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DISASTER RECOVERY

Efforts to Identify and Address Barriers to Receiving Federal Recovery Assistance

Statement of Chris P. Currie, Director,
Homeland Security and Justice

GAO@100

A Century of Non-Partisan Fact-Based Work

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GAO@100 Highlights

Highlights of [GAO-22-105488](#), a testimony before the Committee on Homeland Security, House of Representatives

Why GAO Did This Study

Each year, disasters affect hundreds of American communities and cause billions of dollars of damage. Disaster recovery is a complex process with many factors that affect individual and community outcomes, including in various socioeconomic and demographic groups. Recently, federal actions have focused on equitable administration of federal recovery assistance.

This statement is based on preliminary observations from GAO's forthcoming report on federal actions to identify and address potential access barriers and disparate outcomes, which is currently at FEMA for comment. It also discusses prior GAO work and recommendations issued from 2019 through 2021 related to various federal recovery programs and vulnerable populations.

To develop the preliminary observations, GAO conducted a literature review and interviewed officials at the three federal agencies with the largest disaster recovery programs and reviewed relevant documents. GAO also interviewed recovery stakeholders representing state, local, tribal, and nonprofit interests.

What GAO Recommends

GAO made recommendations to FEMA in prior reports designed to address the challenges in this statement. For example, GAO has made recommendations to FEMA to help disaster survivors navigate the application process and to revise processes to better serve survivors with disabilities. FEMA has taken actions to address many of these recommendations.

View [GAO-22-105488](#). For more information, contact Chris Currie at (404) 679-1875 or CurrieC@gao.gov.

October 27, 2021

DISASTER RECOVERY

EFFORTS TO IDENTIFY AND ADDRESS BARRIERS TO RECEIVING FEDERAL RECOVERY ASSISTANCE

What GAO Found

GAO's past work has shown areas where improvements can be made to federal disaster recovery programs to help disaster survivors and state, local, territorial, and tribal governments. While these programs are not typically targeted toward only to low income or vulnerable populations, GAO's prior work and recommendations identified areas that could help these populations. Specifically,

- GAO reported in October 2021 that the Federal Emergency Management Agency's (FEMA) flood mapping investments for fiscal years 2012 through 2020 were lower for communities with higher levels of social vulnerability and underserved populations than communities with lower levels of social vulnerability and underserved populations, other factors being equal. GAO recommended that FEMA better use flood risk data to prioritize flood mapping for vulnerable communities;
- in September 2020, GAO found that disaster survivors, including low-income individuals, faced numerous challenges obtaining aid and understanding the Individuals and Households Program, a FEMA program that provides housing assistance and other needs assistance to individuals affected by a major disaster or emergency. GAO recommended, among other things, that FEMA simplify and streamline the disaster assistance process for survivors;
- in 2019, GAO found that officials from entities that partner with FEMA reported challenges following the 2017 hurricanes providing assistance to individuals who are older or who have disabilities. GAO recommended that FEMA revise its application process to better serve survivors with disabilities.

FEMA is taking actions to address many of these recommendations.

GAO conducted a literature review as part of its preliminary work and found limited research to describe recovery outcomes and specific characteristics related to participation in the six recovery programs in its review. However, some studies and stakeholder perspectives provided insight. For example, a study of counties in one state found greater levels of flood mitigation in communities with larger tax revenues and greater budgets for emergency management. In addition, officials representing states said small towns and rural areas may lack resources to contract for disaster recovery services. Similarly, representatives from voluntary organizations said that conditions of socioeconomic vulnerability—such as lower-income households or homelessness—may present barriers to participating in federal recovery programs.

GAO's preliminary work found that the six federal recovery programs in GAO's review have taken some actions that could help officials identify and address potential access barriers and disparate outcomes. However, programs lack key information—data and analysis—that would allow them to determine if access barriers and disparate recovery outcomes exist. Moreover, the programs have not taken action to determine (1) what data they need to support this kind of analysis and (2) sources and methods to obtain those data when the programs do not already collect them, including overcoming key challenges. GAO will complete its evaluation of the areas above and issue a final report in the coming months.

Chairman Thompson, Ranking Member Katko, and Members of the Committee:

Thank you for the opportunity to discuss our past work on federal efforts to ensure equity in various disaster recovery programs. Each year, disasters affect hundreds of American communities and cause billions of dollars of damage. According to the Federal Emergency Management Agency (FEMA)—the agency that facilitates the coordination of recovery support at the national level—too many disaster survivors face barriers in accessing disaster assistance programs and resources to support their recovery. Specifically, according to FEMA, those living in low-income neighborhoods, communities of color, people with disabilities, older adults, those with language barriers, and those living in rural and isolated areas face such barriers. Disaster recovery, as described in the National Disaster Recovery Framework, is a complex process for individuals and communities.¹ According to the framework, one critical aspect of federal assistance contributing to successful individual and community outcomes is the extent to which individuals and communities can access the assistance they most need.

My testimony today is based on preliminary observations from a forthcoming report on federal efforts to identify and address potential access barriers and disparate outcomes, which is currently at the agencies for comment. It also discusses prior GAO work issued from May 2019 through October 2021 and recommendations related to various federal recovery programs and vulnerable populations.² Specially, this statement discusses: (1) preliminary observations on available research on recovery outcomes and participation in select federal recovery programs; (2) preliminary observations on federal recovery program actions to identify and address potential access barriers and potential disparate outcomes; and (3) our prior work related to

¹The National Disaster Recovery Framework outlines the strategy and doctrine for how the whole community—including individuals and communities, the private and nonprofit sectors, and all levels of government—builds, sustains, and coordinates delivery of recovery capabilities. Department of Homeland Security. *National Disaster Recovery Framework*, 2nd ed. (Washington, D.C.: June 2016).

²GAO, *Disaster Assistance: FEMA Action Needed to Better Support Individuals Who Are Older or Have Disabilities*, GAO-19-318 (Washington, D.C.: May 14, 2019); *Disaster Assistance: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program*, GAO-20-503 (Washington, D.C.: Sept. 30, 2020); and *FEMA Flood Maps: Better Planning and Analysis Needed to Address Current and Future Flood Hazards*, GAO-22-104079 (Washington, D.C.: Oct. 25, 2021). We currently have a review underway looking at federal actions to identify and address potential access barriers and disparate outcomes. We plan to issue a report on our findings in December 2021.

select federal recovery programs and vulnerable populations and recommendations to strengthen these areas.

For the forthcoming report on access barriers and disparate outcomes, we examined six federal programs: FEMA's Individual Assistance and Public Assistance programs, National Flood Insurance Program, and Hazard Mitigation Grant Program; the Small Business Administration's (SBA) Disaster Loan Program; and Housing and Urban Development's (HUD) Community Development Block Grant Disaster Recovery. We conducted a literature review of research that examined participation in or recovery outcomes related to these six programs.

To obtain perspectives on recovery challenges for vulnerable socioeconomic or demographic populations, we also interviewed disaster recovery stakeholders from voluntary organizations; state emergency managers; organizations that represent local governments; and organizations representing tribes and tribal emergency management groups. We also interviewed program officials to understand the actions they took to identify and address access barriers and disparate outcomes and to obtain their perspectives on related challenges.

For our previously issued reports and recommendations on which my comments are based, we reviewed FEMA and SBA documents, including policies, procedures, and guidance for disaster assistance programs and flood mapping efforts; analyzed FEMA data on disaster assistance and flood mapping efforts; and interviewed officials from FEMA, states, territories and representatives of nonprofit disability organizations to understand challenges in providing assistance to individuals who are older or have disabilities. More detailed information on the scope and methodology for our past work can be found in each of the issued reports listed in enclosure 1.

We conducted the work on which this statement is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Our review included six federal recovery programs with historically large amounts of disaster-specific obligations:

1. **FEMA's Public Assistance.** This program reimburses state, local, tribal, and territorial governments and certain types of nonprofit organizations for the cost of disaster-related debris removal, emergency protective measures to protect life and property, and permanent repair work to damaged or destroyed infrastructure.
2. **FEMA's Individual Assistance.** This program provides financial assistance and, if necessary, direct assistance to eligible individuals and households who, as a direct result of a major disaster or emergency, have uninsured, or under-insured, necessary expenses and serious needs and are unable to meet such expenses or needs through other means.
3. **FEMA's Hazard Mitigation Grant Program.** This program is designed to help communities reduce the risk of property and infrastructure damage as well as injury and loss of life to populations impacted by disaster events. The program funds a wide range of hazard mitigation projects, generally executed by state, local, tribal, or territorial governments.
4. **FEMA's National Flood Insurance Program.** The purpose of this program is to protect homeowners from flood losses, minimize the exposure of properties to flood damage, and alleviate taxpayers' exposure to flood loss.
5. **HUD's Community Development Block Grant Disaster Recovery (CDGB-DR).** Grant recipients use this flexible funding for a range of efforts to help rebuild their communities and mitigate future disaster risk.
6. **SBA's Disaster Loan Program.** SBA makes direct, low-interest loans to help businesses, nonprofit organizations, homeowners, and renters repair or replace property damaged or destroyed in a federally declared disaster.

The National Disaster Recovery Framework outlines the strategy and doctrine for how the whole community—including individuals and communities, the private and nonprofit sectors, and all levels of government—builds, sustains, and coordinates delivery of recovery capabilities. The

framework advises and specifically charges federal recovery partners to identify and remove social and institutional barriers to program participation, whether intentional or unintentional. It calls on the federal government to understand how its actions affect the overall progress of recovery efforts and to measure progress toward recovery holistically.

The federal government has acknowledged a need for a focus on equity. For example, in January 2021, the President issued an executive order that calls for the federal government to pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality.³ Further, the executive order directs federal agencies to assess whether underserved groups face systemic barriers in accessing opportunities and benefits available pursuant to certain programs and to produce a plan for addressing any identified barriers to full and equal participation in the programs.

Research on Recovery Outcomes and Participation in Federal Disaster Recovery Programs

The body of literature we reviewed, as part of our preliminary work for our forthcoming report, discussed socioeconomic and community resilience outcomes related to the six federal recovery programs in our review. It also described individual, community, and program characteristics with potential relationships to participation in the programs. However, limitations—such as the challenge of isolating the effects of a single program and the limited number of findings that cross different disasters and programs—prevented us from drawing definitive conclusions about these relationships. Disaster recovery stakeholders also described some challenges associated with participation in the programs.

Our preliminary analysis of the research suggested that socioeconomic outcomes of disaster assistance for individual programs may be uneven across communities. For example, a descriptive study of communities in Louisiana and Mississippi 5 years after Hurricanes Katrina and Rita found that low-income neighborhoods were more likely to receive CDBG-DR assistance and to still have damaged structures even after receiving the assistance.⁴ Our

³Exec. Order No. 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, 86 Fed. Reg. 7009 (Jan. 25, 2021).

⁴Jonathan Spader and Jennifer Turnham, “CDBG Disaster Recovery Assistance and Homeowners' Rebuilding Outcomes Following Hurricanes Katrina and Rita,” *Housing Policy Debate*, vol. 24 no 1 (2014): 213-237.

preliminary analysis of the research also suggested that select federal programs may enhance community resilience, prevent flood-related fatalities for vulnerable residents, and contribute to the survival of small business establishments. For example, one study found that counties with higher rates of participation in the National Flood Insurance Program experienced fewer fatalities from flood events.⁵ Another study found that for every additional dollar spent on disaster loans per establishment in a county, four small businesses survived in the wake of extreme events.⁶

Our preliminary analysis of the research and recovery stakeholder interviews identified potential socioeconomic, demographic, community, and programmatic characteristics that may be related to participation in at least one federal recovery program. For example, our preliminary analysis of the research suggested that better-resourced communities—that is, communities with more staff, funding, time, government revenue, capital outlay, or budgets for emergency management—participated more actively in select federal programs. One study of counties in North Carolina that illustrated this condition found that higher levels of local government tax revenue, greater budgets for emergency management, and population density all had a positive relationship with flood mitigation activities.⁷ Similarly, officials representing states said larger cities can hire a third party to manage disaster recovery, but small towns and rural areas may lack resources to contract for disaster recovery services. In addition, an official representing tribal nations told us that not all tribal nations have sufficient funding to develop emergency management departments, which can be a barrier to accessing federal resources. Moreover, representatives from voluntary organizations said that conditions of socioeconomic vulnerability—such as lower-income households or homelessness—may present barriers to participating in federal recovery programs.

These findings align with and highlight concerns expressed by the National Advisory Council. This council, which advises the FEMA Administrator on all aspects of emergency management,

⁵Jungmin Lim and Mark Skidmore, “Flood Fatalities in the United States: The Roles of Socioeconomic Factors and the National Flood Insurance Program,” *Southern Economic Journal*, vol.85, no. 4 (2019): 1032-1057. Administered by FEMA, the National Flood Insurance Program makes insurance available to residents of approximately 23,000 participating communities, who pay premiums, to help with recovery after a flood-related loss.

⁶Meri Davlasheridze and Pinar C. Geylani, “Small Business vulnerability to floods and the effects of disaster loans,” *Small Business Economics*, vol.49 (2017):865-888.

⁷Jingyuan Li and Craig E. Landry, “Flood Risk, Local Hazard Mitigation, and the Community Rating System of the National Flood Insurance Program,” *Land Economics*, vol. 94, no. 2 (2018): 175-198.

reported in November 2020 that there is a potential for a compound effect on low-resource communities if they face barriers to accessing funding for preparedness and disaster resilience.⁸ Specifically, this report stated that by perpetually assisting larger communities that already have considerable resources, the smaller, less resource-rich, less-affluent communities cannot access funding to appropriately prepare for a disaster, leading to inadequate response and recovery, and little opportunity for mitigation. We will complete our review of the areas above and issue a final report in the coming months.

Federal Actions to Identify and Address Access Barriers and Disparate Outcomes

Preliminary findings from our forthcoming report indicate that within and across federal programs, there are no systematic actions to (1) ensure the availability and use of quality information to identify potential access barriers or disparate outcomes or (2) establish routine processes to address any identified access barriers and disparate outcomes.

Recovery program officials from each of the three federal agencies that are responsible for the six recovery programs in our review— FEMA, SBA, and HUD —described various ad hoc actions and early-stage initiatives that may help with identifying and addressing social and institutional barriers. Removing such barriers is something the National Disaster Recovery Framework calls for all federal and nonfederal recovery partners to do. However, our preliminary findings show that the six large federal recovery programs in our review lack data and analysis that would allow them to identify potential access barriers and disparate outcomes.

Further, the programs have not taken action to determine (1) what data they need to support this kind of analysis; and (2) sources and methods to obtain those data when the programs do not already collect them, including overcoming key challenges. For example, none of the six recovery programs in our review collected and analyzed demographic data from applicants specifically for this purpose. When officials described collecting data in the application process, they did not do so with the aim of identifying and addressing potential access barriers and disparate outcomes; rather, they collected only data that directly supported the implementation of their programs. At the same time, although officials responsible for some of the FEMA programs described having an idea of the data that are needed and taking some steps to obtain

⁸Department of Homeland Security, *National Advisory Council Report to the FEMA Administrator* (November 2020).

it, they have not established a means to work systematically through data needs either within their own programs or across the programs.

Moreover, program officials described challenges to obtaining data that would support high-quality analysis of potential access barriers and disparate outcome, particularly for analyses that cross agency boundaries. For example, FEMA and HUD officials who manage grants for activities carried out primarily at the state and local level described some challenges developing and using this kind of information, because the relationships and decisions take place more at the state than at the federal level. Similarly, FEMA officials described challenges navigating complex government-wide privacy policies, which were compounded for interagency data needs. These officials also discussed challenges collecting data over time, because of difficulties with long-term follow-up, particularly when they were not able to offer incentives to stay engaged. Although some of the challenges are daunting, until the agencies work together on strategies to address them, they are unlikely to be resolved, leaving recovery programs without key information to help identify potential access barriers.

While obtaining information through the collection and analysis of data is necessary, it is only one step in identifying and addressing potential access barriers and disparities in recovery outcomes. Our preliminary findings also show that FEMA, SBA, and HUD have not established processes to systematically and routinely identify (1) the characteristics of different groups who do and do not participate in their recovery programs or (2) the relationship between their recovery programs and recovery outcomes. Officials from all three agencies explained that this is due, in part, to challenges associated with collecting program participation data. Additionally, FEMA officials said they faced challenges because the goal of ensuring equity in administration of federal programs has only recently received new focus and attention. However, the lack of routine and interagency processes leaves programs without assurance that they will address potential access barriers, understand the relationship between program assistance and outcomes, or help achieve equity goals.

We will complete our review on these issues and make recommendations, as appropriate, in our final report, which will be published in the coming months.

Additional Actions That Could Address the Needs of Vulnerable Disaster Survivors

GAO has conducted prior assessments of federal disaster assistance programs that provide aid to individual disaster survivors and state, local, territorial, and tribal governments. While these programs are not typically targeted toward only low-income or vulnerable populations, our work has shown areas where improvements can be made to help these populations.

We reported earlier this week that FEMA's flood mapping investments for fiscal years 2012 to 2020 were lower for communities with higher levels of social vulnerability and underserved populations than communities with lower levels of social vulnerability and underserved populations, other factors being equal.⁹ Specifically, we reported that

- communities with higher levels of social vulnerability and underserved populations had more unmapped miles or paper maps in fiscal year 2012 than communities with lower levels of social vulnerability and underserved populations;
- communities with higher levels of social vulnerability and underserved populations had a smaller increase in the percentage of mapped miles that met FEMA's quality standard metric than communities with lower levels of social vulnerability and underserved populations;¹⁰ and
- communities with higher levels of social vulnerability and underserved populations had longer cycle times between the stages of FEMA's mapping process than communities with lower levels of social vulnerability and underserved populations.

⁹GAO-22-104079. (Washington, D.C.: Oct. 25, 2021). We measured "social vulnerability and underserved populations" by using the Social Vulnerability Index, developed by the Centers for Disease Control and Prevention to help public health officials and local planners better prepare for and respond to emergencies and disasters. Social vulnerability is broadly defined as the susceptibility of social groups to the adverse impacts of natural hazards, including disproportionate death, injury, loss, or disruption of livelihood. Social vulnerability considers the social, economic, demographic, and housing characteristics of a community that influence its ability to prepare for, respond to, cope with, recover from, and adapt to environmental hazards

¹⁰FEMA's quality standard metric identifies the miles of map studies that adequately identify the level of flood risk backed by technical credibility and that do not warrant updating.

We recommended that FEMA consider ways to better use flood risk data for prioritizing flood mapping investments toward priority areas, such as vulnerable communities. FEMA agreed with our recommendation and is planning actions to address it.

In September 2020, we reported that survivors of major disasters faced numerous challenges obtaining aid and understanding the Individuals and Households Program (IHP), a FEMA program that provides housing assistance and other needs assistance to individuals affected by a major disaster.¹¹ We made 14 recommendations on additional steps FEMA could take, some of which are designed to help disaster survivors obtain assistance. Our findings and recommendations included the following:

- We found that FEMA requires that certain survivors first be denied an SBA disaster loan before receiving certain types of IHP assistance. FEMA, state, territory, and local officials said that survivors did not understand and were frustrated by this requirement. We found that FEMA did not fully explain the requirement to survivors and that its process for the requirement may have prevented many survivors from being considered for certain types of assistance, including low-income applicants who are less likely to qualify for an SBA loan.

We recommended that FEMA assess the extent to which its process for determining applicants' eligibility for some types of IHP assistance limits or prevents survivors' access to assistance and that FEMA work with SBA to identify options to simplify and streamline the disaster assistance application process for survivors. FEMA agreed with this recommendation and officials told us that a joint FEMA-SBA working group developed and shared with agency leadership a draft options paper to address the challenges we identified. In August 2021, FEMA officials told us that FEMA leadership approved the option paper and planned to implement it. We will continue to monitor full implementation of this action.

- We also found that opportunities exist to improve survivors' understanding of FEMA's eligibility and award determinations for the IHP; for example, clarifying that an ineligible

¹¹GAO-20-503.

determination is not always final but may mean FEMA needs more information to decide the award. We recommended that FEMA identify and implement strategies to provide additional information to applicants about how the agency determined applicants' eligibility for assistance and the amount of assistance to award. FEMA agreed with this recommendation and, in August 2021, officials told us that due to software limitations, FEMA is unable to include information about verified damages in the agency's notification letters; however, FEMA officials stated that the agency will continue a review of the letters sent to applicants and plans to implement any revisions by April 2022. We will continue to monitor FEMA's actions in addressing this recommendation.

In May 2019, we reported that a range of officials from entities that partner with FEMA reported challenges providing assistance to individuals who are older or who have disabilities following the 2017 hurricanes.¹²

- For example, officials said that many of these individuals required specialized assistance obtaining food, water, medicine, and oxygen, but aid was sometimes difficult to provide. We also reported that aspects of the process to apply for assistance from FEMA were challenging for older individuals and those with disabilities and that FEMA did not provide individuals clear opportunities to disclose disability-related needs.

We recommended, among other things, that FEMA implement new application questions to improve FEMA's ability to identify and address survivors' disability-related needs. FEMA agreed with this recommendation and implemented it in May 2019 by using a revised application that asked directly if survivors had a disability.

We also found that FEMA had taken limited steps to communicate the agency's new disability integration staffing approach in the regions to Regional Administrators and Regional Disability Integration Specialists, who are critical to implementing these changes. We recommended that FEMA improve communication of applicants' disability-related information across FEMA programs. FEMA did not concur with our recommendation. The agency stated that it began a long-term initiative in April 2017 to improve data management—including a data analytics platform—that will allow analysts,

¹²GAO-19-318.

decision makers and stakeholders more ready access to FEMA data. After completing this initiative, FEMA expects that efforts to share specific disability-related data will be much easier. Our recommendation, however, was not solely focused on data system changes, but also on needed communication improvements. Therefore, we continue to believe that FEMA can improve this communication through cost-effective ways, such as revising guidance to remind program officials to review survivor case files for disability-related needs.

Chairman Thompson, Ranking Member Katko, and Members of the Committee, this completes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

Agency Comments

We provided a draft of this statement to FEMA, HUD, and SBA, and we incorporated technical comments where appropriate.

GAO Contact and Staff Acknowledgments

If you or your staff have any questions about this testimony, please contact me at 404-679-1875 or CurrieC@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement.

GAO staff who made key contributions to this testimony are Joel Aldape (Assistant Director), Kathryn Godfrey (Assistant Director), Amber Edwards (Analyst-in-Charge), Kelsey Griffiths, Tangere Hoagland, Caitlin Jackson, and Briana Lalman. Other staff who made key contributions to the reports cited in the testimony are identified in the source products.

(105488)

Enclosure I: Related GAO Products Previously Issued

GAO, Disaster Assistance: FEMA Action Needed to Better Support Individuals Who Are Older or Have Disabilities. GAO-19-318. Washington, D.C.: May 14, 2019.

GAO, Disaster Assistance: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program. GAO-20-503. Washington, D.C.: September 30, 2020.

FEMA Flood Maps: Better Planning and Analysis Needed to Address Current and Future Flood Hazards. GAO-22-104079. Washington, D.C.: October 25, 2021.