

Highlights of [GAO-03-926](#), a report to the Committee on Environment and Public Works, U.S. Senate

Why GAO Did This Study

The terrorist attacks on New York City created the most costly disaster in U.S. history. In response, the President pledged at least \$20 billion in aid to the city. Approximately \$7.4 billion of this aid is being provided through the Federal Emergency Management Agency’s (FEMA) public assistance program, which provides grants to state and local governments to respond to and recover from disasters. The Senate Committee on the Environment and Public Works requested that GAO determine (1) what activities FEMA supported in the New York City area through its public assistance program after the terrorist attacks; (2) how the federal government’s response to this terrorist event differed from FEMA’s traditional approach to providing public assistance in past disasters; and (3) what implications FEMA’s public assistance approach in the New York City area may have on the delivery of public assistance should other major terrorist attacks occur in the future.

DISASTER ASSISTANCE

Information on FEMA’s Post 9/11 Public Assistance to the New York City Area

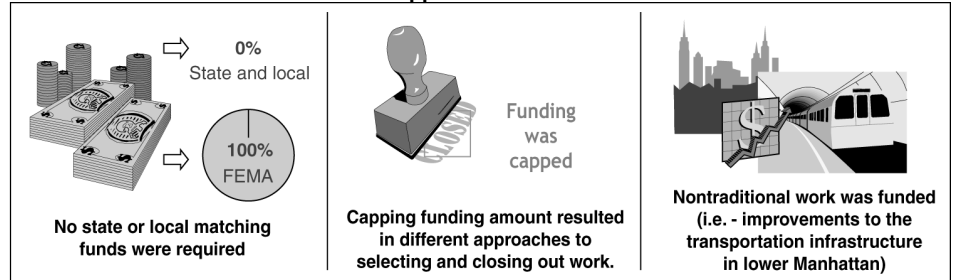
What GAO Found

FEMA has supported many activities through its \$7.4 billion in public assistance-related funding to the New York City area. Activities funded include grants to state and local governments for emergency response, such as debris removal, and permanent work, such as the repair of disaster-damaged public facilities. FEMA also provided public assistance-related funding specifically directed by Congress that would not otherwise have been eligible for assistance (e.g. reimbursing costs of instructional time for students who lost school time after the terrorist attacks). The major uses for this funding are as follows:

- \$1.7 billion for debris removal operations and insurance.
- \$2.8 billion to repair and upgrade the transportation infrastructure of Lower Manhattan.
- \$0.6 billion to the New York City Police and Fire Departments for such purposes as emergency efforts and replacing destroyed vehicles.
- \$0.3 billion to miscellaneous city agencies for a wide range of activities (e.g., instructional time for students and building cleaning).
- \$0.7 billion for non-New York City agencies for many purposes (e.g. office relocations and repair of damaged buildings).
- \$1.2 billion available on June 30, 2003, for public assistance-related reimbursements to New York City and state (work to be decided).

The provision of public assistance to the New York City area differed in three significant ways from FEMA’s traditional approach.

Differences in This Public Assistance Approach



Source: NOVA Development Corporation and GAO.

FEMA and New York City officials agreed that FEMA’s public assistance approach in the New York City area creates uncertainties regarding the delivery of public assistance in the event of another major terrorist event. They differed on the effectiveness of using the public assistance program as currently authorized as the vehicle for federal disaster response to a future major terrorist event. Key New York City officials said that the program needed major revisions, while FEMA officials said it worked well along with the congressional prerogative to provide additional assistance. Nevertheless, FEMA has begun to consider ways to redesign the program to make it better able to address all types and sizes of disasters, including terrorist attacks.

www.gao.gov/cgi-bin/getrpt?GAO-03-926.

To view the full product, including the scope and methodology, click on the link above. For more information, contact JayEtta Z. Hecker at (202) 512-2834 or heckerj@gao.gov.