



NEMA Legislative Update
2018 Mid-Year Forum
Alexandria, Virginia

SUMMARY

NEMA's Annual Forum in Scottsdale, Arizona coincided with one of the worst periods of disaster events in history which has dominated the emergency management landscape since. FEMA Administrator Brock Long was newly confirmed before he was thrown into the deep end with Hurricanes Harvey and Maria and wildfires in California—all occurring within weeks of each other. This prompted Congress to quickly pass two disaster supplemental appropriations following the Forum to address the numerous events, and introduce the Disaster Recovery Reform Act (DRRA) - a massive package of recovery reforms.

Additionally, January marked President Trump's first year in office, and there are some new faces in key emergency management positions. Most notably, however, Kirstjen Nielsen assumed the Department of Homeland Security Secretary position after General John Kelly took over as President Trump's Chief of Staff in December. Nielsen faced a contentious confirmation as there were concerns about her inexperience and whether she would act independently from President Trump and his cabinet. Ultimately, she passed confirmation with the vote falling on mostly party lines. NEMA continues to foster strong relationships with the Administration and maintaining the ones on the Hill, and looks forward to a strong 2018 in emergency management.

CAPITOL HILL HIGHLIGHTS

Disaster Supplemental Appropriations. On October 26, Congress approved the first aid package — a \$36.5 billion bill aimed at supporting communities impacted by Hurricanes Harvey and Maria, as well as the wildfires that decimated much of the western states. The package included \$18.7 billion for the Federal Emergency Management Agency's (FEMA) disaster relief fund — including \$4.9 billion for community disaster loans — \$16 billion to address national flood insurance program debt and \$576.5 million for wildfire recovery efforts. It also provided \$1.27 billion for disaster food assistance for Puerto Rico.

Following a string of stop-gap funding bills, Thanksgiving, the Holiday break, and a day-long shutdown, Congress decided to act and crafted another disaster supplemental. The second installment of disaster aid amounted to \$89.3 billion and passed on February 9. This supplemental was attached to a 652-page Continuing Resolution (CR) and contained the following top line numbers: \$23.5 billion for the Disaster Relief Fund to cover total estimated needs for Hurricanes Harvey and Irma, and FY18 estimated needs for Hurricane Maria; \$17.39 billion for the U.S. Army Corps of Engineers, largely targeted for projects to reduce the risk of future damages from flood and storm events; and \$28 billion for the Department of Housing and Urban Development Community Development Fund (CDBG) to help communities rebuild damaged homes, buildings, and infrastructure. Additionally, the bill established new spending caps for FY18 and FY19. The deal increases defense spending by \$80 billion in fiscal year 2018 and by \$85 billion in fiscal year 2019, while raising non-defense spending by \$63 billion and \$68 billion respectively. It also suspends the debt ceiling until March 2019.

Closing Out FY18. By March 23, Congress will complete work on the 12-bill omnibus of FY18 appropriations bills. Funding for DHS and FEMA is anticipated to look similar to bills of recent years with EMPG and other grant programs level-funded to FY17. One development decided late in the process was our partners at the International Association of Emergency Managers (IAEM) and NEMA coming together to request a 5 percent inflationary increase for EMPG.

This increase would bring the grant program to \$368 million and represent the first increase in 5 years.

Disaster Recovery Reform Act. This past fall saw numerous, devastating disasters and presented a Hurricane Sandy-like moment. Initially, Congress created a massive reform bill, the DRRRA which included many of proposals suggested by FEMA back in November. The House moved the package of reforms quickly and sent it to the Senate for inclusion on the upcoming CR and disaster supplemental. After monitoring the legislation closely and working hand-in-glove with IAEM, the two associations sent letters to Senate leadership requesting key provisions of the package be adopted. The letter also included a strong recommendation to fix the current Disaster Cap Adjustment within the Budget Control Act which is artificially driving down the discretionary dollars Congress has for the Disaster Relief Fund. Due to objections by some within the Administration and on Capitol Hill, Senate leadership stripped the full DRRRA from the supplemental/CR package and only approved three smaller provisions. The most notable reform established religious non-profit organizations as eligible for Public Assistance as their secular counterparts. In the coming months and throughout FY18, NEMA and IAEM will continue working with those on Capitol Hill and throughout the administration to include many of the DRRRA provisions which would prove beneficial to the emergency management community including increasing management costs, and an innovative idea to move mitigation funding from post- to pre-disaster eligibility.

POLICY ISSUES

The Budget Request. On February 12, President Trump released his FY19 budget request. Overall, the Department of Homeland Security realizes a \$3.4 billion (8 percent) increase above FY17 levels. More than half that increase, however, is for border and immigration enforcement. Highlights include: \$1.9 billion for FEMA grants including proposals to institute a non-Federal cost-share and elimination of the National Domestic Preparedness Consortium and Center for Homeland Defense and Security; \$7.23 billion for the Disaster Relief Fund (DRF); support for previously-stated administration positions for National Flood Insurance Program (NFIP) rate increases and an expansion of the private market; \$1 billion for the National Protection and Programs Directorate (NPPD) to support efforts to safeguard the Federal Government's civilian information technology systems against cybersecurity threats and support sharing of cybersecurity information with State, local, and tribal governments; Supports the reorganization of the Domestic Nuclear Detection Office (DNDO) and Office of Health Affairs (OHA) into the Countering Weapons of Mass Destruction Office.

FEMA funding levels closely mirror the FY18 request. The request recommends a sizable reduction in FEMA's Federal Assistance (grants) account, the DRF is funded at the maximum allowed under the Disaster Cap Adjustment of the Budget Control Act, and Operations & Support is largely level-funded to previous years. Given the timing of budget formulation, the request came with an addendum to reflect the two-year budget deal Congress passed last week. In total, DHS received \$1.49 billion in additional funds through the addendum, of which, \$522 million is intended for FEMA. The addendum provides an additional \$522 million to FEMA's Federal Assistance (grants) account. The funding is meant to support a new, competitive, all-hazards preparedness grant program which would require grantees to measure results in reducing

preparedness capability gaps and require robust evaluation. The administration is yet to provide any additional details, but they will be shared with NEMA membership once made available.

NEHRP Guidelines. In early February, FEMA's National Earthquake Hazards Reduction Program (NEHRP) added new guideline for simplifying building requirements and designates how structures should be built according to the seismic hazard risk where they are located. Seismic Design Category (SDC) B means a low seismic hazard area, yet, engineers are still required to complete a seismic design process for such buildings to meet requirements. NEHRP has attempted to make this process simpler recently in their latest publication *NEHRP Recommended Seismic Provisions for New Buildings and Other Structures*. Currently, 44 states have areas classified as SDC B, so this change affects almost all parts of the country. FEMA notes that these areas are not fully immune to earthquakes, as the 2011 earthquake in the Mid-Atlantic demonstrated how they can strike when least expected.

Key Legislation

Congress has acted on several pieces of legislation following the Annual Forum. Here are the most pertinent ones for the emergency management community.

- **S.1768 - National Earthquake Hazards Reduction Program Reauthorization Act of 2017**, sponsored by Senator Dianne Feinstein (D-CA): The bill amends the Earthquake Hazards Reduction Act of 1977 to expand activities under the National Earthquake Hazards Reduction Program to include: (1) gathering information on community resilience (i.e., the ability of a community to prepare for, recover from, and adapt to earthquakes); (2) publishing a systematic set of maps of active faults and folds, liquefaction susceptibility, susceptibility for earthquake-induced landslides, and other seismically induced hazards; and (3) continuing the development of the Advanced National Seismic System, including earthquake early warning capabilities.
Bill status: Passed committee markup and awaits passage by the entire Senate.
- **HR 2874 - 21st Century Flood Reform Act**, sponsored by Rep. Sean Duffy (R-WI): the bill has a number of reforms including, but not limited to, reauthorizing the National Flood Insurance Program (NFIP) for five years, requires that FEMA must provide financial assistance through state programs for low income families to purchase NFIP insurance, and stipulates that state or local governments must require a seller or lessor to disclose to a purchaser or lessee any previous flood damage or flood insurance claims, and any obligation to purchase flood insurance.
Bill status: Passed in the House.
- **H.R.4578 - Counter Terrorist Network Act**, sponsored by Rep. Filemon Vela (D-TX): To authorize certain counter terrorist networks activities of U.S. Customs and Border Protection, such as collaborate with appropriate agencies, including Federal, State, local, tribal, and international entities, to enhance border security through operations such as operations that seek to disrupt and dismantle networks, including foreign terrorist organizations.
Bill status: Passed in the House.

- **H.R. 4460 - Disaster Recovery Reform Act**, sponsored by Rep. Lou Barletta (R-PA): Implements many changes to the Stafford Act most notably creating a mitigation fund and "consensus-based building codes".
Bill status: Was attached to a disaster supplemental that passed in both the House and Senate, however, only smaller reforms passed such as establishing religious institutions as eligible for disaster relief.
- **H.R. 3359 - Cybersecurity and Infrastructure Security Agency Act of 2017**, sponsored by Rep. Michael McCaul (R-TX): Re-designates the Department of Homeland Security's (DHS's) National Protection and Programs Directorate as the Cybersecurity and Infrastructure Security Agency (CISA) to be headed by a Director of National Cybersecurity and Infrastructure Security to lead national efforts to protect and enhance the security and resilience of U.S. cybersecurity, emergency communications, and critical infrastructure.
Bill status: Passed in the House.
- **H.R.1486 - Securing American Non-Profit Organizations Against Terrorism Act of 2017:** This bill amends the Homeland Security Act of 2002 to establish a Non-Profit Security Grant Program in the Department of Homeland Security, under which the Federal Emergency Management Agency (FEMA) shall make grants to tax-exempt, nonprofit organizations determined to be at risk of a terrorist attack, through the state in which such organizations are located, for target hardening and other security enhancements.
Bill status: passed in the House.