

GAO Highlights

Highlights of [GAO-14-603T](#), a testimony before the Subcommittee on Emergency Management, Intergovernmental Relations, and the District of Columbia; Committee on Homeland Security and Governmental Affairs; U.S. Senate

Why GAO Did This Study

Multiple factors including increased disaster declarations, climate change effects, and insufficient premiums under the National Flood Insurance Program increase federal fiscal exposure to severe weather events. Managing fiscal exposure from climate change and the National Flood Insurance Program are both on GAO's High Risk list. GAO has previously reported that building resilience to protect against future damage is one strategy to help limit fiscal exposure. However, in prior reports GAO also identified multiple challenges to doing so. Responsibility for actions that enhance resilience rests largely outside the federal government, so nonfederal entities also play a key role.

This testimony discusses (1) resilience-building challenges GAO has previously identified; (2) federal efforts to facilitate resilience-building as part of Hurricane Sandy recovery; and (3) examples of nonfederal efforts to incentivize resilience building. This testimony is based on previous GAO reports issued from 1998 through 2014 related to hazard mitigation, climate change, flood insurance, and preliminary observations from GAO's ongoing work for this committee on federal resilience efforts related to the Sandy recovery. For the ongoing work, GAO reviewed documents such as the Hurricane Sandy Rebuilding Strategy and a 2012 National Academies Study on building resilience. GAO also interviewed officials from FEMA and the Department of Housing and Urban Development (HUD).

View [GAO-14-603T](#). For more information, contact Chris Currie, (404) 679-1875, curriec@gao.gov

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DISASTER RESILIENCE

Actions Are Underway, but Federal Fiscal Exposure Highlights the Need for Continued Attention to Longstanding Challenges

What GAO Found

GAO has identified various challenges to resilience building—actions to help prepare and plan for, absorb, recover from, and more successfully adapt to adapt to adverse events including those caused by extreme weather. These include challenges for communities in balancing hazard mitigation investments with economic development goals, challenges for individuals in understanding and acting to limit their personal risk, and broad challenges with the clarity of information to inform risk decision making. GAO's work over more than 30 years demonstrates that these are longstanding policy issues, without easy solutions. The Department of Homeland Security's (DHS) May 2013 release of a National Mitigation Framework and establishment of a group to help coordinate interagency and intergovernmental mitigation efforts offers one avenue for leadership on these issues.

In ongoing work on federal resilience efforts in the aftermath of Hurricane Sandy, GAO identified three high-level actions that demonstrated an intensified federal focus on incorporating resilience-building into the recovery.

- The President issued an executive order to coordinate the recovery effort and created a task force that issued 69 recommendations aimed at improving recovery from Sandy and future disasters—including recommendations designed to facilitate resilient rebuilding.
- Congress appropriated about \$50 billion in supplemental funds for multiple recovery efforts, including at least five federal programs that help support resilience-building efforts. One of these, FEMA's Hazard Mitigation Grant Program (HMGP), is the only federal program designed specifically to promote mitigation against future losses in the wake of a disaster; while, another, the Public Transportation Emergency Relief Program made more than \$4 billion available for transit resilience projects.
- The Sandy Recovery Improvement Act of 2013 provided additional responsibilities and authorities related to FEMA's mitigation and recovery efforts. In response, FEMA has undertaken efforts to make HMGP easier for states to use—for example by streamlining application procedures. The act also provided additional authorities for FEMA to fund hazard mitigation with other disaster relief funds and required FEMA to provide recommendations for a national strategy on reducing the cost of future disasters to Congress, which FEMA finalized in September 2013.

For the purposes of this statement GAO reviewed studies that discuss resilience building and climate change adaptation and identified examples efforts at the state and local levels that illustrate a variety of nonfederal initiatives that may drive communities to build resilience. For example, a nonprofit group is creating report cards to assess the resilience of a building to earthquakes and plans to extend these efforts to wind and flood risk. In some localities public-private partnerships have helped promote efforts to buy properties that were at risk from repeat losses.