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How FEMA Can Prioritize Equity in Disaster Recovery Assistance

Current disaster recovery efforts in the United States exacerbate racial disparities, as people of color experience greater harms from natural disasters, receive less support, lose wealth, and take longer to recover.

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A woman walks through a flooded neighborhood following Hurricane Ida in Barataria, Louisiana, on August 31, 2021. (Getty/Brandon Bell)

Introduction and summary

Hurricanes are the most dangerous¹ natural disasters in the United States. They are becoming more frequent,² more powerful,³ and more costly.⁴ The 2021 hurricane season saw 21 named tropical storms,⁵ sustaining a six-year streak of

increasing frequency, with damage totaling \$70 billion.⁶ Scientists have concluded that the uptick and severity of hurricanes and other devastating natural disasters such as wildfires are likely linked⁷ to climate change.

Historically marginalized populations—including communities of color, disabled people, low-income communities, and those experiencing homelessness—are more vulnerable⁸ to the worst effects of tropical storms and disasters such as hurricanes. And while natural disasters do not discriminate against the type of person who is in their path, the response to natural disasters can. Put simply, the Federal Emergency Management Agency (FEMA), which is charged with aiding those affected by disasters, provides help that systemically benefits white victims more than it benefits survivors of color.

Several recent studies⁹ show that the federal response to natural disasters is inequitable, with Black disaster survivors receiving less government support than their white counterparts even when the amount of damage and loss are the same. This inequitable response leads to disparate outcomes, including exacerbated wealth inequality. In counties struck by large disasters, Black survivors see their wealth decrease by \$27,000 on average while white survivors see their wealth increase by \$126,000 on average.¹⁰ These vast, systemic inequities require concerted efforts from federal agencies—specifically FEMA—to change how they implement recovery efforts.

Notably, FEMA should address equity prior to disasters by building resilience in communities through the Biden administration's Justice40 Initiative, closing inequities and insufficiencies of homeowners and renters insurance as well as shifting the prioritization from homeowners to those in greatest need. In the post-disaster phase, FEMA should reduce administrative burdens by comprehensively reviewing and reinventing its processes for assistance, conducting quality improvement of inspections, incorporating anti-displacement and displacement mitigation practices in its programs, and reinvigorating its data and allocation methodologies.

But to ultimately create equitable outcomes in disaster assistance, FEMA should shift from damage-based to needs-based awards, strengthen its public assistance support for county and municipal projects in low-income communities of color, and consider how its "equity standard" can offer a level playing field to all those affected and reduce wealth change inequality.

An inadequate federal response harms communities of color and the poor

For a variety of reasons, federal responses to support communities after natural disasters are inequitable. Housing assistance and rebuilding efforts in the disaster recovery period are often targeted to homeowners and wealthier survivors, deepening entrenched racial and socioeconomic inequities and exacerbating crises of homelessness, inadequate low-cost housing, displacement, and the racial wealth gap. When looking at the life cycle of natural disasters and the response from FEMA and other agencies, it is clear that the problem is deeply rooted in America's history and systems.

Where disasters strike in the United States

According to the Columbia Climate School's U.S. Natural Hazards Index,¹¹ coastal areas are at higher risk of exposure to cumulative natural disasters, with counties in the Southeast and Southwest being particularly vulnerable. When assessing disaster vulnerability, experts cite resilience to withstand disasters as a critical metric.

Due to historical discrimination, including redlining and racial segregation of neighborhoods, people of color are more likely to live in homes and communities that are less resilient to natural disasters. This is caused by limited wealth, proximity to floodplains, less resilient and aging infrastructure, more structurally unsound homes and buildings, and a lack of savings for emergencies. For these reasons, communities of color are more likely to bear greater risk and damage from natural disasters. In addition, these communities are plagued by Superfund and Brownfield sites—locations contaminated by hazardous waste—that are at risk¹² of polluting the surrounding area with dangerous toxins during severe flooding.

Homeownership and home value disparities affect assistance

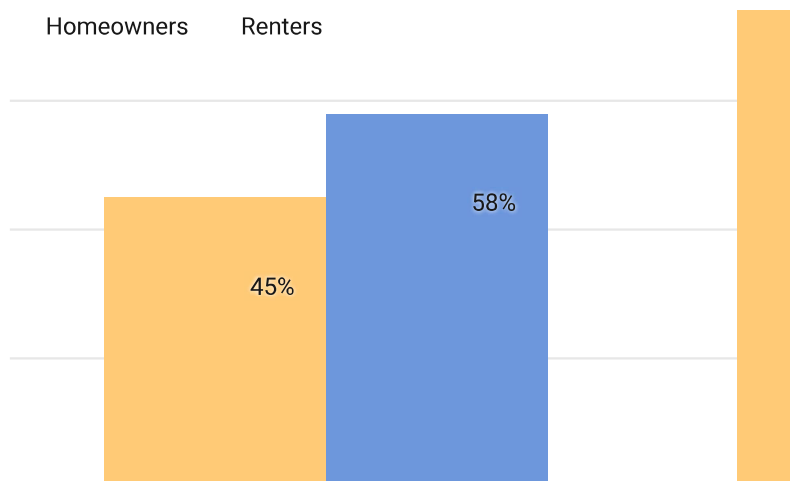
The impacts of disasters and assistance in response to disasters affect households and communities differently. Homeowners qualify for more robust assistance than renters. Yet only 44 percent of Black Americans in the United States own their homes, compared with 74 percent of white Americans.¹³

Figure 1



Black households disproportionately rent, rather than own, their homes

U.S. household homeownership and rental rate percentages by race/ethnicity, 2018–2022



Black/Hispanic white

Hover over or click to see values.

Chart: Center for American Progress • Source: Social, Economic and Housing Stat Residential Vacancies and Homeownership, Third Quarter 2021” (Washington: U.S. at <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>; Joint Center for University. “America’s Rental Housing 2022” (Cambridge, MA: 2022). available at

Homes that are owned by Black Americans are typically valued less than homes owned by white Americans with a median difference of \$80,000.¹⁴ Studies have shown that African American homeowners remain concentrated in formerly redlined neighborhoods, where homes have failed to appreciate¹⁵ at the same pace as homes in white neighborhoods. This stems from decades of heavy investment in white neighborhoods by developers, mortgage lenders, financial institutions, and the U.S. government.¹⁶ Additionally, FEMA’s current flood mitigation grant program intended to prevent flood damage in homes has invested millions of dollars in wealthier, white neighborhoods, which in turn reduces insurance costs and boosts property value. At the same time, low-income neighborhoods and communities of color receive limited investments because they cannot meet the several thousand-dollar matching requirements of the grant program.¹⁷

In addition, homeowners selling their homes in majority-Black census tracts receive appraisal values lower than the contract price twice as often¹⁸ as those in majority-white census tracts, largely the result of racial discrimination. Home value is a large factor¹⁹ in the racial wealth gap, resulting in Black households with a median wealth of \$24,100 compared with \$188,200 median wealth in white households as of 2019.²⁰

Insurance coverage rates hurt communities of color

Before providing individual assistance, FEMA requires insurance claim information to assess funds already received to cover damage. Traditional homeowners insurance does not cover damage from hurricanes or flooding,

despite 43 percent of homeowners believing it does.²¹ In addition, according to FEMA,²² more than half of homeowners do not carry adequate homeowners insurance to replace their home or its contents in the event of a catastrophe or emergency. This is likely due to cost. Black homeowners, according to some analyses,²³ pay higher premiums than nonwhite homeowners, and insurance premiums are increasing²⁴ to match the rebuilding costs in areas with low land value that are prone to natural disasters. Meanwhile, the homeowners insurance industry gatekeeps its data, including pricing and demographics, which prevents analysis of discriminatory practices. Another reason for low home insurance coverage rates in historically Black neighborhoods is many families pass down homes from generation to generation and, as a result, no longer have mortgages that require homeowners insurance. Many of these families deem home insurance a luxury due to insufficient income.²⁵

Moreover, Black households rent their homes at disproportionately high rates²⁶—58 percent compared with just 27 percent of white households. And given the disproportionate amount of Black people who rent their homes instead of buy, it is concerning that only 57 percent of renters carry renters insurance, compared with 88 percent of homeowners who carry homeowners insurance. In many cases, this is due to affordability. This disparity is exacerbated by the fact that renters insurance also does not cover most damage caused by natural disasters, leaving renters unprotected from disaster-induced losses. And uptake of FEMA-sponsored flood insurance for renters is alarmingly low.

Figure 2



Despite upward trends, renters are less likely to be insured than homeowners

Percentages of U.S. households with renters insurance, basic homeowners insurance, and Federal Emergency Management Agency (FEMA) National Flood Insurance Program (NFIP) insurance, in 2016 and 2020

	2016	2020
Basic insurance		
	2016	2020
Renters	41%	57%
Homeow	93%	88%
NFIP-insurance		
	2016	2020
Renters	1%	1%
Homeow	12%	27%

Chart: Center for American Progress • Source: Insurance Information Institute, "2020 Triple-I Consumer Poll" (New York: 2020), available at https://www.iii.org/sites/default/files/docs/pdf/2020_triple-i_consumer_poll_091620.pdf; Insurance Information Institute, "2016 Consumer Insurance Survey: Homeowners Insurance: Understanding Attitudes and

Onerous administrative burdens and program requirements present challenges

Administrative burdens—including the eligibility requirements and paperwork needed to access aid—have been well documented²⁷ to reduce the effectiveness of policy programs, prevent public assistance from getting to where it is most needed, and effectively serve as a time tax²⁸ on disadvantaged communities. FEMA's individual assistance programs place onerous burdens on the survivors of natural disasters who are least positioned to overcome them. These burdens include:

- **Eligibility.** FEMA's programs are only available to citizens or resident nationals who provide valid identification; have proven unmet need following insurance or other claims; and who have needs determined to be directly caused by the natural disaster. For many FEMA programs, assistance is limited to homeowners who resided in the home at the time of disaster and excludes renters, landlords, people experiencing homelessness, and others. Studies show that when people must prove that they meet strict eligibility requirements, they are less likely to apply and more likely to be denied, even if eligible.²⁹
- **Application and verification.** To receive assistance, survivors must be aware of FEMA's programs, how to navigate the process, and how to apply. Applications require a survivor, who may be displaced or in temporary housing, to use a computer to digitize documents to submit electronically

or print to submit documents by mail.³⁰ For the Individuals and Households Program (IHP), survivors must verify each of the eligibility criteria, inform FEMA of insurance settlement amounts, provide proof of occupancy at the time of the disaster, and submit proof of ownership.³¹ Until each element is verified by FEMA, the survivor's application cannot move forward.

Homeownership verification falls particularly hard³² on communities of color and those with low incomes, who are more likely to reside in mobile homes or be displaced away from home due to a disaster. Many Black property owners in the South face title-proving challenges due to heirs' property³³—family-owned property inherited by multiple generations without the formal legal proceedings necessary to prove ownership—resulting in homeowners lacking a clear government-recognized title. The U.S. government has acknowledged³⁴ that the current number of heirs' properties is unknown, and a 1980 study³⁵ estimated that 41 percent of Black-owned land in the Southeast can be considered heirs' property due to the downstream effects of slavery and Jim Crow segregation.³⁶ Since verification is a prerequisite to receive an inspection, which is a prerequisite for receiving assistance, these communities face significant barriers to qualifying for aid and substantial delays in receiving aid if ultimately found eligible. FEMA recently allowed some claims to advance to inspection if ownership is pending verification but has yet to make this policy permanent for future disasters.³⁷

- **Reapplication.** FEMA reserves some additional IHP assistance, called other needs assistance, for survivors with remaining unmet need. Specifically, this includes personal property assistance for damaged appliances and furnishings, transportation assistance for vehicle damage, and moving assistance for damaged household goods.³⁸ To be eligible, survivors must prove they cannot access aid from the Small Business Administration (SBA), which provides assistance in the form of low-interest loans, by completing a loan application. This creates a burden on the survivor to have awareness of the program, the means to apply, and the ability to afford a loan if approved.

Meanwhile, SBA bases its application approvals solely on credit score, which disproportionately advantages white households due to several historical factors steeped in systemic racism such as criminal records and mortgage lending and debt-collection practices.³⁹ In addition, SBA loans fail to account for need such as unmet damages that exceed FEMA's assistance threshold and the inability to obtain credit elsewhere for repairs or replacement.⁴⁰ Therefore, the underlying problems with SBA's assistance coupled with unnecessary burdens related to accessing FEMA's other needs assistance hurt those most in need of aid.

- **Inspection.** To receive individual assistance, FEMA requires a home inspection, but clear disparities exist in the inspection process. Black survivors are less likely to receive an at-home inspection,⁴¹ and the higher the percentage of Black residents in a ZIP code, the less likely applicants who live in that zip code are to receive an inspection. Data collected after

Hurricane Harvey show inspection contact failures—when the inspector was unable to contact the homeowner—disproportionately affected lower-income applicants.⁴²

Additionally, FEMA inspectors are contracted from private companies and have authority to schedule and prioritize inspections and make damage determinations for FEMA. This introduces potential bias to the process and underscores the need for equity training for inspectors. As noted earlier, research shows that homes located in Black neighborhoods are more likely to have appraisals submitted below the contract price than homes in majority white neighborhoods, suggesting that racial bias plays a role in evaluations.⁴³

Upon application, verification, and inspection, survivors are notified of their funding awards by FEMA and given 30 days to appeal.

Individual disaster aid falls short of meeting the needs of survivors

The Individuals and Households Program—the most common form of aid provided by FEMA—bases its award amount on property damage rather than need. FEMA places limits on individual assistance each year, with the 2022 limit set at \$37,900.⁴⁴ The damage that FEMA verifies annually via inspection substantially exceeds its IHP allocations, meaning that there are still unmet needs not satisfied by the program, which typically serves uninsured and underinsured households. Households with unmet needs resort to measures such as applying tarps to cover destroyed roofs, remaining in mold-infested homes, and living without access to functioning utilities.⁴⁵

In addition, renters receive less assistance than homeowners. On average, homeowners receive 2 1/2 times the IHP assistance renters receive.⁴⁶ Total disbursements between 2006 and 2018 were \$9 billion for homeowners compared with \$2.5 billion for renters.

Figure 3



Homeowners benefited disproportionately from FEMA's Individuals and Households Program (IHP)

Average FEMA IHP disbursements per disaster, by type of assistance and household type, 2006–2018

	Repairs and replacements assistance	Rental assistance	Other needs
Renters	\$99,332	\$93,894	
Homeowners	\$345,557	\$93,710	\$48,46

Meanwhile, approval rates for FEMA's individual assistance have fallen⁴⁷ dramatically, from 63 percent in 2010 to around 13 percent in 2021. Requests for individual assistance are often denied by FEMA with no reason given, which occurs at higher rates in neighborhoods with a greater share of African Americans.⁴⁸ In one study, 11 percent of homeowners in predominantly Black neighborhoods had requests denied, compared with 4 percent of homeowners in predominantly white neighborhoods.⁴⁹ Survivors can appeal decisions, but only 5 percent submit appeals due to⁵⁰ administrative burdens such as unclear and incomplete determination letters, a lack of awareness that they are even able to appeal, and other burdens and time taxes associated with the process. Meanwhile, Black neighborhoods received less money—5 percent to 10 percent less on average⁵¹—but had high success rates when appealing those award determinations, indicating that FEMA systematically awards too little initially to these communities.

When disaster aid fails to meet the need, people are displaced

Communities can become displaced when they fail to receive the aid they need after natural disasters, which are the largest cause⁵² of displacement worldwide. In the United States, people are often displaced when they evacuate or escape from onset disasters, because of home damage incurred by disaster, or due to housing prices following disasters.

Recovery investments—or a lack thereof—can also drive displacement because they often fail to address the barriers faced by low-income communities and communities of color when attempting to rebuild homes or find affordable rental housing. Homeowners with insufficient insurance coverage receive up to \$37,900 from FEMA if they qualify for the maximum benefit. Oftentimes, the funds awarded are insufficient to completely rehabilitate a home. When survivors are unable to rebuild a home, FEMA also offers the Buyout Program, which provides amounts exceeding the individual assistance threshold to purchase and demolish homes in disaster-prone areas to reduce future costs associated with disaster damage. It also allows the homeowner to rebuild elsewhere or use the funds to purchase a new home.

However, the buyout program disproportionately purchases and demolishes homes owned by Black households and in communities of color, according to research from 1990 to 2015.⁵³ This disproportionate rate likely stems from the

comparatively lower property values in these communities. And while the program is voluntary, FEMA's limitations on its individual and household assistance restricts the options for residents who have more unmet need, cannot afford or qualify for an SBA or private loan, and have no other alternatives. This further displaces communities rather than protecting and invigorating them. Moreover, many current funds offer few flood mitigation options, meaning that communities are considered flood zones but do not have the resources to build flood resilience due to lack of federal investment and personal wealth.

Additionally, since landlords are not eligible for FEMA grant assistance programs, they largely depend on homeowners insurance and personal investments to rehabilitate their properties. In either case, updated rental housing often increases in price and displaces renters who can no longer afford their homes. In many cases, landlords opt not to repair their rental property because they do not qualify for assistance and no longer deem the property worth the investment for upkeep, which forces renters to leave their apartments and move from their communities.

Displacement affects a community's ability to survive a disaster. From no longer having a workforce to fill jobs or customers to frequent businesses, to the loss of income and property tax revenue needed to support the local government, a community may not fully recover from significant displacement.

Public assistance awards often miss communities of color

Following a presidential declaration of emergency or disaster, FEMA can also provide aid in the form of public assistance to state and local governments.⁵⁴ While most individual assistance, such as home repair assistance, is completely covered by the federal government's Disaster Relief Fund, all public assistance is subject to cost-sharing between the federal and state or local government, with the federal minimum being 75 percent. However, state governments have the discretion to apply for assistance, and research suggests some but not all have limited funds budgeted for emergencies,⁵⁵ which is further constrained by the mandate on states to have a balanced budget. Areas with higher concentrations of low-income residents are not always prioritized by state funding to match the federal government's cost-sharing requirements, yet those low-income areas cannot afford to apply separately.

Public assistance includes emergency work to remove debris and permanent work to repair roads and bridges, water control facilities, public buildings, public utilities, and parks. Disparities exist in FEMA's county and municipal reimbursements for rebuilding roads, bridges, hospitals, and other facilities. Counties with a significant share of Black, Hispanic, or Native American residents often receive less money from FEMA than mostly white counties, even when suffering the same amount of damage, according to a study⁵⁶ that analyzed FEMA grants to 1,621 counties from 2012 through 2015. Lack of this investment leaves communities worse off than before the disaster and unable to redevelop critical infrastructure. Public buildings, schools, roads, and bridges are under- or disrepaired, which affects property values, business stability and creation, and local tax revenue to spur future public projects.

Federal assistance inequities result in wealth inequality

The consequence of these systemic issues is accelerated wealth inequality. Studies show that white residents living in counties struck by natural disasters see their wealth increase by as much as five times the rate of white residents living in counties not struck by disasters. New federal investments lead to

rebuilding of homes, replacement of damaged property, and updated public facilities and communities.

Meanwhile, Black residents and renters lose wealth in the wake of disasters. Black neighborhoods see less investment, wait longer to receive the investment, and often struggle to receive public and individual assistance to meet their disaster-based needs. And home values in Black and brown neighborhoods do not increase in the same way they do in white neighborhoods. The result⁵⁷ is an average loss of \$27,000 in wealth for Black households and \$29,000 for Hispanic households in areas hit by a natural disaster.

Figure 4



Following a natural disaster, Black and Latino survivors lose wealth while white survivors gain wealth

Average change in wealth in counties following a large natural disaster, by race/ethnicity, 1999–2013

White survivors

Hover over or click to see values.

The outcomes from FEMA's disaster recovery programs perpetuate additional consequences. The data from FEMA's individual assistance program are used to shape long-term rebuilding efforts; based on the amount of funds distributed historically, FEMA allocates resources to predict and meet future needs.⁵⁸

However, due to the exclusion of renters, who experience greater unmet need from the program, these allocations further reduce the resources and funds available to the most vulnerable communities, which have been systematically excluded or underserved by FEMA's programs.

Analysis based on FEMA data in New Jersey following Hurricane Sandy in 2012 showed that the housing recovery program assumed only 22 percent of housing damage occurred in rental units. The data severely underestimated the needs of renters, who were disproportionately African American or Latino.⁵⁹ Other

methodologies that assess “unmet need” using FEMA individual assistance data lead to inequitable outcomes, as the data rely on personal property loss as a proxy to quantify a storm’s impact. This again underestimates the needs of renters and low-income communities who see their personal property undervalued and do not qualify for many FEMA programs in the first place.

FEMA acknowledges racial disparities in disaster aid

According to FEMA’s own advisory council, the agency fails to address racial inequities in the programs it administers. In a recent report, FEMA’s National Advisory Council (NAC)—a group of emergency management experts—admitted⁶⁰ that many FEMA policies and programs do not incorporate equity. In its report, the NAC expressed the belief that FEMA violates the equity requirements of the Stafford Act, which directs the agency to distribute supplies, process applications, and provide relief and assistance “in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, national origin, sex, age, disability, English proficiency, or economic status.”

To steer the agency toward equity, the NAC suggested four key recommendations:

- 1** Develop an equity standard to measure whether the agency’s grant programs increase or decrease equity over time.
- 2** Direct mitigation and preparedness funds to improve equity in outcomes.
- 3** Improve the cultural awareness of its employees.
- 4** Ensure that the FEMA workforce reflects the population it serves.

Since releasing the NAC’s recommendations, FEMA has acknowledged the need for equity in its policies, programs, and assistance, particularly as they relate to disaster recovery. The agency’s 2022–2026 strategic plan⁶¹ and equity action plan⁶² each include a focus on making disaster recovery more equitable for communities of color, low-income communities, and other historically marginalized communities.

Policy interventions to prioritize equity

FEMA requires wide-ranging and systemic changes that prioritize the needs of the most vulnerable in order to develop equitable disaster recovery programs. The recommendations offered here are two-fold. First, there are actions FEMA should take to address disaster assistance inequities and prioritize equity across its programs, building upon the recommendations from the NAC. Second, Congress should improve the Stafford Act and better equip FEMA with the tools and authority it needs for an equitable disaster recovery.

Actions FEMA can take to improve equity in disaster recovery

Reduce the effects of disasters on vulnerable populations by building resilience through the Justice40 Initiative

- Use the Community Resilience Estimates for Equity⁶³ from the U.S. Census Bureau to identify and prioritize communities exposed to disaster risk and offer services to mitigate hazards before they strike. Within FEMA’s Hazard Mitigation Assistance,⁶⁴ the Building Resilient Infrastructure and Communities and Flood Mitigation Assistance Grant Program—both of which are intended to build mitigation and resilience within infrastructure to defend against disasters—have been designated as Justice40 pilot programs.
- Proactively invest in disadvantaged communities as identified by the Climate and Economic Justice Screening Tool to rapidly build resilience and identify other programs that can further mitigate future harm for at-risk communities.

Increase support for renters in disaster assistance programs and shift the prioritization of program dollars from damage to need

- Provide more provisions to include renters and people experiencing homelessness in individual assistance programs.
- Equitably address the hazard mitigation needs of homeowners, renters, and people experiencing homelessness, including prioritizing those most in need of mitigation assistance grants.
- Remove assistance limitations for property categorized as “unnecessary” in low-income communities.

Close inequities and insufficiencies of homeowners and renters insurance and identify barriers to obtaining insurance for vulnerable populations

- Gather data from the Insurance Information Institute and insurance companies to develop public awareness campaigns on insurance coverage gaps for those in vulnerable and nonresilient communities.
- Explore insurance coverage assistance programs for those with low incomes who are uninsured or underinsured.
- Expand data collection for National Flood Insurance Program policies to better track disparities between renter and owner-occupied flood insurance policies.

Address administrative burdens to comprehensively review and reinvent the processes for awarding assistance

- Explore the use of categorical eligibility⁶⁵ or automatic enrollment based on meeting eligibility or enrollment requirements for other public benefits. FEMA should consider using damage assessments, geographic information, low-income support, and other data to provide categorical eligibility for survivors in affected areas, such as the Affordable Connectivity Program’s use of Supplemental Nutrition Assistance Program recipient information to automatically qualify for broadband internet.
- Reduce the burden on survivors to provide title and other documents before receiving inspections and assistance and allow survivors to document attestation of eligibility to allow assistance to flow quickly.

- Work with the SBA to streamline both agencies' programs into one application and eliminate a separate application procedure.
- Modify requirements for formal property ownership documents for properties such as heirs' property, mobile homes, and Tribal homes that impede disadvantaged disaster survivors from receiving needed assistance. Survivors should be permitted to self-certify and be provided free legal services to establish proper documentation after they have recovered.
- Reduce paperwork hurdles as prerequisites to assistance in displaced communities with less access to digital files.
- Direct resources and staff to low-resilience ZIP codes and communities as determined using the U.S. Census Bureau's Community Resilience Estimates to provide technical assistance staff for grants and inspectors of property damage.
- Task legal aid providers to identify potential problems experienced by communities immediately after a disaster and develop mechanisms to ensure that all eligible households receive assistance.

Conduct quality improvement to address disparities in inspections

- Mandate and conduct equity training for inspectors to reduce bias.
- Guarantee inspections for all eligible applicants and self-impose standards for inspectors in conducting inspections.
- Conduct audits and reviews of contractors failing to inspect all properties and require that contractors thoroughly explain failures to meet inspection standards.
- Collect and report on data for missed inspections and analyze trends to continuously address barriers within identified communities.

Shift from damage-based to needs-based assistance to address disparities in the distribution of funds and appeals

- Develop programs to cover matching costs in low-income communities.
- Provide counties and municipalities a means to self-declare disasters if not done by the governor or territorial leader.
- Award funds for housing rehabilitation, rebuilding, and new construction to meet resilience and mitigation standards that can withstand the increasing frequency and intensity of disasters.
- Explore inclusion of social vulnerability indicators in FEMA's assistance formulas to boost aid to marginalized communities and use equity as a benchmark for allocation instead of damage.
- Provide more information to disaster survivors to ensure that they understand why they received a specific award amount or precisely why they were denied funds, along with simple and clear instructions on how to appeal.
- Streamline the appeals process to provide easy and efficient means for disaster survivor appeals, documentation submission, and expedited benefits receipt in the case of an improper denial or inadequate award. This should occur without prolonged legal proceedings or substantial court and attorney fees, which prohibit many applicants from seeking redress.

- Consider expanding eligible activities under home repair assistance,⁶⁶ which only allows improvements if required by new building codes or if similar products are no longer available. Strengthening FEMA's ability to approve more enhanced hazard mitigation services would support disaster survivors by providing streamlined access to funds during their rebuilding process using individual assistance awards.

Incorporate mitigation practices in programs to prevent displacement from vulnerable communities following disaster

- Ensure buyouts compensate and protect the pre-disaster value of the property and the generational wealth represented that is lost through relocation.
- Explore incentive bonuses⁶⁷ for buyout programs that encourage willing sellers to relocate to nearby areas to preserve social networks and stabilize the community.
- Develop long-term housing assistance programs to support low-income survivors to remain in their community following expiration of immediate housing programs if they lack alternative housing.
- Gather displacement data following disasters to understand limitations to individual assistance programs in preventing displacement.
- Make funds available to landlords to rehabilitate rental properties and include strict rent-increase limitations for program eligibility.

Strengthen FEMA's support of low-income communities and communities of color to limit disparities in public assistance for county and municipal projects

- Reduce administrative burdens for local governments using the U.S. Department of Housing and Urban Development's (HUD's) Community Development Block Grant for Disaster Recovery, which can be authorized to pay the nonfederal share required of FEMA's public assistance program. Since the fund requires 80 percent of grant money to flow to the most affected and distressed areas, and HUD actively prioritizes the "benefit of low-and moderate-income (LMI) persons,"⁶⁸ develop streamlined processes for local governments to meet the needs of disadvantaged areas and to supply assistance based on need or resilience instead of damage.
- Develop alternative funding mechanisms for local governments to repay federal government funding advances if they cannot afford state/local cost-sharing requirements but have substantial need.
- Prioritize infrastructure projects that improve and protect low-income communities and communities of color and correct the historic lack of infrastructure in those neighborhoods. This process can help to eradicate generations-long barriers erected by structural racism and inequality.
- Require rental homes developed with federal funds to provide affordability for at least 30 years at rents that are within reach to the entire range of people affected by the disaster.
- Work with other federal agencies to ensure public assistance funds meet the needs of communities to connect them with resources they need to access food, housing, and financial security in the rebuilding process.

Consider how the equity standard can offer a level playing field to all those affected by disasters

- Research and explore recovery assistance allocation methods by need instead of damage. FEMA should use program data to understand what thresholds, amounts, and additional inputs would be needed to provide more assistance to those with greatest need and to limit reliance on proof of damage.
- Enhance data collection, access, and analysis capabilities among disaster researchers and policymakers to help keep the agency accountable to its equity standard.
- Track applications and assistance outcomes over long-term time horizons to understand their effects on wealth.
- Make disaster assistance data open and accessible to the public, including both granular and comprehensive data that protects personally identifiable information. Data transparency allows policymakers and advocates to be informed about program results, make policy improvements, and incorporate best practices for future activities.

Reinvigorate data and allocation methodologies to prevent cycles of inequality resulting from programs

- Collect more data during inspections to understand survivor needs rather than damage. Data should include unmet needs, estimates to build sufficient resilience, and costs associated with needs of the household compared with the current market.
- Use inspection needs data to direct future resources and make these households eligible for mitigation assistance funds.
- Frequently evaluate programs in relation to the equity standard to ensure allocation methodologies do not misrepresent or underestimate needs in disadvantaged communities.

Actions Congress can take to improve equity in disaster recovery

To fully incorporate equity into FEMA's disaster recovery assistance programs, further action from Congress is necessary. The FEMA Equity Act,⁶⁹ which has been introduced in Congress, provides a strong foundation for improving equity. It aims to:

- Improve FEMA's data-collection systems to better identify inequities within its programs, including barriers to access and disparate outcomes.
- Direct FEMA to ensure equity is integrated into its programs.
- Empower local governments affected by natural disasters to request an emergency or major disaster declaration in circumstances when requests are not submitted by the state.
- Authorize FEMA's Equity Enterprise Steering Group and Equity Advisor position.
- Direct the Government Accountability Office to examine the impact of FEMA's requirements for authorizing federal assistance on underserved communities.

However, more far-reaching changes to the Stafford Act are also critical to achieve equity. Congress should therefore systematically expand eligibility and assistance thresholds to include those most in need. This includes:

- Shift eligibility from “repair of owner-occupied residences, utilities, and residential infrastructure” to include renters, people experiencing homelessness, and landlords. Any provisions for landlords should include renter protections to prevent displacement.
- Raise allotment thresholds for those with low-income and low wealth to allow them to receive the funds needed to make their home whole and resilient. This can include scaled assistance thresholds similar to economic impact payments, with those with greatest need receiving the highest potential payouts if eligible for FEMA’s disaster recovery programs.

Conclusion

The United States will continue to experience an increase in natural disasters due to climate change. Ensuring FEMA is equipped to equitably address disaster recovery and equitably support disaster survivors is imperative to achieving the agency’s mission.

Currently, FEMA’s programs fail to serve a wide swath of people, particularly those with the greatest need. Communities of color and low-income communities suffer the worst outcomes from the effects of natural disasters, including exacerbated wealth inequality. By addressing the systemic factors that lead to these outcomes and prioritizing equity, FEMA will be better positioned to reduce racial disparities; to provide equitable assistance; and to ensure all communities have the resilience, resources, and opportunities needed for a strong recovery.

Endnotes

Expand 

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