

FEMA Increases Public Assistance Small Project Maximum to \$1 Million

Release Date: ?? 4, 2022

WASHINGTON -- Per the [fall 2021](#) and [spring 2022](#) Unified Agendas, FEMA Administrator Deanne Criswell announced Wednesday that the agency is moving forward in [reducing the administrative burden on government entities and nonprofit organizations receiving FEMA grants](#) following a disaster.

FEMA has implemented a regulatory change to increase the small project maximum for the agency's [Public Assistance program](#) to \$1 million.

“We have to make it easier for applicants to seek help following a disaster,” said Secretary of Homeland Security Alejandro N. Mayorkas. “This important change means a smoother and faster process for getting federal disaster assistance dollars into the hands of government entities and nonprofit organizations.”

“This policy change is a reflection of FEMA and President Biden’s commitment to reduce red tape, cut back on bureaucracy and ensure that communities get the resources they deserve when they need them most,” said Administrator Criswell. “FEMA’s Public Assistance remains our flagship program for helping communities rebuild infrastructure, restore critical services to the public and build climate resilience. By simplifying the application process, we will break down barriers and better meet the funding needs of small communities and our nonprofit partners.”

Section 422 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act allows FEMA to implement simplified procedures for projects below an established threshold. Congress authorized simplified procedures in 1988 to support program efficiency and allow lower dollar projects the opportunity to get recovery funding faster, setting the small project maximum at \$35,000.

Simplified procedures allow FEMA to fund eligible small projects based on estimates, which expedites disaster recovery funding to applicants.



FEMA

After the [Sandy Recovery Improvement Act in January 2013](#), FEMA completed an analysis of the program in 2015 and adjusted the threshold to \$120,000. FEMA conducted another review in 2020, showing 77% of projects were considered small, and that if a \$1 million threshold were applied, 94% of projects would be small and help put additional recovery dollars in the hands of applicants faster.

Per the fall 2021 and spring 2022 Unified Agendas, FEMA implemented a regulatory change to increase the Simplified Procedures threshold to \$1 million, including unobligated COVID-19 projects.

Applicants are not required to submit quarterly progress reports on small projects or reconcile final costs, but must still comply with all application laws, regulations and policies. National emergency management partners have supported FEMA making this change to reduce administrative burdens, more efficiently use resources, simplify the program for smaller applicants with smaller dollar projects and speed up the closure of projects.

The Department of Homeland Security and FEMA are committed to providing equitable and accessible recovery support to affected communities. FEMA intends to continue adjusting the threshold annually to reflect changes in the Consumer Price Index for All Urban Consumers and reviewing the base threshold every three years.

The \$1 million threshold applies to all projects under major disasters and emergencies declared on or after Aug. 3, 2022. The \$1 million threshold also applies to all unobligated PA projects in major disasters and emergencies declared between March 13, 2020, and Aug. 3, 2022.

