

NRECA Hazard Mitigation Assistance Toolkit

PREPARED BY:

Witt O'Brien's For NRECA



NRECA
America's Electric Cooperatives

Foreword

Dear NRECA members:

We are pleased to present the NRECA FEMA Hazard Mitigation Assistance Toolkit. This Toolkit was developed with the expert help of the team at Witt O'Brien's. The Toolkit reflects Witt O'Brien's experience in advising on FEMA hazard mitigation programs.

We hope that the Tool Kit is helpful to you before, during and after disaster recovery and that it provides guidance for you to consider and implement during blue sky periods.

I encourage you to provide feedback on the Toolkit – particularly with the recent passage of the Disaster Recovery and Reform Act of 2018, it is considered a work in progress that will be updated on a regular basis to provide the most recent FEMA policy and procedures.

The Disaster Recovery Reform Act of 2018 was signed into law as part of the Federal Aviation Administration Reauthorization Act of 2018.

The new law contains over fifty provisions, including mitigation provisions, that require FEMA policy or regulation changes for full implementation, as the Robert T. Stafford Act is amended. The following webpage provides an overview of those provisions as well as status updates on implementation: <https://www.fema.gov/disaster-recovery-reform-act-2018>.

Therefore, much of the guidance in this toolkit will be subject to changes. We will endeavor to update the guide as policies and rules change.

Martha A. Duggan
Senior Director, Regulatory Affairs
NRECA
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Legal Notice

The information in this guide is intended to be a helpful and educational resource. The information is not an exhaustive and complete examination of all the issues that must be considered when applying for Hazard Mitigation Grant funds from FEMA. NRECA is not attempting to render specific legal or other professional advice in this guide. NRECA assumes no liability for how readers may use the information herein. NRECA encourages cooperatives to consult with qualified attorneys, consultants, accounting and tax advisers when undergoing any analysis or implementing any business changes discussed in this guide.

NRECA is committed to complying fully with all applicable federal and state antitrust laws. NRECA is not endorsing any particular business practice featured in this guide and is not suggesting they are appropriate for every cooperative. Electric cooperatives are: (1) independent entities; (2) governed by independent boards of directors; and (3) affected by different member, financial, legal, political, policy, operational, and other considerations. For these reasons, each electric cooperative should make its own business decisions on whether and how to use this information and on whether procurement strategies discussed herein are appropriate for that cooperative's own circumstances.

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Table of Contents

Foreword	2
Legal Notice	3
1: Introduction	5
<i>The Disaster Recovery Reform Act 2018</i>	6
<i>Note To Users</i>	6
2: Hazard Mitigation Overview	7
<i>Hazard Mitigation Assistance Overview</i>	7
3: Hazard Mitigation Funding Under Section 406 of The Stafford Act	8
<i>Examples of Section 406 Mitigation</i>	9
4: FEMA Hazard Mitigation Assistance (HMA)	11
<i>FEMA Hazard Mitigation Grant Program</i>	11
<i>Who Is Eligible to Apply for HMGP Funding?</i>	11
<i>What Types of Projects Can Be Funded?</i>	11
<i>How Much Money Is Available Under the HMGP?</i>	12
<i>What Are the Roles of Communities, States, and FEMA?</i>	12
<i>Pre-Disaster Mitigation Grant Program (PDM)</i>	13
<i>Flood Mitigation Assistance</i>	15
5: Benefit Cost Analysis (BCA)	18
<i>Benefit-Cost Analysis Methodology</i>	18
<i>Pre-Calculated Benefits</i>	19
6: Hazard Mitigation Grant Program Appeals Database	20
7: Hazard Mitigation Resource Guide	21
<i>Links</i>	21
<i>Additional Resources</i>	21
Appendix A- Acronyms	22
Appendix B- State Hazard Mitigation Officers	22





1: Introduction

The NRECA Hazard Mitigation Assistance Toolkit provides the members of the National Rural Electric Cooperative Association (NRECA) with a comprehensive compendium of FEMA Hazard Mitigation Assistance policies and program information in a single source, designed to improve NRECA members' knowledge of the grant programs when considering, developing, and designing FEMA-funded hazard mitigation activities.

The Toolkit contains policies, guidance, helpful tips, and case studies, organized by topic, including:

- Mitigation opportunities available under the FEMA Public Assistance Grant Program – Section 406 of the Stafford Act
- FEMA Hazard Mitigation Assistance programs, including:
 - The Hazard Mitigation Grant Program (HMGP) – Section 404 of the Stafford Act
 - FEMA's Flood Mitigation Assistance (FMA) Program- National Flood Insurance Act of 1968
 - FEMA's Pre-Disaster Mitigation (PDM) Program- Section 203 of the Stafford Act
- Discussion of topics specific to each step in developing successful mitigation projects
- Hazard Mitigation Resource Guide

Figure 1: Mitigation Programs Comparison Chart

Stafford Act Section 406	Stafford Act Section 404	National Flood Insurance Act of 1968 NFIA	Stafford Act Section 203
PA Programs	HMA Programs		
Disaster-related programs  PA: Mitigation of incident-caused damage Funding: Available for disaster-damaged facilities only*	Disaster-related programs  HMGP: Multi-hazard, statewide mitigation Funding: Available for damaged and non-damaged facilities based on a percentage of dollars obligated to the PA and IA programs	Non-disaster-related programs  FMA: Flood mitigation for insured properties	 PDM: Multi-hazard, project-specific
NOTE: PA = Public Assistance HMA = Hazard Mitigation Assistance HMGP = Hazard Mitigation Grant Program			
FMA = Flood Mitigation Assistance PDM = Pre-Disaster Mitigation IA = Individual Assistance			

The Disaster Recovery Reform Act 2018

The Disaster Recovery Reform Act of 2018 was signed into law as part of the Federal Aviation Administration Reauthorization Act of 2018. The reforms acknowledge the shared responsibility of disaster response and recovery and are intended to reduce the complexity of FEMA and build the nation's capacity.

The new law contains over fifty provisions, including mitigation provisions, that require FEMA policy or regulation changes for full implementation, as the Robert T. Stafford Act is amended. The following webpage provides an overview of those provisions as well as status updates on implementation: <https://www.fema.gov/disaster-recovery-reform-act-2018>.

Thus, there will be significant changes to FEMA's mitigation programs over the next several years. Therefore, the information found in this guide should be reviewed with a careful eye as to whether the DRRRA implementation has changed the policies or rules.

Note To Users

Due to inconsistent language between FEMA publications, applicable statutes, and the Code of Federal Regulations, the words Applicant, Grantee and Recipient are used interchangeably. Likewise, the words Subapplicant, Subgrantee and Subrecipient are used interchangeably. We have retained the language from source documents whenever possible and/or practicable, changing it only when it results in better clarity.

2: Hazard Mitigation Overview

Hazard mitigation is any action taken to reduce or eliminate long-term risk to people and property from natural disasters. Hazard mitigation planning is a process state, tribal, and local governments use to identify risks and vulnerabilities associated with natural disasters and to develop strategies to reduce or eliminate long-term risks. Examples of hazard mitigation projects funded by FEMA's Hazard Mitigation Assistance grant programs include acquisitions, elevations, and safe rooms. FEMA provides funding through a variety of programs to help Grantees and Subgrantees in mitigation efforts through its Public Assistance program – which is often referred to as 406 mitigation -- and its Hazard Mitigation Assistance programs which consist of three programs. Each program comes with its own set of rules, guidance, and eligibility parameters, and each program has different objectives and specific desired outcomes.

All FEMA Hazard Mitigation programs share the common objective of striving to create safer communities by reducing the risks to loss of life and property. Mitigation programs enable individuals and communities to recover more quickly from floods and other disasters and lessen the financial impact of disasters on the nation.

Hazard Mitigation efforts not only reduce or eliminate long-term risk to people and property, in the long run these efforts are money saving investments. A study by the Multi-hazard Mitigation Council shows that each dollar spent on mitigation saves an average of four dollars in disaster recovery expense, and additional interim studies have found that mitigation savings are as high as six dollars for every dollar spent.

Hazard Mitigation Assistance Overview

FEMA administers three programs that provide funding for eligible mitigation planning and projects: the Hazard Mitigation Grant Program (HMGP), the Flood Mitigation Assistance (FMA) Program, and the Pre-Disaster Mitigation (PDM) Program.

- The Hazard Mitigation Grant Program (HMGP) assists in implementing long-term hazard mitigation planning and projects as part of recovery following a Presidential major disaster declaration.
- The Pre-Disaster Mitigation (PDM) program provides funds for hazard mitigation planning and projects. Funding is appropriated by Congress annually.
- The Flood Mitigation Assistance (FMA) program provides funds for planning and projects to reduce or eliminate long-term risk of flood damage to structures insured under the National Flood Insurance Program (NFIP). Funding is appropriated by Congress annually.

HMGP funding is generally 15 percent of the total amount of federal assistance provided to a state, territory, or federally recognized tribe following a major disaster declaration. PDM and FMA funding changes annually based on the Congressional appropriations for these programs.

3: Hazard Mitigation Funding Under Section 406 of The Stafford Act

Section 406 mitigation measures are funded under the FEMA Public Assistance Grant program (PA) and are designed to directly reduce the potential of future similar damage to specific damaged elements of a facility by a declared disaster.

This funding provides discretionary authority to fund mitigation measures in conjunction with the repair of the disaster-damaged facilities and is limited to declared counties and eligible damaged facilities. Eligible hazard mitigation efforts under Section 406 are written into the FEMA Project Worksheet (PW) as part of the scope of work of the facility restoration.

FEMA evaluates proposed mitigation measures for cost-effectiveness, technical feasibility, and compliance with environmental and historic preservation laws, regulations, and Executive Orders. In addition, FEMA ensures that the mitigation does not negatively impact the facility's operation or surrounding areas or create susceptibility to damage from another hazard.

Eligible mitigation measures must be cost effective, as determined by FEMA through the development of a Benefit Cost Analysis (BCA) or be pre-determined to be cost-effective. FEMA considers mitigation measures to be cost-effective if any of the following criteria are met:

- The cost for the mitigation measure does not exceed 15 percent of the total eligible repair cost (prior to any insurance reductions) of the facility or facilities for which the mitigation measure applies.
- The mitigation measure is specifically listed in the FEMA Public Assistance Program and Policy Guide:¹
 - Does not exceed 100% of project cost,
 - Is appropriate to the disaster damage,
 - Will prevent future similar damage,
 - Is directly related to the eligible damaged elements,
 - Does not increase risks or cause adverse effects to the property or elsewhere,
 - Meets standards of good professional judgment, and
 - Otherwise meets requirements stipulated in the policy on Hazard Mitigation Funding Under Section 406 (Stafford Act).

¹ Public Assistance Program and Policy Guidance 2018- Appendix J pg. 192.
https://www.fema.gov/media-library-data/1515614675577-be7fd5e0cac814441c313882924c5c0a/PAPPG_V3_508_FINAL.pdf

- The recipient or applicant demonstrates through FEMA's benefit-cost analysis (BCA) methodology that the measure is cost-effective.
- Mitigation projects are completed within defined time limits. Time limits for all projects begin the date of the disaster declaration. Permanent work (category C through G) must be completed within 18 months of declaration. Time extensions are available but must be due to extenuating circumstances.

Examples of Section 406 Mitigation

Infrastructure Systems:

A. Electric power distribution

- a. Pad-mounted transformers - elevating above the base flood elevation.
- b. Using multiple poles to support larger or heavier transformers.
- c. Burying lines.
- d. Anchoring or otherwise protecting fuel tanks from movement in a disaster.
- e. Replacing damaged poles with higher-class pole, or with a different material pole such as replacing wood poles with spun concrete.
- f. Adding guy wire or other additional support to power lines.
- g. Providing looped distribution service or other redundancies in the electrical service to critical facilities.

Buildings - General

A. General effects of flood damage –

Substantial damage occurs when the cost to repair the structure is equal to or greater than 50% of the market value of the structure before damage.

- a. Buildings substantially damaged under NFIP regulations - Repair, dry floodproofing, or elevation so they are protected to meet minimum National Flood Insurance Program (NFIP) regulations. If the building is replaced, rather than repaired, no Section 406 hazard mitigation funding is appropriate.
 - b. Buildings not substantially damaged under NFIP regulations - If technically feasible, dry floodproofing. Electrical panels, machinery rooms, emergency generators can be elevated above the Base Flood Elevation (BFE) or dry floodproofed. If dry floodproofing is not feasible, these buildings should be wet floodproofed.
- B. Roofs** - Because the failure of a roof covering can lead to extensive damage to contents and operation, damaged roofing should never be replaced with the same material unless the cause of failure has been identified and corrected.
- a. Low slope roofs - Replacement of the entire roof with a roof covering with a secondary membrane and a fully adhered roof covering that is not

subject to progressive failure, such as a modified bitumen. Mechanically fastened insulation or membranes are not acceptable.

1. Curbing and flashing - Single membrane and built up roofs can be susceptible to progressive failure from flashing and curbing failure. These items should be inspected and repaired or replaced. [National Roofing Contractors Association](#) can provide technical advice.
2. Ballasted roof systems - Roof systems with gravel or other small ballast should be replaced with ballast of sufficient weight that it does not become airborne causing increased damages.
3. Roof-mounted equipment should be attached to a foundation that will resist expected wind forces.
4. Hurricane clips - Hurricane clips may be recommended for use in high-wind areas.

C. Shutters - In areas subject to hurricane winds, shutters are appropriate in the following areas:

- a. All windows on critical facilities such as hospitals.
- b. The lower floors of buildings with windows most likely to be struck by debris.
- c. Windows of buildings with very high value contents that can be damaged by water (such as libraries and document centers).
- d. Windows of buildings subject to debris from nearby ballasted roofs, metal buildings, manufactured homes or other structures likely to fail and result in debris.

D. Anchoring - Anchoring of mechanical and electrical equipment in critical facilities.

E. Flexible piping - Installation of flexible piping at pipe/conduit connections to equipment to accommodate expected movement in an earthquake.

- a. Bracing of overhead pipes and electrical lines to meet seismic loads.
- b. Bracing interior walls and partitions that could collapse, preventing safe exit from the building.
- c. Bracing parapets, anchoring veneer or cladding, and bracing other non-structural elements that could collapse and cause injury or block safe exit of a building during an earthquake.

F. Replacement of glass - Replacement of glass (with break resistant material) in mullions to prevent breakage and fallout in the event of building movement.

4: FEMA Hazard Mitigation Assistance (HMA)

FEMA Hazard Mitigation Grant Program

The HMGP was created in November 1988 by Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (amendments include the Hazard Mitigation and Relocation Assistance Act of 1993, the Disaster Mitigation Act of 2000, and the Disaster Recovery Reform Act of 2018). The HMGP assists states, tribes, and local communities in implementing long-term hazard mitigation measures following a major disaster declaration or any area affected by a fire for which assistance was provided under Section 420 Fire Management Assistance Grant as of October 5, 2018 even if there was no major Presidential declaration.

The program's objectives are to:

- Significantly reduce or permanently eliminate future risk to lives and property from natural hazards
- Provide funds to implement projects in accordance with priorities identified in state, tribal, or local hazard mitigation plans
- Enable mitigation measures to be implemented during the recovery from a disaster

Who Is Eligible to Apply for HMGP Funding?

- State and local governments
- Certain private nonprofit organizations and institutions such as electric cooperatives
- Indian tribes and authorized tribal organizations, and Alaska native villages and organizations

Individuals and businesses may not apply directly to the state or FEMA, but eligible local governments or private nonprofit organizations may apply to benefit the private entity.

NRECA members are eligible to directly apply under HMGP if they have an approved hazard mitigation plan. If NRECA members do not have an approved hazard mitigation plan, local governments may apply for grant funding on their behalf.

What Types of Projects Can Be Funded?

The HMGP can be used to fund projects to protect either public or private property, as long as the project fits within state and local government mitigation strategies to address areas of risk and complies with HMGP guidelines.

Examples of HMGP projects include:

- Acquiring and relocating structures from hazard-prone areas

- Retrofitting structures to protect them from floods, high winds, earthquakes, or other natural hazards
- Constructing certain types of minor and localized flood control projects
- Constructing safe rooms inside schools or other buildings in tornado-prone areas
- Developing state, local, or tribal mitigation plans
- Mitigating wildfire hazard through soil stabilization, reforestation, flood diversion, etc.

How Much Money Is Available Under the HMGP?

Federal funding under the HMGP is available following a major disaster declaration if requested by the Governor. HMGP funding is allocated using a “sliding scale” formula based on the percentage of funds spent on Public and Individual Assistance for each Presidentially declared disaster. For states with a FEMA-approved Standard State Mitigation Plan, the formula provides for up to 15 percent of the first \$2 billion of estimated aggregate amounts of disaster assistance, up to 10 percent for amounts between \$2 billion and \$10 billion, and 7.5 percent for amounts between \$10 billion and \$35.333 billion. For states with a FEMA-approved Enhanced Mitigation Plan, up to 20 percent of the total of Public and Individual Assistance funds authorized for the disaster (up to \$35.333 billion of such assistance) are available. An enhanced mitigation plan has to comply with all standard state mitigation plan regulations as well as demonstrate that the state has developed a comprehensive mitigation program, that the state effectively uses available mitigation funding, and that it is capable of managing the increased funding.

These grant funds may be used to pay up to 75 percent of the eligible project costs. The non-federal match (25 percent) does not need to be cash; in-kind services or materials may be used.

What Are the Roles of Communities, States, and FEMA?

During the recovery phase of a disaster, local jurisdictions select projects that could reduce property damage from future disasters and submit grant applications to the state. Indian tribes and certain nonprofit organizations may also apply; and local governments may apply for assistance to benefit individual property owners and businesses.

The states administer the HMGP by establishing their mitigation priorities, facilitating the development of applications, and submitting applications to FEMA based on state criteria and available funding. The state also manages the project, monitors progress, and evaluates the effectiveness of projects implemented.

After each disaster, states re-evaluate their Administrative Plan. The Administrative Plan outlines the state’s priorities and implementation procedures for the mitigation program. **Building relationships and establishing coordination efforts with the States before the disaster and during this reevaluation time is essential to**

ensuring NRECA member priorities are known and considered during the Administrative Plan update.

Federal law requires states and local jurisdictions to have a FEMA-approved mitigation plan prior to receipt of HMGP funds. The plan identifies hazards, assesses community needs, and describes a community-wide strategy for reducing risks associated with natural disasters. It is essential for NRECA members to be involved during the state / local hazard mitigation planning processes to ensure project goals and priorities are mutually aligned. (Appendix B is a link to State Hazard Mitigation Officers.) For an electric cooperative project to be eligible for mitigation funding, there must be a corresponding action listed within the approved mitigation plan. Both the State and Local Hazard Mitigation Plans are updated on a 5-year cycle.

FEMA conducts a final eligibility review to ensure compliance with federal regulations. HMGP projects must comply with federal environmental laws and regulations, be cost-effective, and be technically feasible.

Figure 2: The Hazard Mitigation Grant Program Process



Pre-Disaster Mitigation Grant Program (PDM)

The PDM Program, authorized by Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, is designed to assist States, U.S. Territories, Federally-recognized tribes, and local communities in implementing a sustained pre-disaster natural hazard mitigation program. The goal is to reduce overall risk to the population and structures from future hazard events, while also reducing reliance on Federal funding in future disasters. This program awards planning and project grants and provides opportunities for raising public awareness about reducing future losses before disaster strikes. Mitigation planning is a key process used to break the cycle of disaster damage, reconstruction, and repeated damage. PDM grants are funded annually by Congressional appropriations and are awarded on a nationally competitive basis.

FEMA requires state, territorial, tribal, and local governments to develop and adopt hazard mitigation plans as a condition for receiving certain types of non-emergency disaster assistance, including funding for PDM mitigation projects. For more information on the mitigation plan requirement, visit the [Hazard Mitigation Plan](#)

[Requirement](#) web page or refer to the current Hazard Mitigation Assistance (HMA) Guidance for detailed information on the PDM Program: <https://www.fema.gov/media-library/assets/documents/103279>

Project subapplications submitted for consideration for PDM funding must be consistent with the goals and objectives identified in the current, FEMA-approved State or Tribal (Standard or Enhanced) hazard mitigation plan along with the local or tribal hazard mitigation plan for the jurisdiction in which the activity is located.

Planning subapplications submitted for consideration for PDM funding must result in a mitigation plan adopted by the jurisdiction(s) and approved by FEMA. PDM funds mitigation planning to help States, U.S. Territories, Federally-recognized tribes and local governments engage in a planning process that meets the requirements outlined in 44 CFR Part 201 Mitigation Planning. For more information on FEMA's mitigation planning program, laws, regulation, policies, resources, and training, visit [FEMA's Hazard Mitigation Planning Resources](#) web page.

Eligibility

The following are eligible Applicants to the PDM grant program:

- States
- U.S. Territories
- Federally-recognized tribes
- Local governments
- Local governments are eligible Subapplicants and can sponsor applications on behalf of homeowners to submit to the Applicant.

Under the PDM program, NRECA members are not eligible direct applicants; however, an eligible applicant / sub-applicant may submit grant applications on their behalf. **It is essential for NRECA members to be involved during the state / local hazard mitigation planning processes to ensure project goals and priorities are mutually aligned, and in order for projects to be considered eligible mitigation solutions.**

Application Process

Subapplicants (i.e., local governments) submit mitigation planning and project subapplications to their State during the open application cycle. After reviewing planning and project applications to determine if they meet the program's requirements, the Applicants (i.e. States, U.S. Territories, or Federally-recognized tribal governments) prioritize and forward the planning and project applications in a PDM grant application to FEMA. NRECA members should contact their local

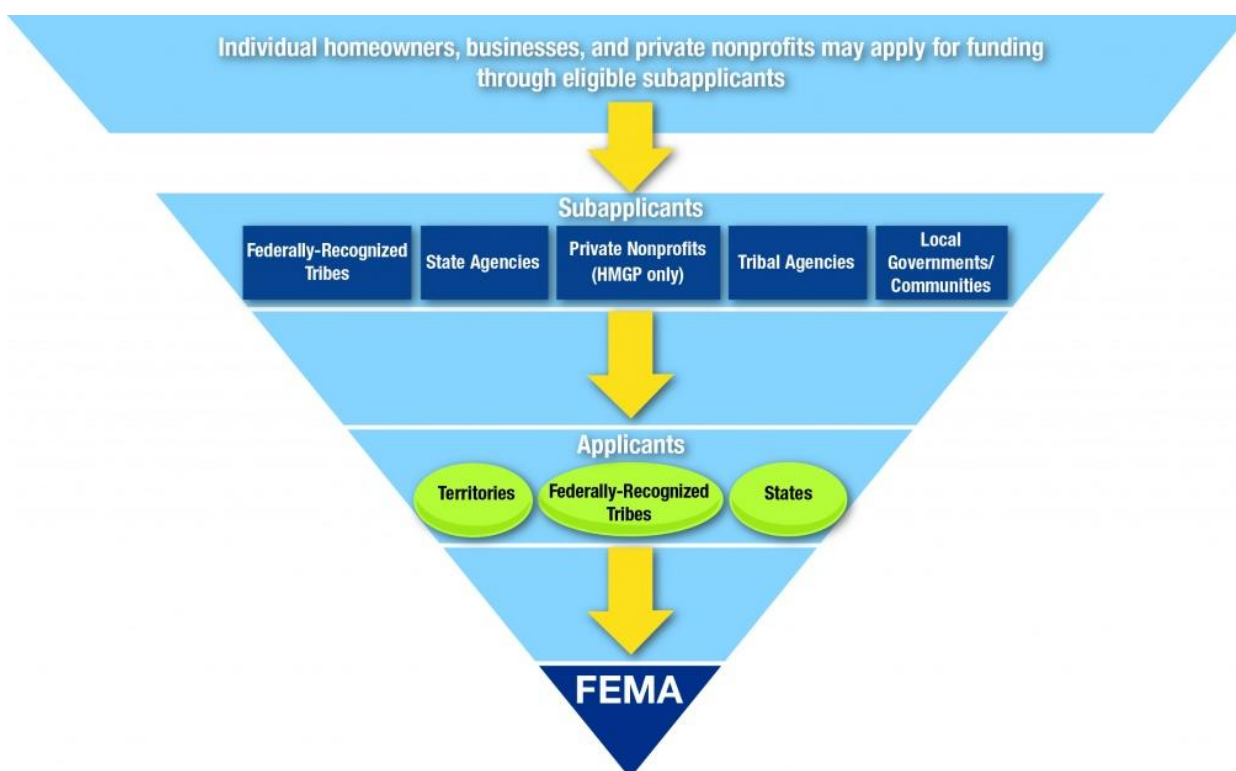
government to obtain information on their mitigation program, the application process, and coordinate project needs.

Once FEMA reviews planning and project applications for eligibility and completeness, FEMA makes funding decisions based on the agency's priorities for the most effective use of grant funds and the availability of funds posted in the Notice of Funds Opportunity announcement on **Grants.gov**. The PDM program is a highly competitive grant program.

FEMA awards PDM funds to State, U.S. Territory, and Federally-recognized tribal Applicants, who in-turn provide subawards to local government Subapplicants.

Below is a flowchart showing the process individual homeowners, businesses, subapplicants, and applicants must go through to apply for PDM grants and how this process leads to FEMA.

Figure 3: PDM Grant Application Submittal Process



Flood Mitigation Assistance

The FMA program is authorized by Section 1366 of the National Flood Insurance Act of 1968, as amended with the goal of reducing or eliminating claims under the National Flood Insurance Program (NFIP). FMA provides funding to states, territories, federally recognized tribes, and local communities for projects and planning that reduces or eliminates long-term risk of flood damage to structures insured under the NFIP. FMA

funding is also available for management costs. Funding is appropriated by Congress annually.

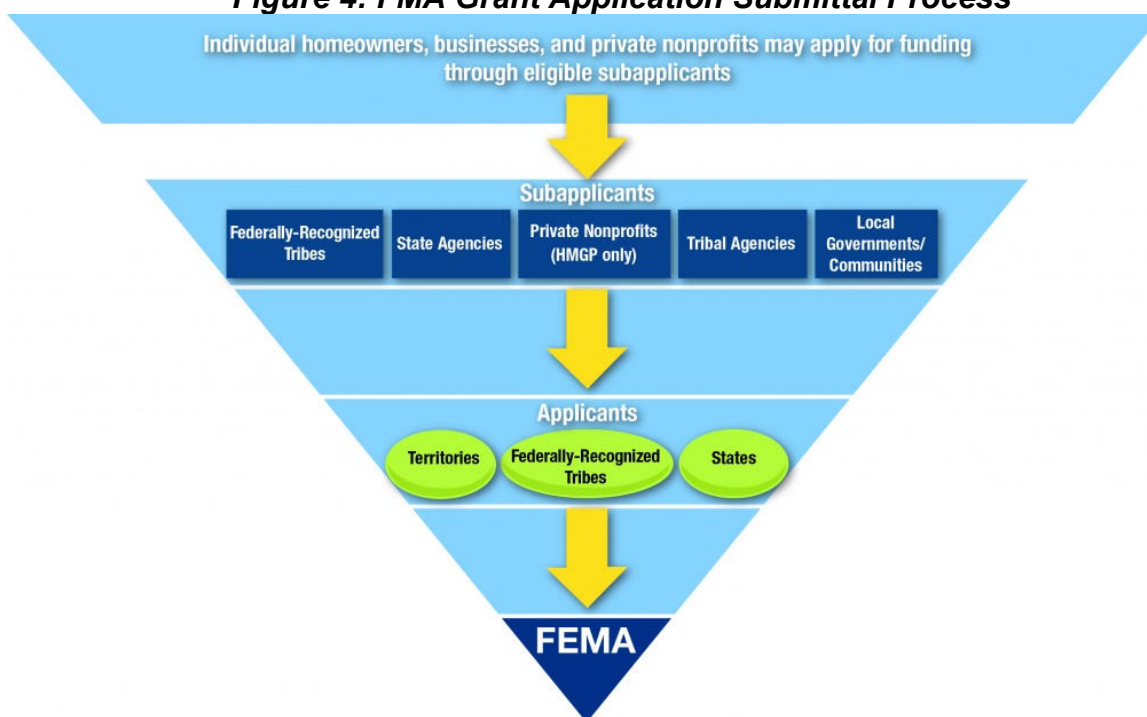
FEMA requires state, tribal, and local governments to develop and adopt hazard mitigation plans as a condition for receiving certain types of non-emergency disaster assistance, including funding for FMA projects.

Under the FMA program, NRECA members are not eligible direct applicants; however, an eligible applicant / sub-applicant may submit grant applications on their behalf. As with the PDM program, it is essential for NRECA members to be involved during the state / local hazard mitigation planning processes to ensure project goals and priorities are mutually aligned, and in order for projects (including flood projects) to be considered eligible mitigation solutions.

Application Process

The following flowchart shows the process individual homeowners, businesses, subapplicants and applicants must go through to apply for FMA grants. NRECA members should contact their local government to obtain information on their mitigation program, the application process, and coordinate project needs.

Figure 4: FMA Grant Application Submittal Process



Subapplicants submit mitigation planning and project subapplications to their state during the open application cycle. After reviewing project and planning applications to determine if they meet the program's requirements, the states, territories, or federally recognized tribal governments prioritize and forward the applications to their FEMA Regional Office.

Planning subapplications submitted for consideration for FMA funding must only be used to support the flood hazard portion of state, tribal, or local mitigation plans to meet the requirements outlined in 44 CFR Part 201 Mitigation Planning. Funds are only available to support communities participating in the NFIP: To find out if a community is a NFIP participant, view the NFIP Community Status Book webpage: <https://www.fema.gov/national-flood-insurance-program-community-status-book>.

Projects submitted for consideration for FMA funding must be consistent with the goals and objectives identified in the current, FEMA-approved state or tribal hazard mitigation plan (standard or enhanced) along with the local or tribal hazard mitigation plan for the jurisdiction in which the activity is located.

Funding is limited, and FEMA Headquarters must make difficult decisions as to the most effective use of grant funds. FEMA awards FMA funds to state, U.S. territory, and federally recognized tribal applicants, who in turn provide subawards to local subapplicants.

A state Hazard Mitigation Officer federally recognized tribal government official, or a local government official can offer further detailed information on the FMA application process.

The FMA program is a competitive grant program and FEMA chooses the applications to be funded based on the applicant's ranking of the project and the eligibility and cost-effectiveness of the project.

5: Benefit Cost Analysis (BCA)

Benefit-Cost Analysis (BCA) is the method by which the future benefits of a hazard mitigation project are determined and compared to its costs. The result is a Benefit-Cost Ratio (BCR), which is expressed as a project's total benefits divided by its total costs. The BCR is a numerical expression of the "cost-effectiveness" of a project. A project is considered to be cost effective when the BCR is 1.0 or greater, indicating the benefits of a prospective hazard mitigation project are sufficient to justify the costs.

The Stafford Act authorizes the President to establish a program to provide technical and financial assistance to state and local governments to assist in the implementation of hazard mitigation measures that are cost effective and designed to substantially reduce injuries, loss of life, hardship, or the risk of future damage and destruction of property.

Benefit-Cost Analysis Methodology

Applicants and subapplicants must use FEMA-approved methodologies and tools to demonstrate the cost-effectiveness of their projects. FEMA has developed the BCA Toolkit to facilitate the process of preparing a BCA. Using the BCA Toolkit will ensure that the calculations are prepared in accordance with FEMA's standardized methodologies. It is imperative to conduct a BCA early in the project development process to ensure the likelihood of meeting the cost-effectiveness eligibility requirement.

The [BCA toolkit](#) must be downloaded to a computer. While the program is installing, additional file sets will be downloaded from the internet. The BCA Helpline is available to assist with any questions during installation or program usage: bcahelpline@dhs.gov.

The BCA Toolkit consists of modules for a range of major natural hazards and project types including:

- Flood
- Tornado Safe Room
- Hurricane Wind
- Hurricane Safe Room
- Earthquake
- Wildfire
- Damage-Frequency Assessment (Multi-Hazard)
 - Drought
 - Ice/Snowstorms

A non-FEMA BCA methodology may only be used when it addresses a non-correctable flaw in the FEMA-approved BCA methodology or it proposes a new approach that is unavailable using the FEMA BCA Toolkit. The non-FEMA methodology must be approved by FEMA in writing prior to submission of the project application to FEMA.

In June 2009, the Greatest Savings to The Fund (GSTF) approach was released for use in demonstrating the cost-effectiveness of mitigation projects. Currently, FEMA allows the use of the GSTF methodology for any HMA program for Severe Repetitive Loss (SRL) properties. A SRL property is one that has four or more separate flood insurance claims payments of more than \$5,000 each (building and contents) or two or more separate claims payments (building payments only) where the total of payments exceed the current value of the property. Applicants are required to use the current GSTF value at the time of application submission.

Pre-Calculated Benefits

To streamline the HMA grant application process, FEMA has released several benefit-cost efficiencies to provide pre-determined cost effectiveness values. Using pre-calculated benefits eliminates the requirement for applicants to conduct a separate BCA for eligible projects:

- Acquisitions and Elevations in the Special Flood Hazard Area (SFHA)
- Residential Hurricane Wind Retrofits
- Non-Residential Hurricane Wind Retrofits
- Individual Tornado Safe Rooms
- Post-Wildfire Mitigation

The pre-calculated benefits and benchmark costs are not intended to drive actual project costs or to serve as detailed project cost estimates; individual project cost estimates must be based on industry standards, vendor estimates or other acceptable sources. Projects must still meet all other HMA requirements.

6: Hazard Mitigation Grant Program Appeals Database

The Hazard Mitigation Grant Program provides grants to state, local, tribal and territorial governments to implement long-term hazard mitigation measures after a major disaster declaration. The purpose of the HMGP is to reduce the loss of life and property due to natural disasters and to enable mitigation measures to be implemented during the immediate recovery from a disaster.

An eligible applicant may appeal any FEMA determination regarding applications submitted for funding under the Hazard Mitigation Grant Program. The appeal process allows applicants to request a reconsideration of the decision against program requirements. There are two levels of appeals. The Regional Administrator decides first appeals. If the Regional Administrator denies the appeal, the applicant may submit a second appeal to the Deputy Associate Administrator for Mitigation. If the Deputy Associate Administrator approves an appeal, FEMA will take the appropriate action to implement the decision.

The [Appeals Database](#) is an online, searchable database containing FEMA responses to applicant appeals for assistance. The database houses HMGP second appeal records since 1988 and first level appeals since 2011. The purpose of the database is to inform the public on how program requirements are applied.

This database contains historical records and some determinations may have been superseded by new guidance or policy. There are currently no appeals listed from Electric Cooperatives; however the cases in the data base can be helpful reading as they illustrate FEMA's application of policy.

The Disaster Recovery Reform Act of 2018 authorized the Civilian Board of Contract Appeals (CBCA) to arbitrate disputes between applicants and FEMA regarding eligibility for public assistance (or repayment of past public assistance) for a disaster post-dating January 1, 2016. The CBCA proposed rules have been published for comment, but an arbitration can still be filed following the below procedures.

To arbitrate, the disputed amount must exceed \$500,000; or for an applicant in a defined rural area the disputed amount must be at least \$100,000. An arbitration request to the CBCA must be filed within 30 days from a FEMA first appeal determination, or when a first appeal has been pending with FEMA for at least 180 days. The CBCA will thereupon attempt to schedule a hearing within 60 days following a preliminary telephonic scheduling conference. Applicants are neither required to retain legal counsel nor present expert witness testimony and may supplement the record of the FEMA first appeal. CBCA arbitrations are final and binding upon all parties. The arbitration rules may be found on the CBCA website.

7: Hazard Mitigation Resource Guide

Links

The following links will direct you to helpful hazard mitigation resources from FEMA:

- [HMA Resources & Document Collection](#)
- [Hazard Mitigation Assistance Guidance](#)
- [Hazard Mitigation Assistance Cost Share Guide](#)
- [Duplication of Benefits Guide](#)
- [Hazard Mitigation Appeals Database](#)
- [HMGP Brochure](#)

Additional Resources

- The [Benefit-Cost Analysis](#) site provides guidance on the software modules that are used during application development of HMA grants; specifically, how to conduct a Benefit-Cost Analysis that will meet FEMA requirements.
- The [Environmental Planning and Historic Preservation](#) site provides information on the environmental and historic preservation regulations that must be adhered to in order to be considered for an HMA grant. All HMA grant Applicants and subapplicants must complete an environmental and historical preservation eligibility review during the application process.
- The [HMA Grants Policy Site](#) lists current HMA policies as well as other policies that impact HMA funding.
- The [HMA Job Aids](#) were created to help Applicants and subapplicants develop successful grant applications and effectively manage their grants after they have received them. The Job Aids consist of FAQs, Flowcharts, and Fact Sheets that cover a variety of topics related to the HMA grant programs.

The [HMA Program Guidance](#) site provides links to current and archived Hazard Mitigation Guidance documents. This is where the most current HMA Guidance document is posted along with applicable policies, forms, and resources to be used throughout the HMA grant application process.

Appendix A- Acronyms

Benefit Cost Analysis (BCA)

Benefit Cost Ratio (BCR)

Federal Emergency Management Agency (FEMA)

Flood Mitigation Assistance (FMA)

Greatest Savings to the Fund (GSTF)

Hazard Mitigation Assistance (HMA)

Hazard Mitigation Grant Program (HMGP)

Individual Assistance (IA)

National Flood Insurance Program (NFIP)

National Rural Electric Cooperative Association (NRECA)

Pre-Disaster Mitigation (PDM)

Project Worksheet (PW)

Public Assistance (PA)

Severe Repetitive Loss (SRL)

Special Flood Hazard Area (SHFA)

Appendix B- State Hazard Mitigation Officers

State Hazard Mitigation Officers (SHMO) are assigned for each state. NRECA members seeking information about the mitigation programs and priorities for their state may use this link – [State SHMO](#) – to contact their State Hazard Mitigation Officer.