

FEMA Public Assistance

406 HAZARD MITIGATION Opportunities

PURPOSE OF THIS PUBLICATION

To raise awareness and encourage utilization of **hazard mitigation measures** that reduce or eliminate the threat of *future* similar damage to facilities that are repaired, restored or reconstructed after a disaster. Assistance is available through the Federal Emergency Management Agency (FEMA) Public Assistance (PA) program and authorized under **Section 406** of the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act), 42 U.S.C. 5172.

INTENDED AUDIENCE

This publication is intended for **local** and **State** officials, Federally recognized **Tribal governments**, those **applying** for and/or **receiving** recovery-funding grants through the **FEMA PA** program and other disaster-recovery and mitigation **stakeholders**.



Hazard mitigation (HM) defined...

Hazard Mitigation (HM) is defined in Federal law [44 Code of Federal Regulations (CFR) 201.2] as any *sustained action* taken to **reduce** or **eliminate** the **long-term risk** to human **life** and **property** from hazards.

Funding sources

There are **multiple funding sources** available to **eligible Subrecipient (Applicant)** for BOTH *post-disaster* as well as *non-disaster HM activities*.

Funding sources are **authorized** through the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act), Sections 404, 406 and 203; Sections 1323, and 1366 of the *National Flood Insurance Act of 1968* (NFIA). [SOURCE: FEMA Recovery Policy (RP) 9526.1]

POST-DISASTER MITIGATION FUNDING

- FEMA PA 406 HM ASSISTANCE GRANTS**

Stafford Act provides **authority** to fund the repair, restoration or replacement of **damaged** facilities as a **result of a disaster**. **Additional funding** for **HM measures** may be available through Section 406 of the Stafford Act. This is typically referred to as 406 HM. [SOURCES: Stafford Act §406(c)(1)(B)(iii); 44 CFR 206.226; FEMA RP 9526.1 – *Hazard Mitigation Funding Under Section 406* (Stafford Act)]

- FEMA 404 HAZARD MITIGATION GRANT PROGRAM (HMGP)**

There is also funding for **post-disaster** hazard mitigation measures through the **FEMA Hazard Mitigation Grant Program (HMGP)**, authorized under **Section 404** of the Stafford Act. This is also called 404 HM.

Because **both** the 406 HM program and the 404 HMGP program are available as a result of a disaster, it is easy to get them **confused**. It is important to know that **BOTH of these resources may be available** to fund **post-disaster** mitigation initiatives.

POST-DISASTER MITIGATION	
406 Hazard Mitigation (HM)	404 Hazard Mitigation Grant Program (HMGP)
Post-disaster	Post-disaster
Funding through FEMA PA Program	Funding through FEMA HMGP Program <i>Funding is limited.</i>
Incident-specific Grants	Multi-hazard/Area-wide Grants
Funding available for Disaster-damaged Elements of Facilities Only	Funding available for Damaged + Non-damaged Facilities

NON-DISASTER RELATED MITIGATION FUNDING

- FEMA ANNUAL HM GRANTS**

There are other grant opportunities available through the FEMA annual competitive grants process for non-disaster mitigation measures.

This publication focuses on PA post-disaster 406 HM.

For more information about other grant opportunities, please see the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) publication the **NEW 10 things to know about funding hazard mitigation** at: gohsep.la.gov/publications.aspx OR go to **FEMA's Hazard Mitigation Assistance (HMA) page** at: fema.gov/hazard-mitigation-assistance

Fundamentals of FEMA PA 406 hazard mitigation (HM)

APPLICABILITY

406 HM funding can **only** be spent on **eligible permanent repair work**. [SOURCE: FEMA RP 9526.1]

406 HM measures **MUST** be **cost effective**.

406 HM can be used **only** to fund protective measures that **reduce or eliminate** the threat of **future similar** damages to a **disaster-damaged** element or facility.

COST EFFECTIVENESS

FEMA requires all HM projects to be **cost effective**. Cost effective simply means that benefits (avoidance of future damages) of a mitigation measure are appropriate to the expenditure. Benefits must **equal** or **exceed** the cost of the hazard mitigation measure.

Cost-effective mitigation measures include:

- Applicable mitigation measures that cost up to **15%** of the **total eligible repair cost** (e.g. equipment elevation, window shutters, hurricane clips, headwalls, floodwalls, erosion control, etc.).
- Certain mitigation measures (see Appendix A of FEMA RP 9526.1) are **predetermined** as cost effective *if* the cost of the mitigation measure:
 - **Does not exceed 100%** of the **total eligible cost** of the **eligible repair work** on the project;
 - Is **appropriate** to the disaster damage (e.g. wind, flood, rain, etc.);
 - Prevents **future** similar damage;
 - Is **directly related** to the eligible damaged elements;
 - **Does not** increase risks or cause adverse effects to surrounding areas or damage from another hazard;
 - Is technically **feasible** for the hazard + location; and

— Meets **requirements** stipulated in policy + law + regulation.
Those measures include:

- **Drainage + crossings + bridges**
- Sanitary/storm **sewer systems**
- **Wastewater treatment plants**
- **Potable** water systems
- **Electrical** power distribution systems
- Above ground **storage tanks**
- Underground **pipelines**

For those mitigation measures that **do not fall within** the above two (2) categories, an **acceptable Benefit-Cost Analysis (BCA) methodology must be used to demonstrate cost effectiveness**.

To learn more, please visit: [fema.gov/benefit-cost-analysis](https://www.fema.gov/benefit-cost-analysis).

EXAMPLE

SCENARIO 1: A project cost **\$2M** to restore a flooded building to its pre-disaster condition. FEMA can approve **up to an additional \$2M** in **406 HM** funding for cost-effective, mitigation measures.

SCENARIO 2: A project cost **\$2M** to restore. The proposed mitigation measures cost **more than \$2M** – an analysis is **required** to determine if the additional expenditure is **cost effective**.

BEFORE MITIGATION: ROAD NEAR HOLLY BEACH ERODED



AFTER MITIGATION: ROAD NEAR HOLLY BEACH EROSION CONTROL MATS



406 HM is an important post-disaster funding opportunity!

Here's why.

Damage to **public infrastructure** can vary greatly, **depending upon the location, condition and magnitude** of a disaster. Mitigation helps **fund solutions** to safeguard your community.

VALUE OF MITIGATION MEASURES

- Hazard mitigation measures result in **safer + stronger** communities by **reducing loss of life** and/or **property** due to an **emergency or disaster**.
 - Stronger communities **lessen physical** and financial impacts of disaster at the State + Federal level and to local + Tribal communities.
- Hazard mitigation measures result in **more resilient communities**, enabling them to **recover** more rapidly from future disasters.

PERMANENT WORK CATEGORIES

C
D
E
F
G

Roads + Bridges
Water Control Facilities
Buildings + Equipment
Utilities
Parks + Recreational
+ other

It makes sense to break the cycle of damage-repair-damage-repair . . .

For every \$1 spent on mitigation, approximately \$4 are saved in future reduced losses.*

(SOURCE: *United States Congressional Budget Office, *Potential Cost Savings from the Pre-Disaster Mitigation Program*, 2007.)



BEFORE MITIGATION: CULVERTS WASHED OUT DURING EVENT



AFTER MITIGATION: NEW CULVERT WITH PROTECTIVE HEADWALL



Here's how.

GETTING STARTED IS AS EASY AS 1, 2, 3, 4 . . .

Step 1: When **evaluating disaster damages**, Subrecipients (Applicants) are encouraged and **responsible to identify potential hazard mitigation opportunities**.

Step 2: Hazard mitigation opportunities are then **evaluated** for cost effectiveness and **applicability** (see previous panel).

Step 3: Subrecipients (Applicants) prepare a **Hazard Mitigation Proposal (HMP)**.

The HMP must:

- Identify cause + damages to be **mitigated**;
- Include **proposed** mitigation measures;
- Demonstrate **methodology** (including scope of work [SOW], determination of cost effectiveness, etc.) used to **determine applicability** of proposed mitigation measures.

Step 4: HMP is **submitted** through GOHSEP to FEMA.

Proposed 406 HM measure(s) **must be approved** by FEMA **prior** to start of work to ensure **eligibility** and **compliance** with Federal requirements.

IMPORTANT TO KNOW

- Frequently, due to the urgency of repair, potential mitigation measures are **not fully explored**, leaving the disaster damage/repair cycle to repeat in future events.
- **Both 404 + 406** HM funding can be used in **combination** on certain projects. FEMA will help you determine the appropriate split. (To learn more, please visit [fema.gov/media-library/assets/documents/15271](https://www.fema.gov/media-library/assets/documents/15271) and [fema.gov/pdf/government/grant/pa/9526_1.pdf](https://www.fema.gov/pdf/government/grant/pa/9526_1.pdf).)
 - You must be able to identify **specific mitigation** work to be accomplished under **each separate program**.
- Those applying for 406 HM funding through the FEMA PA program should be **aware** there may be a **non-Federal** or **local cost share**.

HAZARD MITIGATION PROPOSAL (HMP) TEMPLATE

- If the approved project involves a **completely new** or **replacement facility** on the same or different site, 406 HM funding cannot be used.
- 406 HM funding **may be approved** for an **Improved Project (IP)** – any project where **additional improvements** are made to the facility while making disaster repairs.
- 406 HM funding **will NOT** be applied toward an **Alternate Project (AP)** – the alternative use of project funding to repair, replace or newly construct **alternative public infrastructure** on the same or different site.
- **If mitigation work begins prior to FEMA approval, funding for the entire project may be jeopardized.**

AFTER MITIGATION: PUMP STATIONS WITH ELEVATED CONTROL BOX



AFTER MITIGATION: ROLL-DOWN SHUTTERS ADDED TO STOREFRONT



ACRONYMS

AP	Alternate Project
BCA	Benefit-Cost Analysis
CFR	Code of Federal Regulations
FEMA	Federal Emergency Management Agency
GOHSEP	Governor's Office of Homeland Security and Emergency Preparedness
HM	Hazard Mitigation
HMA	Hazard Mitigation Assistance
HMGIP	Hazard Mitigation Grant Program
HMP	Hazard Mitigation Proposal
IP	Improved Project
NFIA	National Flood Insurance Act
PA	Public Assistance
PACL	Public Assistance Crew Leader
RP	Recovery Policy
SAL	State Applicant Liaison
SOW	Scope of Work



REFERENCES

- 44 CFR
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- FEMA Benefit-Cost Analysis
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- FEMA Benefit-Cost Analysis Toolkit Version 5.1
fema.gov/media-library/assets/documents/92923
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- FEMA 322 – Public Assistance Guide – June 2007
fema.gov/media-library/assets/documents/25651
- FEMA 549 – Hurricane Katrina in the Gulf Coast: Mitigation Assessment Team Report – Building Performance Observations, Recommendations, and Technical Guidance – 2006
fema.gov/media-library/assets/documents/4069
- FEMA P-787 – *Catalog of FEMA Building Science Branch Publications and Training Courses* – April 2015.
fema.gov/media-library/assets/documents/12909
- FEMA RP 9526.1 – *Hazard Mitigation Funding Under Section 406* (Stafford Act)
fema.gov/pdf/government/grant/pa/9526_1.pdf
- Small Business Toolkit: Tools and Resources to Plan, Prepare and Protect*
fema.gov/small-business-toolkit-tools-resources-plan-prepare-and-protect
- Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288) as amended*
fema.gov/media-library/assets/documents/15271

**For more information on 406 Hazard Mitigation (HM),
contact your GOHSEP Public Assistance (PA) State Applicant Liaison (SAL) OR
FEMA Public Assistance Coordinator
OR
Call GOHSEP at 225-925-7500.**

This public document is published by the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), State of Louisiana. **One Thousand (1,000)** copies of this public document were published in this **2nd printing** at a cost of **\$945.33**. The total cost of all printings of this document, including reprints is **\$1,686.44**. This document was published for the purpose of providing public information and education. This material was printed in accordance with standards for printing by State agencies established pursuant to R.S. 43:31. Printing of this material was purchased in accordance with the provisions of Title 43 of the Louisiana Revised Statutes. This document was prepared under grants from the United States Department of Homeland Security (DHS), Federal Emergency Management Agency's (FEMA) Public Assistance (PA) grant program. Grant Catalogue of Federal Domestic Assistance (CFDA) number is PA 97.036. Points of view or options expressed in this document are those of the authors and do not necessarily represent the official position or policies of DHS or FEMA.