

UNDERSTANDING THE STAFFORD ACT: Its Effect on Public Entities



Stafford Act FAQ's

What is the Stafford Act?

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121-5207) authorizes the president to issue major disaster and emergency declarations. This allows federal agencies to provide assistance to states overwhelmed by adverse events.

How is it administered?

Originally, FEMA's director ran the show. President George W. Bush amended an executive order that placed responsibility with the secretary of the Department of Homeland Security.

How is it funded?

Through FEMA's Disaster Relief Fund.

What sort of declarations can be made?

Five types of declarations can be made:

- **Major disaster.** The president issues this declaration after receiving a request from the governor of the effected state. This type of declaration can be issued after a natural disaster or "regardless of cause, fire, flood or explosion." The declaration gives the Department of Homeland Security authority to administer various types of assistance. Each declaration specifies the type of incident, the time period covered, the types of assistance available, counties effected by the declaration and the name of the federal coordinating officer.

A major disaster can be declared after events such as:

- Hurricanes
- Storms
- Wind-driven water
- Tsunamis
- Volcanic eruptions
- Snowstorms
- Tornados
- High water
- Tidal waves
- Earthquakes
- Landslides and mudslides
- Drought

Major disasters can also be declared "regardless of cause [after a] fire, flood or explosion."

- **Emergency.** The declaration process is similar to one for a major disaster, except the president does not need a request from a governor if primary responsibility lies with the federal government. Under this declaration, emergency response activities, debris removal and individual assistance and housing programs are funded. Expenditures are limited to \$5 million per declaration unless the president determines that there is a continuing need. If this is the case, Congress is notified when the funding cap is exceeded.
- **Fire suppression.** The secretary of the Department of Homeland Security can provide fire suppression assistance to supplement local resources when fire poses a threat that could develop into a major disaster declaration.
- **Defense emergency.** Per a governor's request, the president may authorize the Department of Defense to carry out emergency work that is essential for the preservation of life and property. There is a 10-day limit for such activities.
- **Pre-declaration activities.** When a disaster is imminent but not yet declared and the situation threatens human health and safety, the secretary of the Department of Homeland Security may place agency employees on alert. The situation is monitored through communication with state emergency management officials and, when necessary, resources are deployed in anticipation of the federal response

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What types of assistance are available and who is eligible?

FEMA offers three categories of aid under the Stafford Act:

- **Individuals and households.** This category provides immediate temporary shelter and cash grants (maximum of \$25,000) for:
 - Uninsured emergency personal needs
 - Home repair grants
 - Debris removal from private property when deemed in the public interest
 - Legal aid for low income individuals
 - Temporary housing assistance
 - Unemployment assistance due to the disaster
 - Emergency food supplies
 - Crisis counseling
- **State, tribal and local governments and certain private nonprofit organizations (usually referenced as public assistance).** This category allows for:
 - Repair, reconstruction and replacement of infrastructure and recreational facilities
 - Emergency protective measures
 - Emergency communications
 - Transportation as well as loans to replace lost revenue or meet federal cost-sharing requirements
- **State governments.** This category offers hazard mitigation assistance in order to reduce future losses due to a disaster.

Name specific assistance activities covered under a major disaster declaration.

- General federal assistance for technical and advisory aid and support to state and local governments to facilitate the distribution of consumable supplies;
- Essential assistance from federal agencies to distribute aid to victims through state and local governments and voluntary organizations;
- Perform life- and property-saving assistance, clear debris and use resources of the Department of Defense before a major disaster or emergency declaration is issued;
- Hazard mitigation grants to reduce risks and damages that might occur in future disasters;
- Federal facilities repair and reconstruction;
- Repair, restoration and replacement of damaged facilities owned by state and local governments, as well as private nonprofit facilities that provide essential services;
- Debris removal through the use of federal resources or through grants to state or local governments or owners of private nonprofit facilities;
- Assistance to individuals and households, including financial grants to rent alternative housing, direct assistance through temporary housing units (mobile homes), limited financial assistance for housing repairs and replacement, and financial assistance for uninsured medical, dental, funeral, personal property, transportation, and other expenses;
- Unemployment assistance to individuals unemployed as a result of the major disaster for up to 26 weeks, as long as they are not entitled to other unemployment compensation or credits;
- Grants to assist low-income migrant and seasonal farm workers to be provided by the secretary of Agriculture (total limited to \$20 million annually) “where the secretary determines that a local, state or national emergency or disaster” has resulted in a loss of income or inability to work;
- Food coupons and food distribution for low-income households unable to purchase nutritious food;
- Food commodities for emergency mass feeding
- Legal services for low-income individuals;
- Crisis counseling assistance and training grants for state and local governments or private mental health organizations to provide associated services or to train disaster workers;
- Community disaster loans to local governments that lose tax or other revenues needed for governmental services;
- Emergency communications to establish temporary communications during “or in anticipation of an emergency or major disaster;” and
- Emergency public transportation to provide transportation to essential places.

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Name specific assistance activities covered under an emergency declaration:

- Activities to support state and local emergency assistance;
- Coordination of disaster relief provided by federal and non-federal organizations;
- Technical and advisory assistance to state and local governments;
- Emergency assistance through federal agencies;
- Debris removal through grants to state and local governments (Section 407);
- Grants to individuals and households for temporary housing and uninsured personal needs (Section 408); and
- Distribution of medicine, food and consumables.

What are the funding criteria?

Federal assistance is limited either to a fixed dollar amount or to a percentage of eligible costs. The Stafford Act states that the minimum federal assistance for certain eligible activities “shall be not less than 75 percent of the eligible cost of such assistance.” Specific cost-sharing requirements are shown below:

- **Essential assistance** – federal share must be at least 75 percent of eligible costs
- **Repair, restoration or replacement of public facilities** – in general, at least 75 percent of eligible costs must be provided. This percentage may be reduced if a facility has been previously damaged by the same type of disaster and mitigation has not occurred.
- **Debris removal** – federal share must be at least 75 percent of the eligible costs
- Individual and household assistance – temporary housing may be provided directly to victims without charge for up to 18 months unless the president extends assistance. Up to \$5,000 may be provided for housing repair or hazard mitigation measures and up to \$10,000 for replacement of private residences. Federal share of housing assistance is 100 percent.
- **Small project grants** – if the estimated costs of assistance for facility repair or replacement, essential assistance, debris removal or emergency assistance do not exceed \$35,000, a small project grant may be used.
- **Emergency declaration assistance** – federal assistance must be at 75 percent of eligible costs. Expenditures are limited to \$5 million unless the president determines there is a continuing need.

Are waivers available?

If the state-local match for funding is a burden due to the impact of the disaster or the fiscal condition of the unit of government, the president may waive some or all of the cost-sharing requirements for public assistance programs.

Is there a preventive component?

Section 404 of the Stafford Act is known as the Hazard Mitigation Grant program (HMGP) and it authorizes the president to provide hazard mitigation funding for each state that receives a disaster declaration. These funds help communities conduct seismic retrofitting, purchase hurricane shutters and relocate buildings out of flood-prone areas. The federal portion of funding can provide up to 75 percent of the eligible costs.