

July 14, 2025

The Honorable Sam Graves
Chairman
Committee on Transportation and
Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member
Committee on Transportation and
Infrastructure
U.S. House of Representatives
Washington, DC 20515

RE: Comments on FEMA reform discussion draft, the FEMA Act of 2025

Dear Chairman Graves and Ranking Member Larsen:

The undersigned organizations are pleased to provide feedback to the discussion draft FEMA reform legislation. Building smart, modern, resilient infrastructure is among our top priorities. We applaud the Committee for providing a framework for community preparedness going forward. Congress has a critical role to play.

The economics of resilience are an important catalyst in ensuring we are preparing ahead of the next crises. The U.S. Chamber together with the Chamber Foundation and Allstate released *The Preparedness Payoff*, showing that for every \$1 invested in predisaster mitigation and resilience projects and measures, there are \$13 in reduced losses and economic savings. Resilience is simply put, good public policy.

We agree with the provisions in the bill streamlining the permitting process in particular for waivers for projects that prioritize improved building codes and predisaster mitigation, which can be key contributors to economic growth.

As you advance this important legislation, we offer recommendations for your consideration:

1. **Ensure a strong federal role** . There is a clear federal role and need for assisting states and communities preparing for and responding to disasters. Therefore, we support the Committee's recognition for the continued existence for FEMA. While we agree with the Committee's support to make FEMA an independent agency, we remain willing to explore alternatives that have comparable or improved outcomes that maintain the federal role in reducing risks that communities and companies face from disasters.

2. **Broaden stakeholders consulted as part of the advisory panel.** In addition to engaging government experts at all levels to align approaches to preparation, response, and recovery, we believe the legislation should include relevant members of the private sector and other stakeholders, who are often on the frontlines for community resilience and provide important perspectives on business continuity and community engagement measures and efforts.
3. **Offer flexible block grants weighted toward predisaster mitigation.** We support a unified and streamlined disaster application system, including web-based interagency information sharing to catalyze cooperation and efficiency. We urge, however, that states be encouraged to prioritize projects focusing on predisaster mitigation and resilience results (including the highest risk communities). The legislation should authorize meaningful funding for projects and measures that help prepare for the next crises.
 - a. **Change “may” to “shall” when providing postdisaster funding for predisaster mitigation.** Under Section 203 of the Stafford Act, the President “may” establish a program to provide technical and financial assistance to states and local governments to assist in the implementation of predisaster mitigation measures, allowing an administration to optionally forgo implementation. In order to provide states and local governments with consistent, reliable hazard mitigation grants, the FEMA Act should amend subsections (b) and (c) of Section 203 of the Stafford Act, by striking “may” and inserting “shall” in both subsections. This funding should be a component of the block grant approach.
4. **Provide additional tools and incentives** . Your legislation should continue to capitalize the resilience revolving loan program, established under the Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM Act), which provides low interest loans to local governments for disaster mitigation projects. We ask that the Committee offer increased administrative set aside to assist in incentivizing state implementation.

We support efforts to incentivize states, federally recognized tribes, and territories to invest in cost-effective predisaster mitigation measures, including the adoption and effective implementation of consensus-based building/construction codes. We commend the draft legislation for including a provision “facilitating the adoption and enforcement...” of building codes as an incentive to increase the federal share of Public Assistance funding. We also

suggest that the federal cost share for predisaster mitigation projects, such as the adoption and enforcement of building codes, be included on a sliding scale of up to 85% to incentivize these approaches. Finally, we recommend that the FEMA Act of 2025 direct the Agency to obligate previously appropriated funds to existing predisaster mitigation awardees upon the bill's enactment.

5. **Include a multi-hazard approach.** The legislation should enable an integrated all hazard approach, including droughts – in addition to earthquakes, flooding, tornados, wildfire, and other severe storms contained in the draft.
6. **Promote public-private partnerships.** While the Stafford Act does allow public-private partnerships under certain conditions, more flexibility should be provided especially for implementation of predisaster mitigation projects and the inclusion of philanthropy, foundations, and donor-advised funders to maximize federal programs and dollars.

FEMA is critical to ensuring the resilience of communities and companies across the U.S. Your Committee can help facilitate a national dialogue to help gather constructive ideas to achieve that objective. We stand ready to assist you.

Sincerely,

Alliance for Global Water Adaptation
American Property Casualty Insurance Association
American Society of Civil Engineers
American Society of Landscape Architects
Future Proofing America
Insurance Institute of Business & Home Safety
International Association of Plumbing and Mechanical Officials
International Code Council
National Association of Flood and Stormwater Management Agencies
National Association of Mutual Insurance Companies
National Hazard Mitigation Association
Precovery Labs
Reinsurance Association of America
Theodore Roosevelt Conservation Partnership
U.S. Chamber of Commerce
World Ocean Council