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DHS OIG Issues Warning to FEMA Regarding Duplicate Public Assistance Funding

Today, the Department of Homeland Security (DHS) Office of Inspector General (OIG) has issued an alert to the Federal Emergency Management Agency (FEMA) regarding the potential challenges the agency faces in providing duplicate Public Assistance grant funds to state, territorial, tribal and local governments for facilities that may have sustained damages from back-to-back disasters.

The after-effects of hurricanes Harvey, Irma, and Maria resulted in multiple disaster declarations and billions of dollars in damages to areas within several Gulf Coast and Southeast states, Puerto Rico, and the U.S. Virgin Islands. DHS OIG noted many of the same designated disaster areas in previous disaster incidents during 2016 and early 2017. During its review, the OIG found a total of 13 major disaster declarations for areas in Florida, Georgia, Louisiana, South Carolina, and Texas that overlapped some of the same areas affected by Hurricanes Harvey and Irma. As of November 2017, FEMA has obligated an estimated $310.3 million of Public Assistance funding to cover permanent repair or replacement costs to facilities damaged under the 13 previous disaster declarations.

Because of the relatively short period of time between events, various facilities damaged by the earlier incidents may have also sustained damage under Hurricanes Harvey or Irma before repairs to the facilities had been completed. DHS OIG alerted FEMA that its Public Assistance staff will need to carefully evaluate the scope of repair work authorized and the status of such repairs to avoid approving duplicate or ineligible funding.

The OIG made no recommendations to FEMA in its report but emphasized the need for FEMA make certain that it has effective controls in place to minimize the risk of funding duplicate or ineligible repair costs of facilities damaged by back-to-back incidents. In the wake of the recent hurricanes, OIG will continue to issue reports and alerts to assist FEMA in ensuring that every dollar spent on disaster assistance is within federal regulations and FEMA policy.

“While FEMA should grant disaster assistance funds as quickly as possible to get the individuals in the affected areas back on their feet, the agency must also ensure that it has effective controls to minimize the risk of paying for duplicate or ineligible repairs,” said Inspector General John Roth.