

# Simplifying Public Assistance

## Overview of Memorandums and Simplified Procedures Policy

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FEMA



# **Simplifying Public Assistance Memorandums**

**March 2022 & September 2022**

# Simplifying the Public Assistance Program | FEMA.gov – March 2022

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- In March 2022, FEMA made the first changes based on recommendations to help speed recovery efforts and reduce applicant burdens.
- The actions are organized into four thematic areas:
  1. Simplifying Processes
  2. Listening to Communities and Assessing Performance
  3. Simplifying Policy
  4. Training



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# Simplifying the Public Assistance Program | FEMA.gov – September 2022

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- In September 2022, FEMA [took these additional steps](#) to streamline Public Assistance:  
*Simplifying PA Part 2.*
  - **Power Restoration Work Categorization** - FEMA is providing applicants flexibility in how they claim costs for the work associated with power restoration projects.
  - **Removal of Hazardous Trees, Limbs, and Stumps** - FEMA is eliminating size requirements for the eligibility of the removal of hazardous trees, limbs, branches, and stumps.
  - **Consensus-Based Codes and Standards in Replacement Determinations (50% Rule)** - FEMA is providing Applicants the option to not use higher consensus-based codes, specifications and standards in 50% rule calculations.
  - **Emergency Management Assistance Compact (EMAC)** - FEMA will no longer perform a separate reasonable cost analysis of work performed through EMAC, as long as the project followed established EMAC rules.



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# **Public Assistance Wildfire Policy Guidance Memorandum**

**October 2022**

# Public Assistance Wildfire Policy Guidance – October 17, 2022 Memo

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- Memorandum in response to recommendations from the National Emergency Managers Association (NEMA) and discussions held during the FEMA’s April 2022 Wildfire Summit.
- Effective immediately, FEMA will utilize established policy in the PAPPG Version 4, in conjunction with this memo, to make eligibility determinations for debris removal, demolition, and other related response and recovery activities for federal declared incidents.
- These changes are effective for major disasters and emergencies declared on or after the issuance date of this memo. FEMA will incorporate these changes into the next version of the Public Assistance Program and Policy Guide (PAPPG).



# Public Assistance Wildfire Policy Guidance – October 17, 2022 Memo

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## Private Property Debris Removal (PPDR)

- Pre-approval from FEMA is not required for the Applicant to begin PPDR work (including on privately owned residential and commercial property); however, for the Applicant to receive PA funding, FEMA must determine that the work is eligible.
  - The Applicant must notify FEMA that PPDR is being conducted and the type of property on which the PPDR is being conducted (e.g., privately-owned residential or commercial property) so FEMA can ensure notifications to the necessary FEMA components and federal partners.
  - The Applicant must submit written documentation to FEMA identifying the specific properties or areas of properties where PPDR activities occurred. This documentation must demonstrate that the Applicant has legal authority and responsibility to perform PPDR, full compliance with all applicable sources of authority (law, ordinance, code, contract, etc.), indemnifies the United States for any claim arising from the debris removal, and that the PPDR was in the public interest .



**FEMA**

# Public Assistance Wildfire Policy Guidance – October 17, 2022 Memo

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## Private Property Debris Removal (PPDR) – cont.

- When evaluating PPDR funding requests, FEMA will consider if the incident generates wildfire debris in quantities and/or types on residential or commercial property that is so widespread or of such magnitude that it creates a threat to public health and safety or improved property.

## Demolition of Private Structures:

- Pre-approval from FEMA is not required for the Applicant to begin demolition work; however, for the Applicant to receive PA funding, FEMA must determine that the work is eligible.
- The applicant must notify FEMA that demolition of private structures is being conducted and the type of property on which the demolition work is being conducted (e.g., privately-owned residential or commercial property) so FEMA can ensure notifications to the necessary FEMA components and federal partners.





# Public Assistance Wildfire Policy Guidance – October 17, 2022 Memo

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## Demolition of Private Structures – cont.

- For destroyed structures that are deemed eligible for demolition, the issue identified on page 108 of the PAPPG, version 4 which states: “If more than one wall of a structure is standing and not in immediate danger of collapsing, FEMA considers the removal of that structure to be demolition and not debris removal ...” is now superseded by this memo.
- It is no longer the determining factor in categorizing removal of a destroyed structure as demolition versus debris removal.
- The determination that a structure is destroyed and/or in immediate danger of collapsing must be made by the authority having jurisdiction in coordination with a qualified individual.
- Demolition of commercially owned structures is generally ineligible as it is expected that the commercial enterprises retain insurance that addresses the cost of demolition. However, in very limited, extraordinary circumstances, the FEMA Regional Administrator may provide an exception



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# Public Assistance Simplified Procedures Policy

FEMA Policy FP-104-23-001



# FEMA

# Background

August 2022

- FEMA published a [final rule](#) to increase the established threshold for large projects for PA program to equal to or greater than \$1 million.

October 2022

- FEMA released the [Draft 422 Policy](#) for public comment until November 16, 2022.

January 2023

- FEMA released the [PA Simplified Procedures Policy \(FP-104-23-001\)](#) effective January 6, 2023 for all events after policy release.

# Policy Objectives

- Streamline the process for Small Projects.
- Apply simplified procedures in a consistent manner.
- Support equitable delivery of assistance to underserved communities.
- Enable communities to recover more quickly after Presidentially declared events



## FEMA Policy: Public Assistance Simplified Procedures FEMA Policy FP-104-23-001

### BACKGROUND

Section 422 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5121 et seq (Stafford Act) authorizes the Federal Emergency Management Agency (FEMA) to provide funding on the basis of the federal estimate for projects with an estimated cost below a specified and established dollar threshold and implement simplified procedures for projects below such threshold. In August 2022, FEMA published a [final rule](#) to increase the established threshold for Small Project maximum for the agency's Public Assistance (PA) program to \$1 million (Small Project). The increased threshold reduces the administrative burden on state, local, tribal, or territorial (SLTT) governments and private non-profit (PNP) organizations receiving FEMA financial grants following a disaster. A Small Project has costs below the threshold, while a Large Project has costs equal to or above the \$1 million threshold (Large Project).<sup>1</sup> This policy supersedes guidance pertaining to Small Projects in the [Public Assistance Program and Policy Guide](#) (PAPPG) and establishes additional requirements related to Small Projects. All other requirements in the PAPPG apply.

### PURPOSE

This policy streamlines application procedure for Small Project funding under the PA program to simplify implementation of the PA program and support rapid recovery for Applicants. The use of simplified procedures, such as submitting self-certified estimates and summary reports, may allow applicants to receive funding early and promotes rapid recovery of the affected community. This policy defines FEMA's simplified procedures and requirements for Small Projects funded under the PA program.

### PRINCIPLES

- A. Apply simplified procedures in an appropriate and consistent manner.
- B. Reduce the administrative burden for Small Projects.

<sup>1</sup> Small Projects are those that have a total eligible project cost (federal and non-federal cost share) less than the threshold after mitigation is added and all applicable reductions are taken, such as insurance proceeds. FEMA also establishes a minimum threshold for which projects must meet or exceed to be considered for Public Assistance (PA) funding. FEMA adjusts these thresholds annually based on the consumer price index. See [Per Capita Impact Indicator and Project Thresholds | FEMA.gov](#).



# Policy Overview (1 of 2)

- The policy will streamline and further simplify implementation of the PA program, supports rapid recovery for Applicants, and allows Applicants to certify on damage and work estimates, not just cost.
- The Simplified Procedures Policy **supersedes** guidance pertaining to Small Projects in the Public Assistance Program and Policy Guide (PAPPG) and establishes additional policy related to Small Projects.
- The policy streamlines documentation requirements for Small Projects to include acceptance of Applicants' certified cost estimates and summary cost information.
- This policy will serve as the framework for Small Project cost and documentation requirements.



## Public Assistance Program and Policy Guide

*Version 4, Effective June 1, 2020*

(FP 104-009-2)



# Policy Overview (2 of 2)

- The policy does not eliminate requirements to:
  - Substantiate that damage is incident-related;
  - Comply with 2 CFR, procurement and contracting rules, Environment and Historic Preservation laws, and civil rights laws;
  - Ensure no duplication of benefits, including insurance; and
  - Retain source documentation including financial records for Small Projects.
- Small projects remain subject to audits.
- Applicants must still provide information to validate that small project are for eligible applicants, facilities, work, and costs in accordance with federal law, regulation and FEMA policy including the *PAPPG*.
- Project Reclassification: FEMA will reclassify a project to either large or small based on adjusted project costs.

# Cost Estimates

- FEMA will accept certified estimates instead of actual detailed cost documentation.
- FEMA may use the CEF to ensure that the estimate includes all costs to complete the approved SOW.
- If the work is completed, either the Applicant submits a summary of actual costs or the Applicant submits an estimate based on known actual costs.
- Once the estimated amount is obligated, FEMA considers it reasonable and eligible and does not re-evaluate the cost provided there is no evidence of fraud, waste or abuse, and the Applicant complies with federal grant conditions.

# Simplified Cost Estimating

- FEMA will accept cost estimates based on the following:
  - Employee labor costs calculated based on actual *or* estimated total number of staff & total hours with average pay rates (similar pay rate and category)
  - Equipment and supplies estimated based on purchase orders, rental agreements, or the lowest of three quotes. Equipment must include a reduction for depreciation or fair market value (estimated or actual). FEMA will not reduce Small Projects for disposition of unused supplies
  - Contract work where there is not an RFP may be estimated based on historical costs or another Applicant's costs for projects that are similar in size and scope of work (e.g., similar quantities and types of debris, materials costs, and other factors)
  - **Procurement and Contract Compliance:** All projects must comply with compliance requirements, but FEMA will do a detailed review for higher risk contracts (i.e., not competitively bid)



# Applicant Certifications

- FEMA will accept the Applicant's provided certification for damage and work, in lieu of providing comprehensive source documentation.
- The Applicant must certify that damage was caused directly by the declared incident.
- FEMA does not provide PA funding for repair of damage caused by deterioration, deferred maintenance, failure to take measures to protect a facility from further damage, or negligence.
- Applicants certify: damage, work claimed, equity, code and standard compliance, procurement, cost reasonableness, and duplication of benefits.
- All documentation to substantiate damage and work must be retained and provided upon request.

# Implementation

- All Applicants will be assigned a Program Delivery Manager (PDMG) for any new events.
- Emergency Work (Category A and B)
  - Applicants use the streamlined Project Application (SPA) in Grants Portal for all Cat A and B projects.
  - FEMA has updated these applications in the system and the associated Project Application Reference Guides to align with the new policy.
- Permanent Work (Categories C - G)
  - PDMGs will assist applicants with providing the required information and documentation.
  - Applicants will sign a document to certify to the accuracy of the information provided.

# Upcoming Trainings & Guidance Documents

- Simplified Procedures Policy Updated Training/Briefings
  - SLTT informational webinars.
  - FEMA Staff Trainings
  - Upon a declaration for your State, Tribe or Territory, FEMA will provide specific training.



# NCEM Updates to Simplified Procedures

- Increased Small Project Threshold
  - **NCEM:** There is no impact to the small project payment process for current declared disasters. NCEM is working to develop procedures to align with the new increased threshold.
- Deadlines
  - Completed Projects Prior to Obligation
    - **NCEM:** NCEM Grants Managers will assist subrecipients in tracking to ensure that documentation is submitted as soon as practicable since FEMA may still issue a DM after a time deemed appropriate
      - The prior FEMA requirement was to submit documentation to FEMA within 90 days of the Recovery Scoping Meeting or within 90 days of the work completion date, whichever is later, has been removed.
  - Closeout
    - **NCEM:** The FEMA RA has the authority to grant time extensions to deadline for submitting project to closeout. If a subrecipient may not meet the closeout deadlines then the subrecipient may submit a time extension request to your NCEM Grants Manager for submission to FEMA. The request must have a justifiable circumstance.



Questions?