

Recommendations for Reducing Future Disaster Costs

Subcommittee on Disaster Reduction
White House Conference Center

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Policy, Program Analysis & International Affairs



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Sandy Recovery Improvement Act of 2013

SEC. 1111. RECOMMENDATIONS FOR REDUCING COSTS OF FUTURE DISASTERS.

Report to Congress- Not later than 180 days after the date of enactment of this division, the Administrator of the Federal Emergency Management Agency shall submit to Congress **recommendations for the development of a national strategy** for reducing future costs, loss of life, and injuries associated with extreme disaster events in vulnerable areas of the United States.



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Principles (Est. in Legislation)

The recommendations should--

- (1) respect the constitutional role and responsibilities of Federal, State, and local governments and the private sector;
- (2) consider the vulnerability of the United States to damage from flooding, severe weather events, and other hazards;
- (3) analyze gaps and duplication of emergency preparedness, response, recovery, and mitigation measures provided by Federal, State, local, and Tribal entities; and
- (4) include recommendations on how to improve the resiliency of local communities and States for the purpose of lowering future costs of disaster response and recovery.



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Framing Recommendations

- Exploring recommendations around cross-cutting themes, potentially including:
 - *Aligning Incentives*
 - *Enabling Resilient Recovery*
 - *Supporting Disaster Risk Reduction Nationally*
- Considering both programmatic issues and opportunities to inform non-emergency management decision processes that can reduce disaster risk exposure



For Discussion Purposes Only –
Does Not Reflect Agency Policy or Position

Thematic Discussion – Aligning Incentives

Potential Considerations:

- Relationship between participation in the NFIP and eligibility for post-disaster assistance
- Examination of alternatives to declaration criteria and reimbursement approach (e.g., deductible model)
- Examination of regulatory/other pressures that have the effect of reducing resiliency in critical systems
- Incentives for adopting code-plus building standards
- Mechanisms for more effective funds management



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Thematic Discussion – Enabling Resilient Recovery

Potential Considerations:

- Encouraging more hazard-resilient and sustainable rebuilding (vs. replacing what was there before)
- Enabling mitigation of critical public functions to higher standards
- Leveraging full range of federal authorities and programs when resourcing recovery from major events



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Thematic Discussion – Supporting Disaster Risk Reduction Nationally

Potential Considerations:

- Developing approaches that better consider future disaster risk in programmatic processes
- Tools and analysis that provide better understanding of true risk exposure over time (and who bears that risk) to inform land-use planning, flood plain management, and development decisions
- Study efficacy of alternative approaches to hazard insurance



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Between 1980 and 2011, North America suffered \$1.06 trillion in total losses including \$510 billion in insured losses, and the number of weather-related loss events increased five-fold.

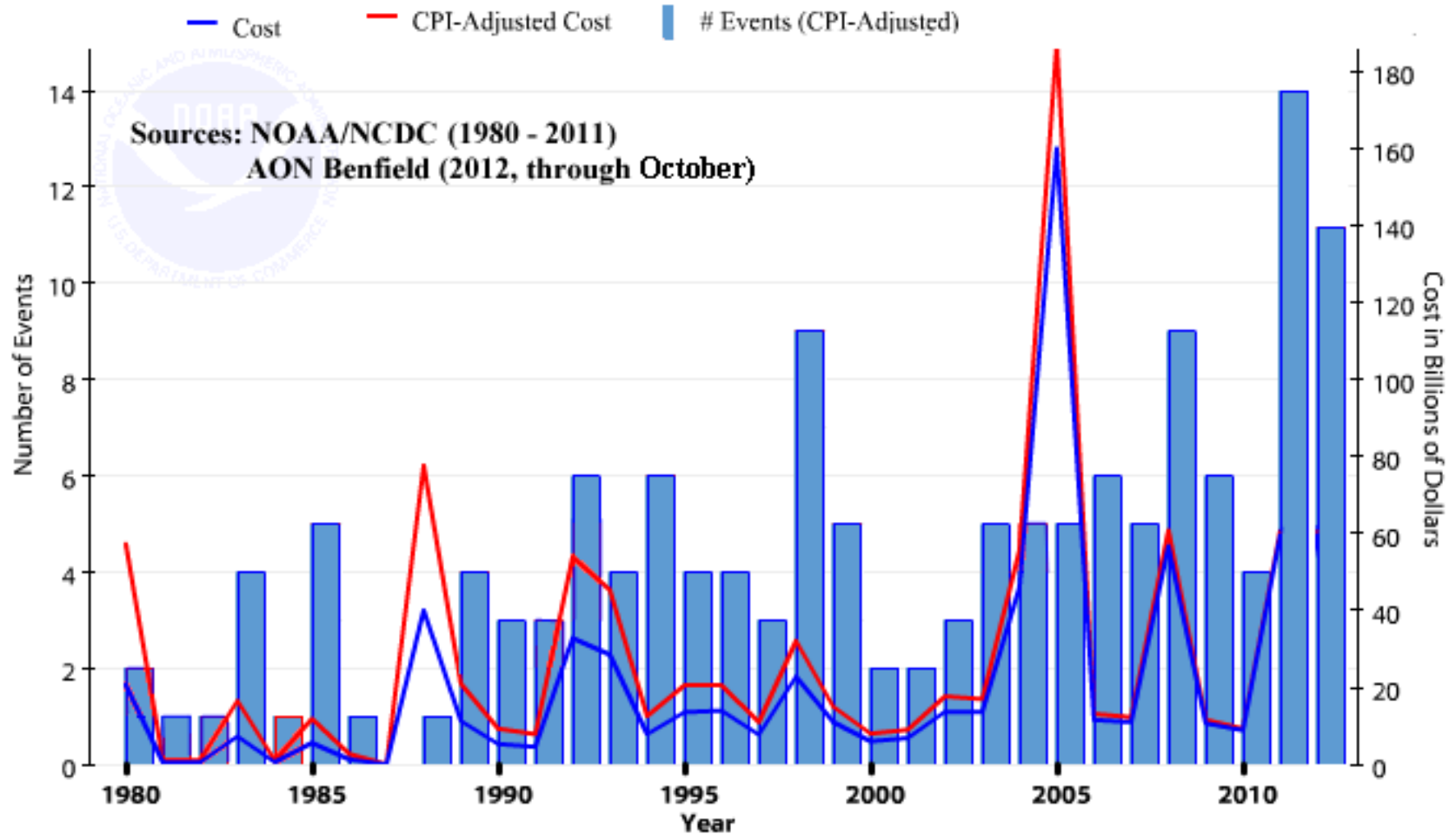
-Munich Re, Oct. 2012

“Severe Weather in North America”



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Billion-Dollar U.S. Weather Disasters, 1980 - 2012



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