Recommendations for Reducing Future Disaster Costs

Subcommittee on Disaster Reduction
White House Conference Center

April 4, 2013

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FEMA
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.
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.
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
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

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

Sources: NOAA/NCDC (1980 - 2011)
AON Benfield (2012, through October)