Hazard Mitigation Assistance Program and Policy Guide Summary of Changes

The Hazard Mitigation Assistance Program and Policy Guide (HMA Guide) has been updated to reflect HMA policy changes over the last year. The 2024 HMA Guide will be effective and supersede the 2023 HMA Program and Policy Guide as of July 30, 2024.

This release reflects FEMA's focus on continuous improvement and builds upon changes and feedback since the March 23, 2023 version was released. This document is maintained as the overarching policy document for Building Resilient Infrastructure and Communities (BRIC), Flood Mitigation Assistance, the Hazard Mitigation Grant Program (HMGP) and the Hazard Mitigation Grant Program Post Fire (HMGP Post Fire) grant programs.

Scope

The purpose of the HMA Guide is to outline the policy and procedural requirements of FEMA's Hazard Mitigation Assistance (HMA) grant programs over the lifecycle of a project or activity. The last comprehensive HMA Guide was issued on March 23, 2023 and includes information for the following grant programs: BRIC, Flood Mitigation Assistance, HMGP and HMGP Post Fire. The HMA Guide is currently being updated on an annual cycle.

The updated 2024 HMA Guide:

- Incorporates new policies that have been written and or released over the past year.
- Simplifies and clarifies areas and topics that HMA received comments and feedback on from stakeholders.
- Continues to bolster and build out specific project and activity information in Part 12.
- Corrects administrative errors.

Applicability

The 2024 HMA Guide is effective as of July 30, 2024. Unless stated otherwise in the HMA Guide or an appropriate authoritative source, the 2024 HMA Guide supersedes the 2023 HMA Guide and all policies and guidance issued between March 23, 2023, and July 30, 2024.



Major disaster declarations made, and Notices of Funding Opportunity published, prior to the effective date of the 2024 HMA Guide, continue to be governed by the guide (including any policy directives) in effect at the time of the major disaster declaration or Notices of Funding Opportunity. This includes applications/subapplications submitted and awards/subawards made under prior disaster declarations and Notices of Funding Opportunity.

For HMGP, the 2024 HMA Guide applies to major disaster declarations declared on or after July 30, 2024, unless indicated otherwise.

For HMGP Post Fire, the 2024 HMA Guide applies to Fire Mitigation Assistance Grant declarations issued on October 1, 2023, through the entirety of the open application period.

For BRIC and Flood Mitigation Assistance, the 2024 HMA Guide applies to Notices of Funding Opportunity published on or after July 30, 2024.

FEMA may use the Pre-Disaster Mitigation program when administering grant funding as directed by Congress. For Congressionally directed Pre-Disaster Mitigation, the HMA Guide generally applies to Notices of Funding Opportunity published on or after July 30, 2024. Please refer to the relevant Congressionally directed <u>Pre-Disaster Mitigation</u> Notices of Funding Opportunity for additional guidance.

If any requirements in the HMA Guide conflict with the applicable Notices of Funding Opportunity, the requirements in the Notices of Funding Opportunity take precedence. The HMA Guide is subject to legal and regulatory changes enacted after publication. FEMA periodically assesses its program and policy guidance and may issue new policy or guidance. The information provided in the HMA Guide is applicable unless otherwise stated in updated policy or other guidance materials.

The HMA Guide does not include specific guidance for the <u>Safeguarding Tomorrow Revolving Loan Fund</u>, Flood Mitigation Assistance <u>Swift Current</u> and <u>Congressionally Directed Pre-Disaster Mitigation</u>. For information about these grant programs, please see their respective websites.

Overview of Changes

Universal Changes

- Corrected administrative errors.
- Added new statutory and regulatory references.
- Reviewed and adjusted use of "should" and "must" to align with regulatory and legislative requirements.
- Standardized language regarding building code requirements to "designed and constructed to the minimum standard of the most recent published editions."
- Added application support materials links to the resource sections.
- Deleted Closeout Checklist links and provided FEMA's "HMA Monitoring and Closeout Guidance" webpage as a more up-to-date resource.

Change Details

Part 1. Introduction

- Consolidated language in the introduction for clarity and conciseness.
- Streamlined the language to focus more specifically on policy changes and updates to reduce unessential language.
- Added information about Public Assistance and utilizing these grants in conjunction with Hazard Mitigation Assistance.
- Clarified the applicability date of the HMA Guide to HMGP Post Fire.
- Moved the list of changes made since the previous annual update to Part 15.G.

Part 2. Overview of Hazard Mitigation Assistance Programs

- Moved the **definition of hazard mitigation** from Part 1 to Part 2.
- Clarified tribal hazard mitigation plan requirements.
- Noted the applicability of August 2020 revisions to 2 CFR Part 200.

Part 3. Subapplication Development

- Changed Part 3 title from 'Subapplication Considerations and Scoping' to 'Subapplication Development" for clarity.
- Removed the \$10 million advance assistance cap. This change is also highlighted in Part 11.
- Clarified aspects of **phased projects**.
 - Removed the word "complex" as a descriptor of eligible phased projects.
 - Clarified that in Phase I, FEMA will work with the subapplicant and applicant to identify the necessary technical information required to determine project eligibility.
 - Inserted a proposed timeline for Phase I completion of 24 months.
- Moved Part 3.E Public Assistance Hazard Mitigation to Part 10.E.
- Moved Part 3.F Cost Review Part 3.L Accessibility to Part 4.

Part 4. Eligibility and Requirements

- Corrected instances where cited that private nonprofit organizations must 'own AND operate' facilities to 'own OR operate,' aligning with the Code of Federal Regulations requirement.
- Added "Private nonprofit organizations may apply as eligible subapplicants on behalf of other private nonprofit
 organizations if the organization(s) receiving assistance meets the eligibility criteria outlined in this section."
- Reorganized and updated the **applicant mitigation plan requirements**.
 - Separated the mitigation planning requirements by program (HMGP/HMGP Post/BRIC and Flood Mitigation Assistance) and by applicant type (state versus tribal).
 - For **HMGP**, updated mitigation planning requirements to note that:
 - **States** that do not have a FEMA-approved state mitigation plan at the time of the major disaster declaration must have a FEMA-approved state mitigation plan, including adoption, no later than 30 days following the date of the major disaster declaration.
 - Federally recognized **tribal governments**, acting as a recipient, that do not have a FEMA-approved tribal mitigation plan at the time of the major tribal disaster declaration, must have an approved plan, including adoption, no later than 90 days following the date of the major disaster declaration.
 - Federally recognized **tribal governments**, acting as a recipient under a state disaster declaration, that do not have a FEMA-approved tribal mitigation plan at the time of the signing of the FEMA tribal agreement, must have an approved plan, including adoption, no later than 90 days following the date of the signing of the FEMA tribal agreement.
 - For **HMGP Post Fire**, updated mitigation planning requirements to note that the following:
 - **States** that do not have a FEMA-approved state mitigation plan at the time of the Fire Mitigation Assistance Grant declaration must have a FEMA-approved state mitigation plan, including adoption, no later than 30 days following the date of the Fire Mitigation Assistance Grant declaration.
 - Federally recognized tribal governments, acting as a recipient under a state Fire Mitigation Assistance Grant declaration, that do not have a FEMA-approved tribal mitigation plan at the time of the signing of the FEMA Tribal Agreement must have an approved plan, including adoption, no later than 90 days after the signing of the FEMA Tribal Agreement.
- Reorganized and updated the subapplicant mitigation plan requirements.
 - Separated the mitigation planning requirements by subapplicant (state agencies, local governments and private nonprofit versus Tribal).
 - o Detailed subapplicant plan requirements under each HMA program.

- Added Part.C.2.4 Subrecipient Plan Lapse to clarify the impact on the subaward and obligations when a subrecipient's mitigation plan lapses. If a subrecipient's approved mitigation plan lapses after FEMA has obligated the initial funding under the subaward, FEMA may continue to make certain additional funding available under the terms of the subaward, including amendments to the subaward, for carrying out mitigation measures approved prior to the plan lapse.
- Moved around and consolidated the **EHP** section to remove duplicative language.
- Revised Table 4: Eligible Activities by Program, to include Flood Mitigation Assistance hazard mitigation planningrelated activities as eligible, per the 2022 regulation update.
- Consolidated Early Warning Systems within the Part 4 eligible activities table for simplicity.
- Deleted language "the costs to elevate or dry floodproof a damaged structure or facility are not included in determining whether the substantial improvement threshold is triggered" to align HMA Guide with floodplain management regulations at 44 CFR Part 9. (Part 4.H.2)
- Added clarity to Special Flood Hazard Area post-award flood insurance requirements. (Part 4.J)
- Clarified that BRIC and Flood Mitigation Assistance awards for infrastructure, issued on or after Jan. 2, 2023, must include a contract provision explaining the Build America, Buy America Act requirements and a self-certification where contractors can certify compliance with domestic preference requirements outlined in the Act, unless FEMA waives the requirement.

Part 5. Cost-Effectiveness (Benefit-Cost Analysis)

- Incorporated FEMA Policy #206-23-001: Benefit-Cost Analysis Discount Rate and Streamlined Cost-Effectiveness for Hazard Mitigation Assistance and Public Assistance Programs.
- Removed the specific benefit-cost analysis discount rate and instead refer readers to OMB A-94 and HMA's benefit-cost analysis webpage for the most up to date discount rate.
- Removed mentions of specific precalculated benefits, social benefits, and ecosystems services benefits values and instead referred readers to HMA's benefit-cost analysis webpage for the most up to date values.
- Added additional resource links for benefit-cost analysis.

Part 6. Application and Submission Information

 Clarified the availability of technical assistance for requests for information for competitive programs, ensuring alignment with program guidelines.

Part 7. Award Selection and Notification

No substantive changes within Part 7.

Part 8. Award Administrative Requirements

- Revised sections on incremental obligation, strategic funds management and large project notification.
 - Changed section title from "Strategic Funds Management" to "Incremental Obligations" and clarified strategic funds management as an optional technique for carrying out incremental obligation specific to HMGP and HMGP Post Fire.
 - Clarified that while strategic funds management is an optional technique, the review is required under HMGP and HMGP Post Fire based on the federal share: "Recipients applying under these two programs are required to review all subawards with a federal share equal to \$1 million or greater to determine if they are suitable candidates for strategic funds management. FEMA will work with applicants to document the evaluation of individual subapplications and (if needed) justification for not using strategic funds management."
 - Strategic funds management language revised to note the following: "Projects with a federal share equal to \$1 million or greater receive incremental funding based on the schedule to execute the scope of work. Strategic funds management is a tool for HMGP and HMGP Post Fire that can be used to incrementally obligate these subawards."

Part 9. Award Monitoring and Closeout Requirements

• No substantive changes within Part 9.

Part 10. Program-Specific Guidance

- Removed the \$10 million **advance assistance** cap for HMGP and HMGP Post Fire.
- Clarified HMGP Post Fire mitigation planning requirements to align with the mitigation planning policy.
- Added Part 10.E. Public Assistance Hazard Mitigation. This text was previously in Part 4.
- Clarified that recipients are not required to submit the HMGP Administrative Plan Checklist in conjunction with the submittal of their HMGP Administrative Plan. The checklist is provided as guidance to help recipients meet the Administrative Plan requirements.
- Clarified language regarding **HMGP Post Fire** aggregation of assistance.
- Clarified that for Flood Mitigation Assistance, FEMA provides management costs according to the federal cost share of the corresponding project(s).

Part 11. Capability and Capacity Building

 Added language to indicate that planning-related activities are eligible under Flood Mitigation Assistance per the 2022 regulation update.

- Added Rehabilitation of High Hazard Dam Grant Program and usage of Community Disaster Resilience Zone designations and other methodology to eligible mitigation planning activities to align with the mitigation planning policy and FEMA State Agreements.
- Expanded other long-term community planning initiatives to include the following language, "drought, wildfire [such as prescribed burn plans or traditional ecological knowledge] and air quality [such as smoke]."
- Removed requirement for obtaining written commitment from each participating jurisdiction in hazard mitigation plan development before assistance is obligated to align with Hazard Mitigation Planning guidance.
- Removed the \$10 million advance assistance cap for HMGP and HMGP Post Fire.
- Separated **advance assistance** and **project scoping** sections to provide additional detail noting their differences.

Part 12. Mitigation Projects

- Updated the definition of Nature Based Solutions to align with definition in the <u>Biden-Harris Administration NBS</u> <u>Roadmap</u>.
- Reviewed instances of "latest published" and changed International Code Council references to "designed and constructed to the minimum standard of the most recent published editions."
- Added language regarding projects mitigating the effects of drought-related subsidence, including droughtinduced soil erosion and ground instability.
- Clarified that property acquisition and structure demolition or relocation projects consist of a community
 purchasing properties from voluntary sellers and either demolishing or relocating the structures on the property
 to a new site outside of the hazard-prone area.
- Under the acquisition section, updated the amounts for the maximum rental increase and replacement housing
 payments in accordance with updated Uniform Relocation Assistance and Real Property Acquisition regulations
 that became effective on June 3, 2024.
- Rewrote and simplified warning systems section and incorporated general edits for clarity and readability.
- Clarified the wildfire section to note that while prescribed burn projects are ineligible, prescribed burn planning activities are eligible for hazard mitigation assistance.
- Updated and incorporated wildfire content and resources to align with <u>FEMA's Mitigation Assessment Team</u> report.
- Added language to clarify that "Vertical evacuation refuges may be designated to serve as recovery shelters, but only the mitigation activities required for the vertical evacuation refuge component will be eligible for HMGP, HMGP Post Fire or benefit-cost analysis assistance."
- Removed the pre-calculated benefits language in project specific sections and directed readers to the latest values provided on the Benefit Cost Analysis website.

- Updated the snow retrofit section to indicate that applicable HMA projects must meet or exceed the minimum requirements in Chapter 7 on "snow loads" in ASCE/SEI 7, *Minimum Design Loads for Buildings and Other Structures*.
- Updated the retrofit section to expand eligibility to projects such as extreme temperatures and air quality.
- Updated references to <u>FEMA P-804 (2023) Wind Retrofit Guide for Residential Buildings</u>, to reflect most recent publication.
- Incorporated updates from the <u>Disaster Recovery Reform Act and Earthquake Early Warning Systems</u> fact sheet.
- Added references to the <u>Mitigation Action Portfolio</u>.
- Added references to the <u>Application Support Materials</u>.

Part 13. Management Costs

 Clarified that incremental funding and strategic funds management only applies to HMGP and HMGP Post Fire recipient management costs subawards and removed Table 36: Obligation Information by Total Award Amount.

Part 14. Program Administration by States

• No substantive changes.

Part 15. Appendices

- Added the definition of "warning system," "structure," and "building" to the glossary.
- Moved the Table of Changes to the appendix.

Questions

Please send all questions to <u>fema-hma-guide@fema.dhs.gov</u>.