

Tim Maiers
Executive Director
Michael Klingner
Chairman, Illinois
Jim Koeller
Vice Chairman, Illinois
Dianne Barnett
Treasurer, Illinois
David McMurray
Executive Committee, Iowa
John Winkelman
Executive Committee, Missouri
Vicki Stoller
Director, Iowa



Bruce Brinkman
Director, Illinois
Dan Engemann
Director, Missouri
Philip Held
Director, Missouri
Al Muhlenbruck
Director, Iowa
Brent Hoerr
Director, Missouri
Danny Kuenzel
Director, Missouri
Bill Bodine
Director, Illinois

March 12, 2021

Regulatory Affairs Division, Office of Chief Counsel
Federal Emergency Management Agency
500 C Street Southwest
Washington, D.C. 20472

RE: Docket ID FEMA-202-0038: Cost of Assistance (COA) Estimates in the Disaster Declaration Process for the Public Assistance (PA) Program

To whom it may concern,

Please accept these comments regarding the Federal Emergency Management Agency's (FEMA) proposed revision to the "Cost of Assistance Estimates in the Disaster Declaration Process for the Public Assistance Program."

I am writing on behalf of the Upper Mississippi, Illinois & Missouri Rivers Association (UMIMRA). UMIMRA is a grassroots organization dedicated to improving flood protection in the Upper Mississippi River Valley. We represent levee and drainage districts, landowners, businesses, and communities affected by the Upper Mississippi River and its tributaries. The Upper Mississippi River watershed encompasses 118 million acres, which contains a total population of 13.4 million people.

Our organization has 66 years of experience in speaking as one voice for those living, working, and investing in the Upper Mississippi River Basin. During this time, UMIMRA has worked closely with FEMA and other federal agencies, and levee districts on numerous issues and challenges, including several major flood events.

Flood fighting is essential to minimizing the loss of life and damage to property, yet flood fighting is costly to levee districts, which depend upon FEMA Public Assistance. Changes to the rules that govern how this much needed assistance is provided will have serious negative economic impacts on local levee districts and local governments and ultimately harm the people already reeling from the actual disasters.

The proposed changes will unfairly harm rural communities.

Rural levee districts are already challenged to meet the current requirements to qualify for emergency Public Assistance. The proposed changes will make it much more unlikely that rural areas will even be given the chance to apply let alone actually receive any funding. By increasing the per capita indicator from \$1.50 to \$2.32 and raising the threshold for major disaster declarations by more than 50%, FEMA will put federal emergency assistance out of reach for all but the most devastating of disasters.

The use of Total Taxable Resources (TTR) in the calculation of the “Estimated Cost of Assistance” raises serious equity issues for rural communities. The use of the TTR gives higher weight to those areas of the country that have higher real estate costs. For example, the higher the real estate value, the higher the value of the taxable resource, and the higher the “benefit” when compared to the cost of the project.

We believe that the use of TTR will shift Public Assistance away from low-income and rural communities who have lower property values. We have seen this outcome with other federal agencies who use benefit-cost ratios similar to TTR. Similarly, the TTR may permanently shift the financial burden of disaster response and recovery to communities that are poor or underserved who cannot afford to take on additional burdens. These communities already have disproportionate impacts from disasters, and now the capacity to restore and recover these communities will be even more disproportionately damaged. In the end this rule change will unfairly penalize people based solely on where they live.

The timing of these proposed changes is terrible.

State and local governments are continuing to struggle financially from the COVID-19 pandemic and the results of the forced government shutdowns. It is devastating to withdraw or significantly reduce the amount of federal assistance that has been relied upon for many years during this difficult time in our economy. Also, many states and local jurisdictions around the country are currently still working through recovery from the many recent disasters, and in some cases, trying to clear backlogs of PA from many years past, while citizens are still suffering the aftereffects of these events.

The loss of access to FEMA Public Assistance is deeply concerning considering the anticipated increasing flood events in the Upper Mississippi River Basin due to the projected impacts of climate change. Precipitation events are becoming more intense and happening more often, which causes more runoff, which leads to more flooding. The second highest Mississippi river level ever recorded at Quincy, IL was on June 1, 2019 at 31.16 feet; this is second only to the flood of 1993.

This proposal would suddenly and dramatically limit state and local governments’ ability to qualify for desperately needed Public Assistance (PA) funding.

Under the proposal unless an unrealistically high dollar damage threshold is reached, i.e., an average increase nationally of 57.5%, or for the 6 most populous states an average of 72.66%, these states and locales will have to bear the burden of recovering from disaster alone. Under this proposal, most states would not be eligible for PA funding unless a disaster is considered severely catastrophic. For example, the proposal estimates that up to 72.66 percent of states and

localities who experience a disaster a year would not be eligible for disaster recovery funds. This would be devastating for communities who continue to deal with the COVID-19 crisis, as well as the resulting recession.

FEMA has not identified any quantitative benefits for this proposed change in the rule to justify its costs.

It is especially troubling that FEMA recognizes the following in the costs of this proposed rule:

- Applicants would need to invest more in response recovery, and mitigation capabilities.
- Damaged facilities may not be repaired or replaced and could be susceptible to future disasters.

As levee districts in the Upper Mississippi River Basin are forced to forego flood fighting as an available measure to mitigate flood risk there will be increased damages, likely resulting in a rise in flood and crop insurance claims, resulting in a greater overall cost.

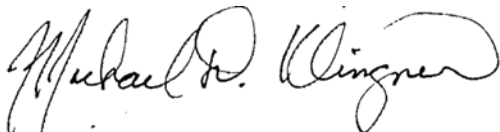
UMIMRA urges several changes be made to the proposed rule.

These proposed changes would be disastrous for the Upper Mississippi. UMIMRA urges FEMA to withdrawal the rule until the agency can convene a series of stakeholder discussions to brainstorm on other options moving forward. Additionally, we recommend that any attempt by FEMA to adjust the Cost of Assistant Estimates be phased in over a longer period of time to allow states and local governments to adjust to new minimum damage levels in the disaster declaration process and access to PA. Finally, we request the agency allow state and local governments the opportunity to provide immediate assistance to those in critical need without risking losing much needed PA.

Both FEMA Region V and VII were part of the 2008 Upper Mississippi River Comprehensive Plan that recommended permanent flood control improvements, yet these improvements have yet to receive federal authorization and appropriations. In the meantime, the Upper Mississippi Valley has inadequate protection requiring flood fighting to protect life and property. FEMA's work eligibility considerations are already restrictive and preventing restoration to prevent future damages. The proposed changes, would increase damages, and should not be implemented until adequate permanent flood control improvements, as recommended in 2008 are fully implemented.

Thank you for the opportunity to offer comments on this proposal and for your consideration on this matter.

Respectfully submitted,



Mike Klingner, Chairman
Upper Mississippi, Illinois & Missouri Rivers Association
616 N. 24th Street
Quincy, IL 62301
(217) 653-8456; mdk@klingner.com