters in the United States caused at least \$1 billion in damage each.” Damage from these “billion-dollar disasters” together totaled over \$1.6 trillion. The DHS 2019 report also states that “society on average saves \$6 for every \$1 spent through federally funded mitigation grants, according to the National Institute of Building Science (NIBS).”³

A delay in HMGP implementation for FY 2022 places significant financial, administrative, and technical burdens on SLTT governments to recover from the ongoing impacts of COVID-19, maintain ongoing disaster recovery operations, and prepare for future disaster impacts. The program activities require information collection activities in FY 2022 to expedite and continually increase national resilience before disaster impacts occur. The increases in existing HMGP activities are essential to expedite community recovery from COVID-19 impacts, mitigate against flood losses in states impacted, improve underserved community capacity to recover, and protect life and property from future disaster damages. Public Harm is reasonably likely to result if normal information collection clearance procedures are followed.

Unanticipated Events

In accordance with the PRA and the OMB implementing regulations at 5 C.F.R. § 1320.13: (1) this information is necessary to the mission of the agency, (2) this information is necessary prior to the normal timeframes established under the PRA, (3) public harm is reasonably likely to result if normal clearance procedures are followed, and (4) unanticipated events have occurred. Recent legislation has significantly impacted information requirements to implement FY 2022 Hazard Mitigation program activities. The narrative below explains the HMA program responses to legislative induced impacts. On August 5, 2021, President Biden directed \$3.46

³ NIBS, *Natural Hazard Mitigation Saves: 2017 Interim Report* (December 2017, https://www.fema.gov/media-library-data/1516812817859-9f866330bd6a1a93f54cdc61088f310a/MS2_2017InterimReport.pdf).

billion to the Hazard Mitigation Grant Program (HMGP) funding under the 59 COVID-19 major disaster declarations. 44 CFR § 206.436 (d) states: “The State must submit all local HMGP applications and funding requests for the purpose of identifying new projects to the Regional Administrator within 12 months of the date of disaster declaration.” The 12-month HMGP application deadline for COVID -19 expires on August 5, 2022. States within approximately a month of the August 5, 2022, deadline had received 1500 applications specifically in reference to HMGP Covid-19 disaster assistance and the HMGP program estimates that SLTT’s could generate an additional 1000 applications specifically for HMGP Covid-19 disaster assistance. The HMGP program could not accurately anticipate the number of Covid-19 related applications. The HMGP program could not also estimate how new federal cost share mandates in the Consolidated Appropriations Act, 2022 would impact state requests for extensions, revisions to applications, and new applications. HMGP had no analogous historic pandemic response data to accurately anticipate SLTT response to HMGP COVID-19 disaster assistance and no historic data regarding the impacts of Federal cost share adjustments available under the Consolidated Appropriations Act, 2022.

Conclusion

Following the normal clearance procedures for OMB approval to collect information during the ever-changing environment associated with Coronavirus disaster response and legislative and executive order requirements for FY 2022 will delay FEMA’s ability to provide available assistance, decrease disaster risk to nationally significant infrastructure, mitigate Coronavirus community health impacts, and increase community capacity to recover from disaster impacts. In accordance with the PRA and OMB’s implementing regulations at 5 C.F.R. § 1320.13, FEMA certifies: (1) this information is necessary to the mission of the agency, (2) this information is necessary prior to the normal timeframes established under the PRA, (3) public harm is reasonably likely to result if normal clearance procedures are followed, and (4) unanticipated events have occurred. Therefore, an emergency approval for a revision to this information collection is necessary prior to the August 5, 2022, regulatory deadline to account for FY 2022 HMGP COVID-19 information collection requirements.

The Department of Homeland Security respectfully requests your approval of FEMA’s emergency revision of information collection 1660-0076, Hazard Mitigation Grant Program (HMGP) Application and Reporting.

Approve

Date

Disapprove

Date