



FEMA Disaster Cost-Shares: Evolution and Analysis

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Summary

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (The Stafford Act, P.L. 93-288) contains discretion for the President to adjust cost-shares for the Public Assistance (PA) program, Sections 406 and 407 of the act, that provides assistance to states, local governments and non-profit organizations for debris removal and rebuilding of the public and non-profit infrastructure. The language of the Stafford Act defining cost-shares for the repair, restoration, and replacement of damaged facilities provides that the federal share “shall be not less than 75 percent.” These provisions have been in effect for over 20 years. While the authority to adjust the cost-share is long standing, the history of FEMA’s administrative adjustments and Congress’ legislative actions in this area, are of a more recent vintage.

In all, there have been 222 cost-share adjustments of varying sizes and lengths of time. In 1998 FEMA promulgated, in regulation, a more consistent and open approach to cost-share adjustments. The overwhelming majority of these actions have been based on that regulatory authority and carried out by the executive branch through administrative actions. However, since 1997, and particularly in the wake of the difficult issues caused by the Gulf Coast storms of 2005, Congress has begun to exercise its authority to adjust cost-shares. The recent trend toward legislative cost-share waivers suggests that Congress may have an interest in continuing to influence the federal/state relationship in providing resources to respond to disaster situations.

The cost-share regulation cites per capita damage amounts that could qualify a state for cost-share reductions. The per capita amounts are updated on an annual basis. With the adjustment process in regulation, and with larger disasters more frequent in succeeding years, the cost-share waivers have also become more common. Certainly the interest in achieving such a reduction for the state and local share has grown with the awareness of the cost-share adjustments during large disaster events such as Hurricane Katrina. Beyond actions by the executive branch, Congress has adjusted cost-shares through legislation when a state or states may not, or have yet to meet, the per capita threshold. FEMA and the Clinton administration adjusted the cost-shares for some states affected by the 1993 Mississippi River flooding that had not met the per capita policy amount. In 2007, Congress adjusted the cost-shares following the Gulf Coast hurricanes of 2005 for states that did not meet the identified threshold and also waived cost-shares for programs other than the PA program. Most recently, in P.L. 111-32, Congress again adjusted the state cost-shares for the two states most impacted by Hurricane Ike in 2008. The legislation also waived the cost-share for two other states, separate from the hurricane area, with major disaster declarations that did not meet the qualifying threshold.

Under the Insular Areas Act, a different threshold is implemented for U.S. territories that provides a more generous cost-share for smaller disaster events in several of the territories. These cost-share waivers have been frequently applied.

Cost-share waivers can be a great help to a state and its communities seeking to recover from a disaster event and reeling from the economic problems caused by the disaster. But such actions also reduce the supplemental nature of Stafford Act funding through the increase of the federal share. How such cost-share waivers are administered is an issue that FEMA has addressed through regulation and Congress has addressed through legislation. This report will be revised as warranted by events.

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Historical Cost-Share Thresholds: Authorities and Regulations

Authorities

FEMA's cost-share policy for the public assistance program that repairs, restores or replaces public facilities of all kinds (buildings, roads, public utilities, water and sewer projects, etc.) was part of the original Disaster Relief Act of 1974.¹ That statute authorized the President to help state and local governments in the repair or replacement of public facilities and mandated that "the federal contribution for grants made under this section shall not exceed 100 per centum of the net cost."² However, the defined cost-share commitments were established by regulation in 1980. As one observer explained,

The nonfederal contribution to all other assistance remained subject to negotiation until May 1980, when FEMA administratively adopted a general policy of requiring state and local governments to agree to pay 25 percent of the eligible costs of public assistance programs. This policy removed the administrative problem associated with attempting to determine a "reasonable" commitment for each disaster.³

This administrative policy was codified into law in amendments to the Stafford Act contained in P.L. 100-707, in 1988:

Minimum federal share – Except as provided in paragraph (2), the Federal share of assistance under this section shall not be less than 75 percent of the eligible cost of repair, restoration, reconstruction, or replacement carried out under this section.⁴

Regulations

Currently, a state must have accumulated more than \$125 in damages per capita within the state to reach a traditional cost-share waiver for sections 403, 406 and 407.⁵ Sections 403, 406 and 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, the Stafford Act) address emergency assistance, infrastructure damage and debris removal. These sections all share the same statutory language regarding the federal share; that it "shall not be less than 75 percent of the eligible costs."⁶ The cost-shares are reflective of the Stafford Act's fundamental

¹ P.L. 93-288, May 22, 1974, 88 Stat. 143.

² P.L. 93-288, Sec. 402, 88 Stat. 153.

³ Rutherford H. Platt, *Disasters and Democracy: The Politics of Extreme Natural Events*, Island Press: (Washington, DC; Covelo, California, 1999), p. 24.

⁴ 42 U.S.C. 5172(b).

⁵ 44 CFR §206.47. This figure has been adjusted based on Consumer Price Indexes. In calendar year 2002 the amount was \$102, and has moved up at \$2 or so increments each year.

⁶ 42 U.S.C. 5170b, 5172, and 5173.

insistence on state participation and that the State “will comply with all applicable cost-sharing requirements of this Act.”⁷

Emergency assistance (Section 403) can entail overtime payments for safety personnel, reimbursements for actions the state has taken such as executing an evacuation plan or sandbagging to prevent additional flooding. It can also include the provision of federal resources (equipment, supplies) referred to as Direct Federal Assistance, such as providing temporary facilities for essential community services such as temporary classrooms for schools.⁸

Section 406 is the repair or replacement of public infrastructure. The actual categories are: A – Debris Removal, B – Emergency Protective Measures, C – Road Systems and Bridges, D – Water Control Facilities, E – Buildings, Content and Equipment, F – Utilities, and G – Parks, Recreational Facilities and Others. Also, non-profit organizations may be eligible for this form of assistance if they are providing “critical services” such as power, water, water treatment, emergency medical service or other similar service.⁹

Assistance for debris removal under Section 407 is generally used (with some exceptions) for the removal of debris from publicly owned lands. Typically this aid involves clearance of debris from main public roads to provide access for the community to their homes, jobs and public services.¹⁰

Information provided by FEMA indicates that the larger cost-share adjustment, affecting Public Assistance categories C through G, has been done 47 times, or for about 21% of all cost-shares and less than 0.5 % of all major disasters declared since 1985. These figures point to an exceptional event being needed to qualify a state for the reduction in cost-share. An adjustment of the cost-share from 25% state and local share of a project to 10%, as proscribed in regulation, can greatly reduce the costs of the disaster for state and local governments while increasing federal expenditures.

As noted earlier, the state and local cost-share had been placed in regulation in 1980 and was then codified in law in 1988. But the greatest attention to that amount, and provisions for its adjustment, were made in the spring of 1993.

The cost-share amount was set at \$64 per capita for the Midwest floods of 1993.¹¹ FEMA increased this amount through rulemaking initiated with a proposed rule in 1998 and set in regulation in April of 1999. The rule stated that the \$64 amount had been in use since 1985, so bringing it up to current dollars in 1999 would set the per capita amount at \$75. The rule then increased the effective amount to \$85 beginning on January 1, 2000, to \$100 per capita on January 1, 2001, and then adjusted that amount for inflation after January 1, 2002, based on the Consumer Price Index.¹² As of 2009, the per capita amount of damage required for a cost-share adjustment is \$125. That amount far exceeds the per capita costs that FEMA employs when determining if an incident qualifies for a disaster declaration.¹³

⁷ 42 U.S.C. 5170.

⁸ 42 U.S.C. 5170b.

⁹ 42 U.S. C. 5172.

¹⁰ 42 U.S.C. 5173.

¹¹ Memorandum from FEMA Director James Lee Witt to Federal Coordinating Officers, Sept. 2, 1993.

¹² *Federal Register*, Vol. 64, No. 76, p. 1498.

¹³ In recent years, the per capita amount to qualify a state for consideration for a major disaster declaration for public (continued...)

FEMA's Cost-Share Rule

In comments on the proposed rule for cost-share adjustments ten years ago, several parties noted that there was no analysis of the original per capita threshold and that any raising of that amount would not consider individual state capabilities and would also discourage states from taking mitigation measures that would limit the impact of future disasters. FEMA's response indicated that since the base threshold amount had not been changed for a number of years it was in need of adjustment.

Rather, the \$64 threshold is simply a yardstick to determine when the economic impact of a disaster is of such severity that it warrants recommendation for a cost-share adjustment. We are quite willing to work with our state partners to identify capability or mitigation measures that might justify consideration of a cost-share adjustment. However, we view that as a longer-term effort separate from this rule. With respect to measuring economic impact, no commenters offered alternatives to the use of a per capita impact although two did suggest that we lower the threshold to \$50 per capita. We believe instead that the 1985 threshold should be brought up to current dollars and adjusted annually using the Consumer Price Index for All Urban Consumers, since that is the legislative basis for annually adjusting the small project grants under the Public Assistance Program and grants under the Individual and Family Grant Program.¹⁴

Some have questioned whether the per capita amount employed by FEMA is reasonable based on average per capita amounts of damages for major disaster declarations. Some postulate that the per capita threshold may be set at too high an amount for most states to qualify for a reduced cost-share. Others suggest that the threshold is set at an appropriate level that signals an extraordinary event meriting special consideration for a reduced state and local share. These figures point to an exceptional event being required to qualify a state for the reduction in cost-share.

Timing and Frequency of Cost-Share Adjustments

In some catastrophic events, such as Hurricane Katrina, the estimated eligible damage amounts crested the cost-share threshold early in the disaster recovery period (in the case of Katrina, two months following the event) and the cost-share was adjusted. For other events, such as Hurricane Floyd that hit North Carolina in 1999, the cost-share waiver was not made until one year later, when the accumulated total eligible costs had surpassed the state per-capita threshold. The time involved in determining whether a state has reached its threshold can be important, since many decisions made at the state and local level are based on the amount of cost-share that the entities anticipate when selecting and prioritizing projects.

As of November 2009, a total of 222 cost-share adjustments have been made for major disaster declarations over the last 24 years. The **Appendix** of this report provides a listing of cost-shares

(...continued)

assistance (infrastructure) damage has been in the range of \$1.22 or just under 1% of the cost-share per capita amount of \$125. That per capita amount is now \$1.31, indicating that a disaster would be nearly 100 times that amount of damage to qualify for a reduced cost-share. For additional information on disaster declarations see CRS Report RL34146, *FEMA's Disaster Declaration Process: A Primer*, by Francis X. McCarthy.

¹⁴ Ibid. p. 1496. (Note: The Individual and Family Grant program is now the Other Needs Assistance Program).

adjusted by FEMA from 1985 to 2009.¹⁵ It may be useful to break down the large number of waivers into four, non-exclusive categories:

1. repairs or replacement of structures, roads, and other permanent work;
2. cost-share waivers for U.S. territories;
3. cost-share waivers for a limited time period; and
4. other historical waivers that used a cap of state per capita costs.

Category 1 represents cost-share adjustments for the PA program (generally beyond emergency work, encompassing PA categories C through G). These are the waivers intended to be made through FEMA's cost-share adjustment process as defined in regulation using a per capita threshold amount of damage. While the majority of cost-share waivers have met this threshold, others have been included for various reasons that will be detailed throughout this report.

Category 2 represents a significant number of the adjustments (with more eligible categories of spending included) provided to the U.S. territories due to the provisions of the Insular Areas Act that allow for broader cost-shares with a less stringent threshold than that described for Category 1 for permanent work. The territories account for 57, or just over 25%, of all cost-share adjustments. The Insular Areas Act provides for a waiver of "any requirement for local matching funds under \$200,000 (including in-kind contributions) required by law to be provided by American Samoa, Guam, the Virgin Islands and the Northern Mariana Islands."¹⁶

Also, a substantial number of the cost-share adjustments have been for Category 3, the short-term or time-limited variety, such as waiving of the cost-share for a 72 hour (or other limited) period while states and local governments address the most significant, and costly, immediate problems. The time periods involved have ranged from 48 hours all the way up to 319 days. These waivers are not tied to the per capita threshold but are based on FEMA's judgment regarding the severity of a situation. These adjustments are based on FEMA regulations that offer limited relief for the start of the disaster. The regulation states:

(d) If warranted by the needs of the disaster, we recommend up to one hundred percent (100%) Federal funding for emergency work under Section 403 and 407, including direct Federal assistance, for a limited period in the initial days of the disaster irrespective of the per capita impact.¹⁷

The language of the regulation with phrases such as "if warranted" and "a limited period" provide a significant amount of discretion to FEMA and the actions resulting from this regulation rest on FEMA's judgment of a disaster situation. The invocation of this waiver during the "initial days" is not commonplace but has happened frequently. Out of 222 approved cost-share adjustments, 90 (or just over 40%) have been in the "limited time" category (see the **Appendix** and **Figure 1**).

¹⁵ It is also instructive to note that a large number of cost-share waivers are often approved for the same event as FEMA makes adjustments on an interim basis. For example, the Gulf Coast hurricane season of 2005 resulted in 43 separate cost-share measures for the five states affected by the storm (33 of the adjustments were made by FEMA and 10 were made by Congress through legislation.) Similarly, the 1993 Midwest floods resulted in 18 cost-share adjustments for 8 states.

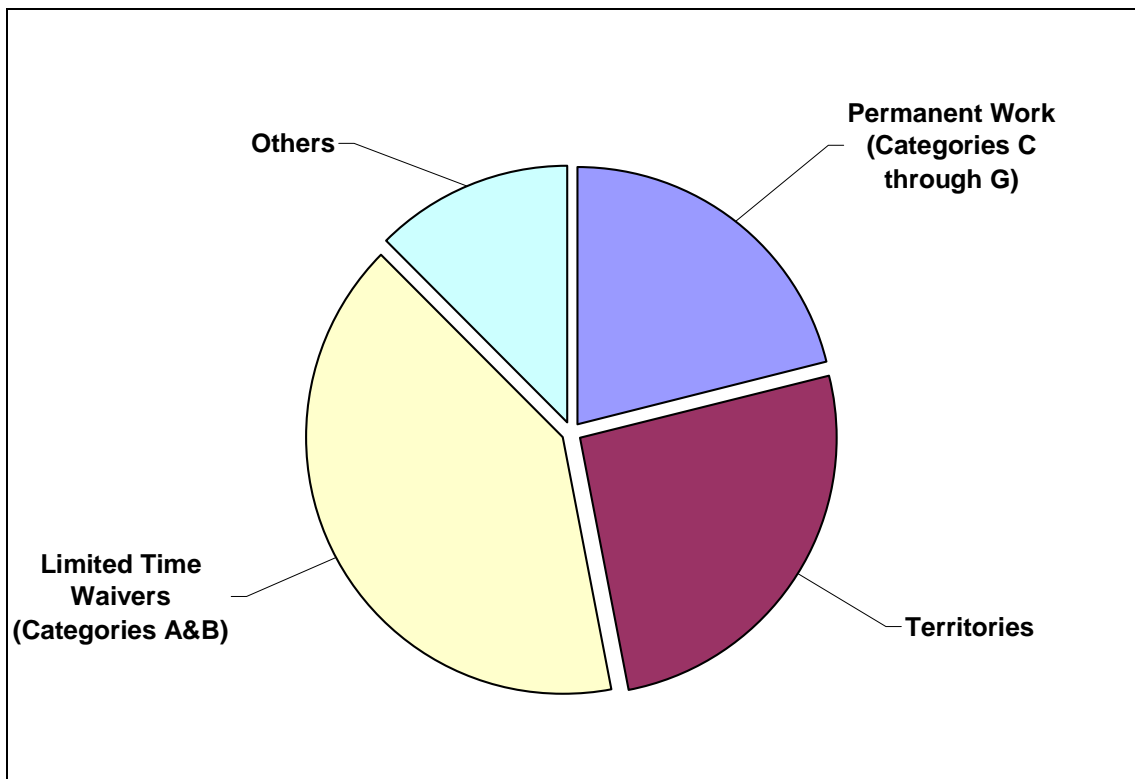
¹⁶ 48 U.S.C. §1469a (d).

¹⁷ 44 CFR 206.47 (d). Section 403 of the Stafford Act covers Essential Assistance that can include various emergency protective measures. Section 407 is the Debris Removal section of the Stafford Act.

It can be argued that it is valuable for FEMA to have this option available early on in a disaster in order to act quickly and decisively in ways that aid state and local governments in accomplishing emergency missions. This vital early work, such as the clearing of debris from major roads, can contribute to an expedited recovery. However, while this option is beneficial, it might be argued that FEMA should consider identifying some of the indicators employed in reaching this decision, similar to the factors employed when considering disaster requests.¹⁸

Category 4 represents a small number of waivers that were made from 1984 to 1992 that capped state and local contributions at the level of \$10 per capita with all remaining eligible costs being absorbed by the federal government.

Figure I. Types of Cost-Share Waivers
222 Waivers 1984 to 2009



Source: FEMA Declarations Unit, November 2009.

Notes: (1) 47 waivers - Permanent Work: These waivers can provide the greatest benefit due to the potential cost of the permanent work. (2) 57 waivers - Territories. These waivers, for some territories, are provided regularly due to the Insular Areas Act provision that provides broader cost-share considerations. (3) 90 waivers - Limited Time Waivers: Though most frequent, these limited waivers are contained by a time period and are generally limited to Debris Removal and (Emergency Protective Measures as well as, for some events, Direct Federal Assistance. (4) 28 waivers - Others. This generally references waivers in the early 1980's through 1992 that used a formula of capping state cost-shares at a \$10 per capita level with the remaining costs above that amount being 100% federal.

¹⁸ 44 CFR 206.48.

The growing frequency of cost-share adjustments reflects not only the increased scope and impact of large scale disasters but also the expectations of state and local governments that a cost-share waiver may be the rule rather than the exception. As one observer noted in the aftermath of Hurricane Katrina:

State and local officials, for their part, have been called in by Congress to testify on how the intergovernmental response to disasters ought to go. But such sessions have frequently had the familiar ring of both state and local tensions over who controls federal funding, as well as a little tin-cup rattling.¹⁹

Cost-Share Waivers By Program Area

Public Assistance Cost-Share Waivers

Sections 403, 406, and 407 are those Stafford provisions that reimburse emergency work, permanent infrastructure repair and debris removal.²⁰

Other Needs Assistance Cost-Share Waivers

Along with the sections previously listed, Congress included, for Hurricanes Katrina, Rita, Wilma and Dennis, a cost-share waiver for the Other Needs Assistance (ONA) program within Section 408, which authorizes the Individuals and Households Program (IHP).²¹ The ONA waiver for the Gulf Coast marks only the second legislative waiver (see “World Trade Center - 9/11 Cost-Share Waivers” later in this report) for this program or its predecessor. It could be argued that ONA spending was so great for these disasters that the ONA waiver provided effective relief for states absorbing those costs.

The ONA portion of IHP is the program that helps to pay for furniture, personal belongings, some uninsured medical and funeral expenses. Unlike the flexibility noted above for the programs with a floor of “not less than 75 percent,” the Stafford Act states that “the Federal share shall be 75 percent,” necessitating legislation to adjust that amount for the ONA program. Along with ONA, the Individuals and Households (IHP) program includes temporary housing, which is always funded at 100% by the federal government.

Cost-Share Waivers for Hazard Mitigation

In addition to the programs previously noted, the cost-share for the Hazard Mitigation Grant Program (HMGP, Section 404 of the Stafford Act) has only been waived once, for the WTC declaration in 2001. Section 404 of the statute provides that “the President may contribute up to 75 percent of the cost of hazard mitigation measures.”²² Cost-share reduction legislation for the

¹⁹ Ronald J. Daniels, Donald F. Kettl, and Howard Kunreuther (eds.), *On Risk and Disaster – Lessons from Hurricane Katrina*, (Philadelphia, PA: University of Pennsylvania Press, 2006), p. 261.

²⁰ 42 U.S.C. §5170b, 5172, and 5173.

²¹ 42 U.S.C. 5174..

²² 42 U.S.C. §5170c.

Gulf Coast did not address the HMGP section; as a result, the cost-share for hazard mitigation costs remains at 75 % federal and 25% state and local. While the declaration for New York for 9/11 required no cost-share for hazard mitigation work or any other program related to that disaster, the President’s declaration letter also reduced by two-thirds the amount of potential hazard mitigation funding from 15% of total disaster spending to 5% of total disaster spending for this large event, as noted below.

Furthermore, because of the unique nature and magnitude of this event, the federal contribution for the Hazard Mitigation Grant Program is authorized for up to five percent of the estimated aggregate amount of grants (less any associated administrative costs).²³

In this instance, the “unique nature” was a terrorist event of tragic and tremendous consequences.

Based in part on this experience, Congress has provided a formula to project the amount of funds that will be made available for hazard mitigation based on the size of disasters. Under P.L. 109-295, the Post Katrina Emergency Management Reform Act (PKEMRA):

The third sentence of section 404(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c(a)) is amended by striking “7.5 percent” and inserting “15 percent for amounts not more than \$2,000,000,000, 10 percent for amounts of more than \$2,000,000,000 and not more than \$10,000,000,000, and 7.5 percent on amounts of more than \$10,000,000,000 and not more than \$35,333,000,000”.²⁴

Essentially, this formula would put the great majority of disaster declarations (those with less than \$2 billion in estimated damages) at the 15% level and reduce the percentage as the total estimated damage increases.

Specific Cost-Shares

Mount St. Helens and the Birth of the 25-Percent State and Local Share

The first large disaster to be cost-shared under Stafford Act authority was the Mount Saint Helens volcano explosion in the state of Washington which was declared a disaster by President Carter on May 21, 1980. Part of the impetus for the cost-share policy came from then FEMA Associate Director William H. Wilcox who had previously been director of recovery for the state of Pennsylvania.²⁵

²³ U.S. Federal Emergency Management Agency, “New York, Amendment No.1 to Notice of Major Disaster Declaration (FEMA 1341-DR),” 66 Federal Register 49674, Sept. 28, 2001.

²⁴ P.L. 109-295, 120 Stat. 1447.

²⁵ Following Hurricane Agnes in 1972, the state of Pennsylvania had authorized \$150 million in state funds to provide state assistance to complement federal assistance following that event. Associated Press, *The Christian Science Monitor*, July 5, 1974, pg. 5A, (ProQuest Historical Newspapers).

Hurricanes Hugo and Andrew and a Different Cost-Share

During the disaster-quiescent 1980's the question of cost-share was not a prominent part of the discussion for either Congress or the state and local governments affected by disaster declarations. The principle that states should have a financial stake in their own recovery was a part of legislation across the range of federal assistance programs and was evident in the Stafford Act in Section 401 that listed a "state commitment" that should be significant.²⁶ But in the wake of the devastation left by Hurricane Hugo in 1989 and later Hurricane Andrew in 1992, FEMA and the President George H. W. Bush Administration developed a formula to lessen the cost-share burden on the states most impacted by that storm, Florida and Louisiana, and their respective communities.

For Hurricane Andrew, FEMA-955-DR-FL²⁷ and FEMA-956-DR-LA, federal funding was 75 percent for the first \$10 per capita of State population and then 100 percent for all remaining costs. So Florida paid a cost-share of about \$33 million and Louisiana paid \$10.5 million.

The State of Florida provided \$33 million in non federal cost-share (25 percent of first \$132 million). FEMA provided 100 percent federal funding for all costs above \$132M. The total assistance provided was \$718 million.

Therefore, the effective federal cost-share was 95.6 percent (100 percent - 33/751) for Florida and 87 percent (100 percent - 10.5/79.5) for Louisiana.²⁸

The Floods of 1993 and the Current Cost-Share Formula

The formula for cost-share adjustments following the multi-state floods along the Mississippi in 1993 employed the then traditional per capita amount of \$64.²⁹ But the federal government also added a second qualifying factor that sought to cast the cost-share decision in a national light. The second criteria for shifting to a 90/10 cost-share was presented as the following: "for multi-state disasters with significant impact on the national economy, the alternative threshold has been established at 0.1 % of the Gross Domestic Product."³⁰ This second threshold was used to qualify the nine Midwestern states most impacted by the flooding for a reduced cost-share. However, a closer examination suggests that at the time of the adjustment, total cost projections for the nine states totaled \$900 million. Even with the large hazard mitigation grant program that followed those floods, it seems unlikely that disaster costs ever reached 0.1% of a Gross Domestic Product in 1993 of more than \$6.6 trillion.³¹ Computed against a national total, disaster damage amounts

²⁶ 42 U.S.C. 5170.

²⁷ FEMA numbers all disaster and emergencies. Disasters are identified by DR and emergencies by EM, along with the state abbreviation.

²⁸ U.S. Department of Homeland Security, Federal Emergency Management Agency, *Cost-Share Adjustment History*, June 4, 2009 at http://www.fema.gov/media/fact_sheets/cost-share.shtm.

²⁹ Memorandum from FEMA Director James Lee Witt to Federal Coordinating Officers, Sept. 2, 1993. The states of Missouri and Iowa were close to reaching this threshold at the time of the release of the 1993 memorandum.

³⁰ FEMA Press Release, Sept. 22, 1993.

³¹ *Economic Report of the President*, National Income or Expenditure, Table B-1. – Gross Domestic Product, 1959-2007, Feb., 2008, p. 224.

generally do not have the same significance for the nation as a whole as they would suggest for the region that experienced the flooding damage.³²

Red River Floods of 1997 and the First Statutory Waiver

The flooding of the Red River in the spring of 1997 was a huge disaster event for the states of North Dakota, South Dakota, and Minnesota. Using the per capita formula, North Dakota easily qualified for a cost-share adjustment with per capita costs approaching \$617.³³ South Dakota also qualified for the reduced cost-share based on per capita costs of \$94. However, due to the size of its population against the total eligible damage, Minnesota's per capita damage of \$61 did not meet the threshold requirement.

President Clinton and House leaders, along with other Members of Congress, visited the area in late April of 1997 and promised help for the area as a whole. Since the FEMA regulatory cost-share adjustments were made for the Dakotas at the end of April, Members exerted pressure to provide similar treatment for Minnesota. This legislative change to the cost-share was effected in the Balanced Budget Act of 1997 which became law in early August. The provision stated that assistance to several Minnesota counties damaged by the Red River flooding "shall be at least 90 percent."³⁴ This appears to be the first legislative waiver of disaster costs for state and local governments since the cost-share adjustment regulations were created in 1980.

The section that follows will discuss recent cost-share waivers; some that have qualified based on per capita thresholds, some made legislatively as a part of an overall regional waiver regardless of estimated damage amounts, and a few others that fall outside of those parameters.

Hurricanes Katrina, Wilma, Dennis, and Rita

Administrative and Congressional Waivers of Cost-Shares

Deliberations in the 110th Congress on P.L. 110-28, supplemental appropriations legislation for the war in Iraq and disaster recovery from Hurricane Katrina, along with congressional hearings focusing on Gulf Coast recovery after the 2005 hurricanes, again brought attention to the subject of state cost-shares in presidentially declared disasters. The attention was warranted since the cost-share reductions in the legislation were among the largest ever granted.

A provision of P.L. 110-28 provides a waiver of *all* state and local cost-shares for four disaster assistance programs that are a part of the Stafford Act. These programs generally are cost-shared in statute at 75% federal and 25% state and local. The exceptional nature of this legislation was both its federal assumption of all costs (rather than a 90% federal, 10% state and local ratio) and its inclusion of state costs under the Other Needs Assistance (ONA) program within Section 408. That section of Stafford states that the "Federal share shall be 75 percent." Given that language,

³² For a brief review of economic impacts of large disaster events, particularly Hurricane Katrina, see CRS Report RS22260, *The Macroeconomic Effects of Hurricane Katrina*, by Brian W. Cashell.

³³ This figure is based on estimated FEMA eligible expenditures of more than \$340 million divided by a 1990 Census population estimate of just over 638,000 residents.

³⁴ P.L. 105-33, Section 9301, 115 Stat. 671.

FEMA does not have discretion to grant a cost-share adjustment and legislative language was necessary to waive that cost-share.

Section 4501 of P.L. 110-28, the “U.S. Troops Readiness, Veterans Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007,” states in part, the following:

(a) Notwithstanding any other provision of law, including any agreement, the Federal share of assistance, including direct Federal assistance, provided for the States of Louisiana, Mississippi, Florida, Alabama and Texas in connection with Hurricanes Katrina, Wilma, Dennis and Rita under sections 403, 406, 407, and 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5170b, 5172, 5173, and 5174) shall be 100 percent of the eligible costs under such sections.

(b) APPLICABILITY

(1) IN GENERAL—The federal share provided by subsection (a) shall apply to disaster assistance applied for before the date of enactment of this Act.

(2) LIMITATION—In the case of disaster assistance provided under Section 403, 406 and 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Federal share provided by subsection (a) shall be limited to assistance provided for projects for which a “request for public assistance form” has been submitted.

The statutory cost-share waivers were provided for five states. Per capita damage for Louisiana, Mississippi, and Alabama from Hurricane Katrina, and for Louisiana from Hurricane Rita, had already qualified those states for a decreased state cost-share (from 25% to 10%) through FEMA’s regulatory formula based on estimated damage. Congress’ inclusion of Florida and Texas may have been an effort to not separate out related damages within a devastating hurricane season. Also, the decision to grant cost-share waivers to Florida and Texas may have been a recognition of the amount of help both states had provided to Mississippi and Louisiana in both emergency management resources and in hosting large numbers of evacuees in the wake of the storms of 2005.

The “Limitation” in the legislation was intended to ensure that the projects receiving the waiver were ones already identified by applicants and not newly created projects, or perhaps, projects not necessarily related to the event. The legislation states that a “request for public assistance” submitted prior to enactment of the bill (May 25, 2007) will require no cost-share. Any “requests for public assistance” not submitted prior to the enactment of the bill will be cost-shared at the 90% federal, 10% state and local cost-share for the affected states. This provision appeared to be intended to provide the generous cost-share to those projects already selected by the state rather than projects that could be developed or submitted based on 100% federal funding.

There have been several instances when Congress chose to adjust a state’s cost-share by legislation. Prior to large cost-share adjustments made to several FEMA programs as noted above, Congress also legislatively reduced cost-shares for states affected by Hurricane Rita. In June of 2006, P.L. 109-234 included the following provision.

That for states in which the President declared a major disaster (as that term is defined in Section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5122) on September 24, 2005, as a result of Hurricane Rita, each county or parish eligible for individual and public assistance under such declaration in such states will be

treated equally for purposes of cost-share adjustments under such Act, to account for the impact in those counties and parishes of Hurricanes Rita and Katrina.³⁵

Arguably, through this action Congress recognized not only the degree of localized damage in some areas, but also that the state of Texas had absorbed the great majority of evacuees from Hurricane Katrina. The state was reimbursed for that sheltering effort, but not all costs incurred were necessarily covered. This legislation may have been a way to provide additional help to the state of Texas by lessening its cost-share for public assistance damage as a result of Hurricane Rita (Louisiana had qualified for such an adjustment for Hurricane Rita eight months earlier).

Other Hurricane Katrina Cost-Shares

Section 403 Housing/Sheltering

In addition to the cost-shares that were computed and adjusted based on accumulated damage estimates, FEMA provided 100% cost-shares to 44 states (this includes the District of Columbia) that received emergency declarations for hosting Hurricane Katrina evacuees. This emergency sheltering was performed under the authority of Section 403 of the Stafford Act and was reimbursed fully by FEMA.³⁶ Section 403 costs are generally cost-shared on a 75% federal and 25% state and local basis.

The 44 states were those that took in thousands of evacuees in the weeks following the impact of Hurricane Katrina and provided them shelter, food, and other services while the evacuees were being registered for standard FEMA Stafford Act assistance. Since the states were offering their help in coordinating this effort in response to a disaster that was not within their borders, FEMA and the Administration elected to provide all eligible funding without a cost-share.

Hurricanes Gustav and Ike and Other Disasters, 2009

Administrative and Congressional Statutory Cost-Share Adjustments

Supplemental appropriations legislation for FY2009, P.L. 111-32, reduced cost-shares for damages from Hurricane Ike.³⁷ The legislation reduced the state and local share for permanent rebuilding work from 25% to 10% and eliminated all state and local cost-shares for emergency work, which includes debris removal and emergency protective measures. This applied to two disaster declarations made for Hurricane Ike, DR-1791 for Texas and DR-1792 for Louisiana in 2008.

³⁵ P.L. 109-234, 120 Stat. 459.

³⁶ For a full listing of states receiving emergency declarations for Hurricane Katrina evacuees, see the FEMA website ([fema.gov](http://www.fema.gov)) on disaster information for declarations at [http://www.fema.gov/news/disasters.fema? year=2005](http://www.fema.gov/news/disasters.fema?year=2005).

³⁷ P.L. 111-32, 123 Stat. 1883.

While the damage estimates for Texas indicated it would surpass the \$122 per capita threshold, Louisiana damage for Hurricane Ike alone did not appear to meet that mark. However, Louisiana had sustained a great amount of damage earlier from Hurricane Gustav, for which it had its cost-share adjusted from 25% to 10%. The decision to adjust the cost-share for Louisiana would provide a cost-share dividend for the state. But the adjustment, it can be argued, was important to lessen administrative confusion since all of the parishes designated for assistance due to Hurricane Ike had also been designated just two weeks earlier for Hurricane Gustav.

The decision to include Louisiana was also similar to previous congressional cost-share actions that sought to include all states affected by a chain of disaster events. This approach was used on cost-share adjustments for Hurricanes Katrina, Rita, Dennis and Wilma as discussed in the previous section. But along with those cost-share waivers, the supplemental legislation also included similar waivers for disasters that occurred in Kentucky and West Virginia earlier in the spring of 2009. Those disasters were declared based on severe storms and flooding. However, the per capita damage amounts in both states were far below the per capita qualifying criteria.³⁸

Other Cost-Shares

World Trade Center - 9/11 Cost-Share Waivers

Broad waivers of 100% across all programs for the Gulf Coast states, as provided for in P.L. 110-28, had only one similar precedent; the legislation following the World Trade Center (WTC) terrorist attacks of September 11, 2001. In that event, the Bush Administration established the federal nature of the contribution early in the process.³⁹

Given the unique and tragic circumstances of the 9-11 attacks, and the federal responsibility for the overall response, the legislation eliminated all cost-shares and settled on an overall federal payment to address all associated costs.

Columbia Shuttle Response

Following the Columbia Space Shuttle tragedy, FEMA provided 100% assistance to Texas and Louisiana to reimburse some of their search efforts.⁴⁰

³⁸ Based on available listing of expenditures from the [fema.gov](http://www.fema.gov) website, the per capita amounts for Kentucky and West Virginia in July of 2009, just after the passage of P.L. 111-32, appear to be in the range of \$5 to \$7 respectively.

³⁹ U.S. Federal Emergency Management Agency, "New York, Amendment No.1 to Notice

⁴⁰ U.S. Department of Homeland Security-Federal Emergency Management Agency, "Texas Disaster History" at http://www.fema.gov/news/disasters_state.fema?id=48.

Corollary Issues – The Politics of Disasters and the Degree of Congressional Involvement

The consideration of cost-share waivers links closely with the general discussion of how disasters are declared and the role of political favoritism in those decisions. One observer suggested that the cost-shares in 1992 reflected not only the major damage incurred but the political realities of the time as well.

Two weeks after Hurricane Andrew, Hurricane Iniki struck Hawaii, causing intense devastation on the island of Kauai. No direct legislative response ensued from the Andrew/Iniki disasters since the Bush administration would soon leave office. In the midst of his re-election campaign, however, President Bush enlarged the federal share of disaster assistance in both recovery efforts to virtually 100 percent.⁴¹

Similar suggestions of political influence have been made regarding disaster cost-share assistance decisions made during ensuing administrations, ascribing political motivations, as both disaster damage and disaster costs have grown. Two researchers asserted that presidential and congressional influence have an impact on the decisions for declarations and spending.

We find that presidential and congressional influences affect the rate of disaster declaration and allocation of FEMA disaster expenditures across states. States politically important to the President have a higher rate of disaster declaration by the President, and disaster expenditures are higher in states having congressional representation on FEMA oversight committees.⁴²

While those findings comported with suspicions or assumptions of political corruption of the disaster declaration process and disaster spending, follow-up studies have questioned those assumptions. As two other researches have noted:

There was no statistical evidence to suggest that gubernatorial and presidential party similarity, U.S. House of Representatives and presidential party similarity, FEMA congressional oversight committee membership, electoral votes, or FEMA regional office location influenced success in securing emergency or major disaster declarations.⁴³

Another researcher who has closely followed disaster declaration activity noted the declining rate of turn downs for governors' requests and concluded:

Since 1989, following adoption of the Stafford Act, the odds that the president will approve a governor's request have risen to about four in five (80.3 percent) chance. Certainly the broader authority to judge what is or is not a disaster under the Stafford Act has provided president's since 1988 with more latitude to approve unusual or "marginal" events as

⁴¹ Rutherford H. Platt, *Disasters and Democracy*, (Washington, DC: Island Press, 1999), p. 86.

⁴² Thomas A. Garrett and Russell S. Sobel, "The Political Economy of FEMA Disaster Payments," *Economic Inquiry*, Vol. 41, No. 3, July 2003, pp. 496-509, <http://www3.interscience.wiley.com/cgi-bin/fultext/120806584/PDFSTART>.

⁴³ Richard S. Salkow and Jayajit Chakraborty, "Federal Disaster Relief if the U.S.: The Role of Political Partisanship and Preference in Presidential Disaster Declarations and Turndowns," *Journal of Homeland Security and Emergency Management*, Vol. 6, Issue 1, Article 28, 2009.

disasters or emergencies. This may be one reason for the higher rate of gubernatorial request approvals since 1988.⁴⁴

An additional reason for the increase in approvals may also rest with the increasing capacity of states to make effective requests and understand and anticipate FEMA's review process and what would likely constitute a request that would result in a declaration.

While this discussion and these studies focused on various forms of disaster declaration decisions and overall spending, none of these studies has focused on the cost-share adjustments that have been made by the executive and legislative branches. These changes have generally comported with regulations in place or have been done within a context of overall help to a region. But some recent cost-share waivers for disasters that do not approach the damage threshold indicate a willingness for increased congressionally directed spending for all disasters.

In a sense, this takes the issue full circle to a time when Congress legislated assistance by specific incident and proscribed the form and amount of the assistance. As one observer has noted:

The U.S. Congress was not entirely unmoved by these and other disasters: Between 1803 and 1947, 128 specific acts expressed sympathy and sometimes supplied token financial assistance.⁴⁵

Obviously now the assistance available is well beyond token, and in fact, the negligible contribution could conceivably be the state's share. This is the exception since most states have a clear interest in the recovery work that is reflected in their work and commitment. But regulatory cost-share waivers, if applied broadly and without the compelling support of recent congressional legislative waivers, could chip away at that commitment and complicate, rather than strengthen, the federal-state partnership

Conclusion

The cost-shares for the funding of Stafford Act programs speak to the cooperative working relationship reflected in that legislation between the two levels of government in addressing disaster response and recovery work. While waivers can grant needed relief to states that have absorbed a great deal of disaster damage, those same waivers can undercut the state's investment, not only in resources but also in its oversight and accountability, in contributing to its own recovery.

The adjustment of cost-shares is likely to remain a subject of interest to all states and localities that receive a major disaster declaration and have an interest in reducing their state commitment of resources during the recovery process. All discussions of cost-shares over the last four years lead back to the hurricane season of 2005 and the damage inflicted by Hurricane Katrina. The damage Katrina delivered has also affected public policy expectations. Hurricane Katrina was an outlier in its size and impact, yet many legislative modifications meant to adapt solely to that

⁴⁴ Richard Sylvès, *Disaster Policy and Politics*, (Washington, DC: CQ Press, 2008), p.100.

⁴⁵ Peter J. May, *Recovering from Catastrophes: Federal Disaster Relief Policy and Politics*, (Westport, Conn.: Greenwood Press, 1985), p.20.

storm and its unprecedented aftermath, are now used as rationale for suggesting identical treatment for subsequent disasters.

Congress may continue, after future disasters, to consider legislative adjustments to Stafford Act cost-share requirements, examining the need for exceptions to current regulatory waivers or expanding such waivers. Congress may wish to consider if the threshold currently employed appropriately reflects state capacities and commitments toward disaster recovery.

Recent congressional actions demonstrate a recognition of the financial burdens caused by disaster damage, while also demonstrating a willingness to adjust cost-share amounts for events that are not of the scope and size associated with previous cost-share adjustments. Just as with Katrina for large events, these adjustments for lesser damage can also push public policy expectations. The resulting additional assistance provided to states and localities, through more generous cost-shares, increases the overall disaster costs to the federal government.

For the last decade the federal government has begun to budget for disaster spending through greater annual appropriations.⁴⁶ While not entirely accounting for all disaster spending, the increases in annual budgets for the Disaster Relief Fund reflect a lessening of the dependency on emergency spending for that purpose. Within this new reality, the cost-share adjustments, and their increase of the federal share, could begin to impinge on the annual budget choices faced by the Obama Administration and Congress.

⁴⁶ For additional information on disaster spending see CRS Report R40708, *Disaster Relief Funding and Emergency Supplemental Appropriations*, by Bruce R. Lindsay and Justin Murray.

Appendix. Major Disaster Declarations

Table A-I. Major Disaster Declarations: Cost-Share Adjustments
1985-2009

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY2010	1829	ND	11/6/2009	90%	PA	3/24/2009	SS and FL
FY2009	1841	KY	6/24/2009	100%	DFA, PA (A&B) ^b	5/29/2009	SS, T, FL & Mud
FY2009	1841	KY	6/24/2009	90%	PA (C-G) ^b	5/29/2009	SS, T, FL & Mud
FY2009	1838	WV	6/24/2009	100%	DFA, PA (A&B) ^b	5/15/2009	SS, F, Land & Mud
FY2009	1838	WV	6/24/2009	90%	PA (C-G) ^b	5/15/2009	SS, F, Land & Mud
FY2009	1792	LA	6/24/2009	100%	DFA, PA (A&B) ^b	9/13/2008	Hurricane Ike
FY2009	1792	LA	6/24/2009	90%	PA (C-G) ^b	9/13/2008	Hurricane Ike
FY2009	1791	TX	6/24/2009	100%	DFA, PA (A&B) ^b	9/13/2008	Hurricane Ike
FY2009	1791	TX	6/24/2009	90%	PA (C-G) ^b	9/13/2008	Hurricane Ike
FY2009	1763	IA	6/11/2009	100%	DFA, PA (A&B 14-day)	5/27/2008	Midwest Flooding
FY2009	1791	TX	11/26/2008	100%	PA (A 6-months)	9/13/2008	Hurricane Ike
FY2008	1786	LA	11/24/2008	90%	PA	9/2/2008	Hurricane Gustav
FY2009	1792	LA	10/8/2008	100%	PA (A&B 44-day)	9/13/2008	Hurricane Ike
FY2009	1791	TX	10/8/2008	100%	PA (A&B 30-day)	9/13/2008	Hurricane Ike
FY2008	1791	TX	9/16/2008	100%	PA (A&B 14-day)	9/13/2008	Hurricane Ike
FY2008	1791	TX	9/13/2008	100%	PA (A 72hr)	9/13/2008	Hurricane Ike
FY2008	1763	IA	9/8/2008	90%	PA	5/27/2008	Midwest Flooding
FY2008	1773	MO	6/30/2008	90%	PA (B) & DFA ^c	6/25/2008	Midwest Flooding
FY2008	1771	IL	6/30/2008	90%	PA (B) & DFA ^c	6/24/2008	Midwest Flooding
FY2008	1768	WI	6/30/2008	90%	PA (B) & DFA ^c	6/14/2008	Midwest Flooding
FY2008	1766	IN	6/30/2008	90%	PA (B) & DFA ^c	6/8/2008	Midwest Flooding
FY2008	1763	IA	6/30/2008	90%	PA (B) & DFA ^c	5/27/2008	Midwest Flooding
FY2007	1699	KS	6/19/2007	100%	PA (A&B 72hr)	5/6/2007	SS, T & F
FY2007	1609	FL	5/25/2007	100%	ONA, PA, DFA ^d	10/24/2005	Hurricane Wilma
FY2007	1607	LA	5/25/2007	100%	ONA, PA, DFA ^d	9/24/2005	Hurricane Rita
FY2007	1606	TX	5/25/2007	100%	ONA, PA, DFA ^d	9/24/2005	Hurricane Rita
FY2007	1605	AL	5/25/2007	100%	ONA, PA, DFA ^d	8/29/2005	Hurricane Katrina
FY2007	1604	MS	5/25/2007	100%	ONA, PA, DFA ^d	8/29/2005	Hurricane Katrina
FY2007	1603	LA	5/25/2007	100%	ONA, PA, DFA ^d	8/29/2005	Hurricane Katrina
FY2007	1602	FL	5/25/2007	100%	ONA, PA, DFA ^d	8/28/2005	Hurricane Katrina
FY2007	1595	FL	5/25/2007	100%	ONA, PA, DFA ^d	7/10/2005	Hurricane Dennis
FY2007	1594	MS	5/25/2007	100%	ONA, PA, DFA ^d	7/10/2005	Hurricane Dennis

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY2007	1593	AL	5/25/2007	100%	ONA, PA, DFA ^d	7/10/2005	Hurricane Dennis
FY2007	1687	AL	3/30/2007	100%	PA (A&B 48hr)	3/3/2007	SS & T
FY2007	1686	GA	3/30/2007	100%	PA (A&B 48hr)	3/3/2007	SS & T
FY2007	1605	AL	1/25/2007	90%	PA	8/29/2005	Hurricane Katrina
FY2007	1609	FL	1/5/2007	90%	PA	10/24/2005	Hurricane Wilma
FY2006	1606	TX	8/18/2006	90%	PA	9/24/2005	Hurricane Rita
FY2006	1606	TX	8/18/2006	100%	PA (A&B) 246-days	9/24/2005	Hurricane Rita
FY2006	1649	PA	6/30/2006	100%	PA (A&B 72hr)	6/30/2006	SS, F & Mud
FY2006	1604	MS	6/29/2006	100%	PA (A) ^e 319-days	8/29/2005	Hurricane Katrina
FY2006	1603	LA	6/29/2006	100%	PA (A) ^f 184-days	8/29/2005	Hurricane Katrina
FY2006	1611	CNMI	5/1/2006	100%	HM	11/8/2005	Typhoon Nabi
FY2006	1604	MS	3/7/2006	100%	PA (A&B) 107-days	8/29/2005	Hurricane Katrina
FY2006	1567	VI	12/22/2005	100%	HM	10/7/2004	Tropical Storm Jeanne
FY2006	1604	MS	12/21/2005	100%	PA (A&B) 59-days	8/29/2005	Hurricane Katrina
FY2006	1607	LA	12/20/2005	100%	PA (A&B) 166-days	9/24/2005	Hurricane Rita
FY2006	1603	LA	12/20/2005	100%	PA (A&B) 166-days	8/29/2005	Hurricane Katrina
FY2006	1607	LA	11/19/2005	100%	PA (A&B) 50-days	9/24/2005	Hurricane Rita
FY2006	1604	MS	11/19/2005	100%	PA (A&B) 50-days	8/29/2005	Hurricane Katrina
FY2006	1603	LA	11/19/2005	100%	PA (A&B) 50-days	8/29/2005	Hurricane Katrina
FY2006	1607	LA	10/26/2005	100%	PA (A&B) 30-days	9/24/2005	Hurricane Rita
FY2006	1607	LA	10/26/2005	90%	PA	9/24/2005	Hurricane Rita
FY2006	1609	FL	10/24/2005	100%	PA (A&B 72hr)	10/24/2005	Hurricane Wilma
FY2006	1604	MS	10/22/2005	90%	PA	8/29/2005	Hurricane Katrina
FY2006	1604	MS	10/22/2005	100%	PA (A&B) 30-days	8/29/2005	Hurricane Katrina
FY2006	1603	LA	10/22/2005	90%	PA	8/29/2005	Hurricane Katrina
FY2006	1603	LA	10/22/2005	100%	PA (A&B) 30-days	8/29/2005	Hurricane Katrina
FY2006	1582	AS	10/12/2005	90%	ONA, PA, HM	2/18/2005	Tropical Cyclone Olaf
FY2005	1606	TX	9/27/2005	100%	PA (A&B) 34-days	9/24/2005	Hurricane Rita
FY2005	1607	LA	9/24/2005	100%	PA (A&B) 34-days	9/24/2005	Hurricane Rita
FY2005	1606	TX	9/24/2005	100%	PA (A&B 72hr)	9/24/2005	Hurricane Rita
FY2005	1605	AL	9/1/2005	100%	PA (A&B) 60-days	8/29/2005	Hurricane Katrina
FY2005	1604	MS	9/1/2005	100%	PA (A&B) 60-days	8/29/2005	Hurricane Katrina
FY2005	1603	LA	9/1/2005	100%	PA (A&B) 60-days	8/29/2005	Hurricane Katrina
FY2005	1605	AL	8/29/2005	100%	PA (B 72hr)	8/29/2005	Hurricane Katrina
FY2005	1604	MS	8/29/2005	100%	PA (B 72hr)	8/29/2005	Hurricane Katrina
FY2005	1603	LA	8/29/2005	100%	PA (B 72hr)	8/29/2005	Hurricane Katrina

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY2005	1602	FL	8/28/2005	100%	PA (B 72hr)	8/28/2005	Hurricane Katrina
FY2005	1595	FL	7/10/2005	100%	PA (B 72hr)	7/10/2005	Hurricane Dennis
FY2005	1594	MS	7/10/2005	100%	PA (B 72hr)	7/10/2005	Hurricane Dennis
FY2005	1593	AL	7/10/2005	100%	PA (B 72hr)	7/10/2005	Hurricane Dennis
FY2005	1532	CNMI	6/16/2005	100%	HM	7/29/2004	Typhoon Tingting
FY2005	1549	AL	3/2/2005	90%	PA	9/15/2004	Hurricane Ivan
FY2005	1541	CNMI	2/23/2005	90%	ONA, PA, HM	8/26/2004	Super Typhoon Chaba
FY2005	1532	CNMI	2/23/2005	90%	PA, HM	7/29/2004	Typhoon Tingting
FY2005	1558	WV	12/17/2004	100%	PA (A&B 72hr)	9/20/2004	SS, F & Land
FY2005	1561	FL	10/7/2004	90%	PA	9/26/2004	Hurricane Jeanne
FY2005	1551	FL	10/7/2004	90%	PA	9/16/2004	Hurricane Ivan
FY2005	1545	FL	10/7/2004	90%	PA	9/4/2004	Hurricane Frances
FY2005	1539	FL	10/7/2004	90%	PA	8/13/2004	T.S. Bonnie & H. Charley
FY2004	1561	FL	9/26/2004	100%	PA (A&B 72hr)	9/26/2004	Hurricane Jeanne
FY2004	1554	GA	9/18/2004	100%	PA (A&B 72hr)	9/18/2004	Hurricane Ivan
FY2004	1553	NC	9/18/2004	100%	PA (A&B 72hr)	9/18/2004	Hurricane Ivan
FY2004	1552	PR	9/17/2004	100%	PA (A&B 72hr)	9/17/2004	Tropical Storm Jeanne
FY2004	1551	FL	9/16/2004	100%	PA (A&B 72hr)	9/16/2004	Hurricane Ivan
FY2004	1550	MS	9/15/2004	100%	PA (A&B 72hr)	9/15/2004	Hurricane Ivan
FY2004	1549	AL	9/15/2004	100%	PA (A&B 72hr)	9/15/2004	Hurricane Ivan
FY2004	1548	LA	9/15/2004	100%	PA (A&B 72hr)	9/15/2004	Hurricane Ivan
FY2004	1506	AS	9/13/2004	90%	ONA, PA, HM	1/13/2004	Tropical Cyclone Heta
FY2004	1546	NC	9/10/2004	100%	PA (A&B 72hr)	9/10/2004	Tropical Storm Frances
FY2004	1545	FL	9/4/2004	100%	PA (A&B 72hr)	9/4/2004	Hurricane Frances
FY2004	1539	FL	8/16/2004	100%	PA (A&B 72hr)	8/13/2004	T.S. Bonnie & H. Charley
FY2004	1511	FSM	7/21/2004	90%	PA	4/10/2004	Typhoon Sudal
FY2004	1503	VI	2/10/2004	100%	HM	12/9/2003	SS, F, Land & Mud
FY2004	1473	AS	10/14/2003	90%	ONA, PA, HM	6/6/2003	Heavy Rain, F, Land & Mud
FY2004	1446	GU	10/14/2003	100%	ONA, PA (A&B)	12/8/2002	Super Typhoon Pongsona
FY2004	1430	CNMI	10/14/2003	100%	HM	8/6/2002	Typhoon Chata'an
FY2003	1446	GU	3/14/2003	90%	ONA, PA, HM	12/8/2002	Super Typhoon Pongsona
FY2003	1447	CNMI	3/11/2003	90%	ONA, PA, HM	12/11/2002	Super Typhoon Pongsona
FY2003	1430	CNMI	3/11/2003	90%	PA, HM	8/6/2002	Typhoon Chata'an
FY2003	1427	FSM	1/31/2003	90%	PA	7/11/2002	Typhoon Chata'an
FY2002	1426	GU	8/28/2002	90%	IFG, PA, HM	7/6/2002	Typhoon Chata'an
FY2001	1392	VA	9/21/2001	100%	PA (A&B)	9/21/2001	9/11 Terrorist Attack

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY2001	1391	NY	9/18/2001	100%	PA	9/11/2001	9/11 Terrorist Attack
FY2001	1334	ND	5/31/2001	90%	PA	6/27/2000	SS, F & Ground Saturation
FY2001	1354	AR	4/24/2001	100%	PA (A 180 days)	12/29/2000	Severe Winter Ice Storm
FY2001	1357	LA	3/13/2001	100%	PA (A 60 days)	1/12/2001	Severe Winter Ice Storm
FY2001	1356	TX	3/13/2001	100%	PA (A 180 days)	1/8/2001	Severe Winter Ice Storm
FY2001	1355	OK	3/13/2001	100%	PA (A 180 days)	1/5/2001	Severe Winter Ice Storm
FY2001	1354	AR	3/1/2001	100%	PA (A 120 days)	12/29/2000	Severe Winter Ice Storm
FY2001	1356	TX	2/15/2001	90%	PA (A 180 days)	1/8/2001	Severe Winter Ice Storm
FY2001	1355	OK	2/5/2001	90%	PA (A 180 days)	1/5/2001	Severe Winter Ice Storm
FY2001	1354	AR	2/5/2001	90%	PA (A 120 days)	12/29/2000	Severe Winter Ice Storm
FY2001	1357	LA	2/2/2001	90%	PA (A 60 days)	1/12/2001	Severe Winter Ice Storm
FY2001	1356	TX	1/18/2001	90%	PA (A 60 days)	1/8/2001	Severe Winter Ice Storm
FY2001	1355	OK	1/18/2001	90%	PA (A 60 days)	1/5/2001	Severe Winter Ice Storm
FY2001	1354	AR	1/10/2001	90%	PA (A 60 days)	12/29/2000	Severe Winter Ice Storm
FY2001	1193	GU	12/6/2000	100%	PA (A&B)	12/17/1997	Typhoon Paka
FY2000	1292	NC	9/29/2000	90%	PA	9/16/1999	Hurricane Floyd
FY2000	1309	VI	6/9/2000	90%	IFG, PA, HM	11/23/1999	Hurricane Lenny
FY2000	1248	VI	1/20/2000	90%	IFG, PA, HM	9/24/1998	Hurricane Georges
FY2000	1279	ND	10/5/1999	90%	PA	6/8/1999	SS, F, T, Snow, Land & Mud
FY1999	1292	NC	9/29/1999	90%	PA (A&B 72hr)	9/16/1999	Hurricane Floyd
FY1999	1273	KS	5/7/1999	100%	PA (A 30 days)	5/4/1999	SS & T
FY1999	1273	KS	5/7/1999	100%	PA (A&B 72hr)	5/4/1999	SS & T
FY1999	1272	OK	5/7/1999	100%	PA (A 30 days)	5/4/1999	SS & T
FY1999	1272	OK	5/5/1999	100%	PA (A&B 72hr)	5/4/1999	SS & T
FY1999	1266	AR	2/1/1999	100%	PA (A) & Temp Schools	1/23/1999	SS, T & High Winds
FY1999	1194	CNMI	1/4/1999	100%	HM	12/24/1997	Typhoon Paka
FY1999	1247	PR	11/20/1998	90%	PA	9/24/1998	Hurricane Georges
FY1998	1246	LA	9/28/1998	100%	PA (B 72hrs)	9/23/1998	T.S. Frances & H. Georges
FY1998	1240	NC	8/27/1998	100%	PA (A&B 72hr)	8/27/1998	Hurricane Bonnie
FY1998	855	AS	6/17/1998	90%	PA	2/9/1990	Hurricane Ofa
FY1998	855	AS	6/17/1998	100%	IFG < \$400,000	2/9/1990	Hurricane Ofa
FY1998	855	AS	6/17/1998	90%	IFG > \$400,000	2/9/1990	Hurricane Ofa
FY1998	1194	CNMI	6/16/1998	100%	IFG	12/24/1997	Typhoon Paka
FY1998	1210	RMI	4/28/1998	90%	PA	3/20/1998	Severe Drought
FY1998	1192	CNMI	3/3/1998	90%	IFG, PA, HM	12/8/1997	Super Typhoon Keith
FY1998	1193	GU	3/2/1998	90%	IFG, PA, HM	12/17/1997	Typhoon Paka

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY1998	1193	GU	2/20/1998	90%	IFG, PA, HM	12/17/1997	Typhoon Paka
FY1998	1193	GU	12/21/1997	100%	DFA, for 3 days	12/17/1997	Typhoon Paka
FY1998	1193	GU	12/17/1997	100%	DFA, 72 hrs	12/17/1997	Typhoon Paka
FY1998	1173	SD	10/20/1997	90%	PA (C-G)	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1175	MN	8/5/2009	90%	PA (C-G)	4/8/1997	F, SWS & Snowmelt
FY1997	1174	ND	6/18/1997	90%	PA (C-G)	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1136	PR	6/12/1997	90%	PA	9/11/1996	Hurricane Hortense
FY1997	1175	MN	5/10/1997	100%	DFA for 7 days	4/8/1997	F, SWS & Snowmelt
FY1997	1175	MN	4/30/1997	100%	DFA for 10 days	4/8/1997	F, SWS & Snowmelt
FY1997	1174	ND	4/30/1997	100%	DFA for 10 days	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1175	MN	4/24/1997	100%	PA (A&B)	4/8/1997	F, SWS & Snowmelt
FY1997	1174	ND	4/24/1997	100%	PA (A&B)	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1173	SD	4/24/1997	100%	PA (A&B)	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1175	MN	4/22/1997	100%	DFA for 23 days	4/8/1997	F, SWS & Snowmelt
FY1997	1174	ND	4/22/1997	100%	DFA for 24 days	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1173	SD	4/22/1997	100%	DFA for 24 days	4/7/1997	F, SWS & Rapid Snowmelt
FY1997	1162	AR	3/5/1997	100%	DFA for PA (A)	3/2/1997	SS & T
FY1997	1134	NC	12/6/1996	90%	PA	9/6/1996	Hurricane Fran
FY1996	1136	PR	9/11/1996	100%	DFA for 72 hrs	9/11/1996	Hurricane Hortense
FY1996	1134	NC	9/11/1996	100%	DFA for 8 days	9/6/1996	Hurricane Fran
FY1996	1134	NC	9/8/1996	100%	DFA for 72 hrs	9/6/1996	Hurricane Fran
FY1996	1135	VA	9/6/1996	100%	DFA for 72 hrs	9/6/1996	Hurricane Fran
FY1996	1134	NC	9/6/1996	100%	DFA for 72 hrs	9/6/1996	Hurricane Fran
FY1996	1126	VI	7/31/1996	90%	IFG, PA, HM	7/11/1996	Hurricane Bertha
FY1996	1102	ID	2/11/1996	100%	DFA for 72 hrs	2/11/1996	SS & F
FY1996	1099	OR	2/9/1996	100%	DFA for 72 hrs	2/9/1996	SS, F & High Winds
FY1996	1070	AL	10/4/1995	100%	DFA for 72 hrs	10/4/1995	Hurricane Opal
FY1996	1069	FL	10/4/1995	100%	DFA for 72 hrs	10/4/1995	Hurricane Opal
FY1995	1067	VI	9/29/1995	90%	IFG, PA, HM	9/16/1995	Hurricane Marilyn
FY1995	1067	VI	9/24/1995	100%	DFA for 5 days	9/16/1995	Hurricane Marilyn
FY1995	1067	VI	9/20/1995	100%	DFA for 9 days	9/16/1995	Hurricane Marilyn
FY1995	1068	PR	9/16/1995	100%	DFA for 72 hrs	9/16/1995	Hurricane Marilyn
FY1995	1067	VI	9/16/1995	100%	DFA for 72 hrs	9/16/1995	Hurricane Marilyn
FY1995	1059	VA	7/1/1995	100%	DFA, PA (A&B) 72 hrs	7/1/1995	SS & F
FY1995	1049	LA	5/10/1995	100%	DFA for 72 hrs	5/10/1995	SS, F & T
FY1995	1048	OK	5/5/1995	100%	PA (A&B)	4/26/1995	Oklahoma City Bombing

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY1995	1039	AK	2/16/1995	85%	PA	9/13/1994	SS & F
FY1995	1033	GA	10/13/1994	90%	PA	7/7/1994	Tropical Storm Alberto
FY1994	1008	CA	1/25/1994	90%	PA	1/17/1994	Northridge Earthquake
FY1994	1008	CA	1/20/1994	100%	DFA, PA (A&B) 6 days	1/17/1994	Northridge Earthquake
FY1994	1008	CA	1/17/1994	100%	DFA, PA (A&B) 72 hrs	1/17/1994	Northridge Earthquake
FY1993	1001	ND	9/27/1993	100%	DFA for PA (A&B)	7/26/1993	SS & F
FY1993	1001	ND	9/27/1993	90%	PA	7/26/1993	SS & F
FY1993	1000	KS	9/27/1993	90%	PA (C-G)	7/22/1993	SS & F
FY1993	1000	KS	9/27/1993	100%	DFA, PA (A&B)	7/22/1993	SS & F
FY1993	999	SD	9/27/1993	100%	DFA for PA (A&B)	7/19/1993	SS & F
FY1993	999	SD	9/27/1993	90%	PA	7/19/1993	SS & F
FY1993	998	NE	9/27/1993	100%	DFA for PA (A&B)	7/19/1993	SS & F
FY1993	998	NE	9/27/1993	90%	PA	7/19/1993	SS & F
FY1993	997	IL	9/27/1993	90%	PA	7/9/1993	Mississippi River Flooding
FY1993	997	IL	9/27/1993	100%	DFA for PA (A&B)	7/9/1993	Mississippi River Flooding
FY1993	996	IA	9/27/1993	90%	PA	7/9/1993	SS & F
FY1993	996	IA	9/27/1993	100%	DFA for PA (A&B)	7/9/1993	SS & F
FY1993	995	MO	9/27/1993	90%	PA	7/9/1993	SS & F
FY1993	995	MO	9/27/1993	100%	DFA for PA (A&B)	7/9/1993	SS & F
FY1993	994	WI	9/27/1993	90%	PA	7/2/1993	SS, F & T
FY1993	994	WI	9/27/1993	100%	DFA for PA (A&B)	7/2/1993	SS, F & T
FY1993	993	MN	9/27/1993	90%	PA	6/11/1993	SS, F & T
FY1993	993	MN	9/27/1993	100%	DFA for PA (A&B)	6/11/1993	SS, F & T
FY1993	882	Palau	9/7/1993	100%	IFG	11/28/1990	Super Typhoon Mike
FY1993	882	Palau	9/7/1993	90%	PA	11/28/1990	Super Typhoon Mike
FY1993	971	RMI	12/16/1992	90%	PA > \$10 per capita	12/16/1992	Typhoon Gay
FY1992	961	HI	9/18/1992	100%	PA > \$10 per capita	9/12/1992	Hurricane Iniki
FY1992	957	GU	9/17/1992	95%	PA > \$10 per capita	8/28/1992	Typhoon Omar
FY1992	957	GU	9/17/1992	100%	IFG	8/28/1992	Typhoon Omar
FY1992	956	LA	9/5/1992	100%	PA > \$10 per capita	8/26/1992	Hurricane Andrew
FY1992	955	FL	9/1/1992	100%	PA > \$10 per capita	8/24/1992	Hurricane Andrew
FY1992	932	RMI	8/3/1992	90%	PA > \$10 per capita	2/7/1992	Tropical Storm Axel
FY1992	925	RMI	8/3/1992	90%	PA > \$10 per capita	12/6/1991	Typhoon Zelda
FY1992	927	AS	2/14/1992	100%	IFG	12/13/1991	Hurricane Val
FY1992	927	AS	2/14/1992	90%	PA > \$10 per capita	12/13/1991	Hurricane Val
FY1990	841	VI	10/12/1989	100%	PA > \$10 per capita	9/20/1989	Hurricane Hugo

FY	Disaster Number	State	Date Adjusted	% Federal	Category & Time ^a	Date Declared	Incident
FY1990	842	PR	10/11/1989	100%	PA > \$10 per capita	9/21/1989	Hurricane Hugo
FY1990	843	SC	10/6/1989	100%	PA > \$10 per capita	9/22/1989	Hurricane Hugo
FY1988	810	GU	8/4/1988	90%	PA > \$10 per capita	1/20/1988	Typhoon Roy
FY1989	811	CNMI	7/11/1988	100%	IFG	1/20/1988	Typhoon Roy
FY1989	810	GU	7/11/1988	100%	IFG	1/20/1988	Typhoon Roy
FY1987	783	CNMI	6/7/1988	90%	IFG > \$10 per capita	12/10/1986	Typhoon Kim
FY1989	811	CNMI	1/20/1988	90%	PA > \$10 per capita	1/20/1988	Typhoon Roy
FY1987	785	AS	3/3/1987	90%	PA > \$10 per capita	1/24/1987	Hurricane Tusi
FY1987	783	CNMI	1/15/1987	90%	PA > \$10 per capita	12/10/1986	Typhoon Kim
FY1986	753	WV	11/15/1985	100%	PA > \$20 million cap	11/7/1985	SS, F & Land

Source: FEMA Declarations Unit, November, 2009.

Notes:

- a. For more detail regarding the cost sharing of a specific disaster, please review the actual Federal Register Notice referenced. Some time extensions are effective back to date of declaration, while others are in addition to the previous times granted.
- b. Pursuant to the Supplemental Appropriations Act, 2009, P.L. 111-32, the Federal share of assistance, including direct Federal assistance provided under section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172), for FEMA-1791-DR, FEMA-1792-DR, FEMA-1838-DR, and FEMA-1841-DR shall be 90 percent of the eligible costs under such section and shall be 100 percent of such costs under sections 403 and 407 of such Act (42 U.S.C. 5170b and 5173).
- c. Public Assistance Category B (emergency protective measures), including direct Federal assistance, at 90 percent Federal funding of total eligible costs. This adjustment is effective until the respective date at which the National Oceanic and Atmospheric Administration's National Weather Service River Forecast Center reports that the rivers in the State of Illinois which have experienced historical flooding, fall below flood stage.
- d. H.R. 2206 - US Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007. Per Sec 4501. "... the Federal share of assistance, including direct Federal assistance, provided for the States of Alabama, Florida, Louisiana, Mississippi, and Texas in connection with Hurricanes Katrina, Wilma, Dennis, and Rita under sections 403, 406, 407, and 408 of the Stafford Act shall be 100 percent of the eligible costs under such sections..."
- e. Public Assistance Category A (debris removal) limited to existing projects in the Mississippi Sound. The Sound also incorporates rivers and tributaries in the southern Mississippi region that are part of the intra-coastal waterway system.
- f. Public Assistance Category A (debris removal) limited to the parishes of Orleans, St. Bernard, St. Tammany, Washington, and Plaquemines.

Table Legend

Incident Legend

SS	Severe Storms
F	Flooding
T	Tornadoes
Mud	Mudslides
Land	Landslides
T.S.	Tropical Storm
H.	Hurricane
SWS	Severe Winter Storm

Other U.S. Areas

AS	American Samoa
CNMI	Commonwealth of the Northern Mariana Islands
FSM	Federated States of Micronesia
GU	Guam
Palau	Republic of Palau
PR	Puerto Rico
RMI	Republic of the Marshall Islands
VI	Virgin Islands

Program Category Legend

PA	Public Assistance Program
PA Categories:	A - Debris Removal
	B - Emergency Protective Measures
	C - Road Systems
	D - Water Control Facilities
	E - Buildings & Equipment
	F - Utilities
	G - other (recreation, parks)
HM	Hazard Mitigation
DFA	Direct Federal Assistance
IFG	Individual & Family Grant Program
ONA	Other Needs Assistance
<	Less Than
>	Greater Than

Cost-Share Thresholds (thresholds are adjusted annually (Jan) and based on the CPI published each fiscal year in October)

Per Capita	Year
\$125	CY-2010
\$122	CY-2009
\$122	CY-2008
\$117	CY-2007
\$114	CY-2006
\$110	CY-2005
\$106	CY-2004
\$104	CY-2003
\$102	CY-2002
\$100	CY-2001
\$85	CY-2000

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