Public Assistance

Public Assistance (PA) is FEMA's largest grant program. It provides funds to assist communities responding to and recovering from major disasters or emergencies declared by the President.

The program provides funding for debris removal, emergency protective measures to save lives and protect improved property, assists with funding to restore damaged community infrastructure, provides assistance to incorporate methods to mitigate the impacts of climate change, and to provide communities with the resources to administer and enforce building code and floodplain management ordinances.

Recipients

The Recipient is a State, Tribe or Territory and is accountable to FEMA as grant administrator for all funds provided under the PA program. The Recipient is responsible for managing the funds obligated to them by FEMA, including disbursement to Applicants. They are also responsible for ensuring that all potential applicants are aware of PA grant funding availability and submitting the necessary documents for the grant awards.

Eligible Applicants

Eligible Applicants include states, federally recognized tribal governments (as identified on the Federally Recognized Indian Tribe List Act of 1994¹), U.S. territories, local governments, and certain private non-profit (PNP) organizations.

Private Non-Profit (PNP) Organizations

PNPs must have an effective ruling letter from the U.S. Internal Revenue Service that was in effect as of the declaration date demonstrating that it is a 501(c), (d), or (e) exempt organization or has satisfactory evidence that it is a non-profit organization doing business under state law. Prior to determining whether the PNP is eligible, FEMA must first confirm the PNP owns or operates a facility that provides eligible services. For PNPs, an eligible facility is one that provides a critical service or provides a non-critical, but essential, government service that is open to the



¹ Stafford Act § 102(6), 42 U.S.C. 5122(6) and 44 C.F.R. § 206.201(i). there are 567 tribal entities as of May 2016. /See 81 Fed. Reg. 26826 (May 4, 2016) Notice of Indian Entities Recognized and Eligible to Receive Services from the United States Bureau of Indian Affairs <u>https://www.gpo.gov/fdsys/pkg/FR-2016-05-04/pdf/2016-10408.pdf</u>

general public. A facility that provides a critical service is defined as one used for an educational, utility, emergency, or medical purpose. Additionally, for a PNP to be eligible, it must demonstrate legal responsibility for the facility.

Project Categories

FEMA processes PA grant funding according to the type of work the Applicant undertakes. Eligible work must be a result of the declared incident, be located in the designated area, and be the legal responsibility of the Applicant.

Eligible work is classified into the following categories:

Emergency Work

- Category A: Debris removal
- Category B: Emergency protective measures

Permanent Work

- Category C: Roads and bridges
- Category D: Water control facilities
- Category E: Buildings and equipment
- Category F: Utilities
- Category G: Parks, recreational, and other facilities

Federal funding guidelines for each of these categories are listed in the Public Assistance Program and Policy Guide, which is located online at <u>Public Assistance Program and Policy Guide, Version 4 (fema.gov)</u>

Application Process

After a federal declaration, the Recipient conducts Applicant Briefings to inform potential Applicants of the assistance available and how to apply. While the briefings vary by Recipient, they typically include an overview of the PA Program delivery process, deadlines, general PA eligibility criteria, mitigation opportunities, and compliance requirements. Recipients may request FEMA support for the Applicant Briefings. Applicants must submit a Request for Public Assistance within 30 days of the declaration date or the date their respective area is designated by the federal declaration, whichever is later.

Following the approved request, FEMA and the Applicants will conduct additional meetings to discuss incidentrelated impacts and formulation of specific project applications. Applicants must identify and report damage to FEMA within 60-days from the Recovery Scoping Meeting. FEMA, the Recipient, or the Applicant will then prepare project applications for eligible work and eligible facilities based on actual or estimated project costs.

Grant Administration

The federal share of assistance will not be less than 75 percent of the eligible cost for debris removal, emergency measures and infrastructure restoration. If the actual federal obligations, excluding administrative costs, meet or exceed a qualifying threshold, then FEMA may make a recommendation to the President to increase the federal share to up to 90-percent. In limited cases, the President may increase the federal share for Emergency Work, if warranted.

FEMA will continue to monitor the recovery progress to ensure the timely delivery of eligible assistance, and compliance with federal laws and regulations. Eligible work funded by Public Assistance funds must be undertaken at a reasonable cost. Contractor costs for eligible work may also be allowable if costs are reasonable and if contracts are procured in compliance with the <u>federal procurement standards</u>.

Large Projects

FEMA categorizes projects based on the total eligible amount as either small or large based on threshold established in the Federal Register for the fiscal year. See <u>per capita impact indicator and project thresholds</u> for current PA project thresholds. Large projects are processed using either standard or alternate procedures.

Standard Procedures (402, 403 & 407): For large debris removal and emergency protective measures projects using the standard process, funding is based on actual costs as demonstrated by invoices and other documented expenses when the work is complete.

Standard Procedures (406): For large permanent work projects using the standard process, FEMA uses a cost estimating format (CEF) to estimate the total cost for any projects that are less than 90 percent complete. Funding is provided on the basis of actual costs as determined after the project is completed. The Applicant's flexibility in use of the funding is limited, and they do not have the ability to retain excess funds.

Alternative Procedures (428): For large permanent work projects using Section 428 PA Alternative Procedures, funding is made on the basis of a fixed-cost estimate agreed upon by the Applicant, Recipient and FEMA. PA funding is based on the estimated amount to restore the damaged facility to its pre-disaster design and function, including applicable and federally required codes and standards, and any identified eligible hazard mitigation measures. Once agreement on the fixed amount is made, the funding will not be adjusted. Applicants have the flexibility to use the funding to meet the post-disaster recovery needs, and not just build back what they had before. Applicants may also retain any excess funds for use on certain eligible activities.

Small Projects

Projects falling below a certain threshold are considered "small." The threshold is adjusted annually for inflation. The Stafford Act provides simplified procedures for small projects allowing for grants based on estimates. FEMA has implemented a regulatory change to increase the small project maximum for the agency's Public Assistance Program. For Fiscal Year 2023, that threshold is \$1 million. For small projects, final funding is based on the estimate at the time of project approval and certification of project completion is required when the project is done. The minimum amount that can be approved for any project worksheet under the PA Program for FY 2023 is \$3,800.