



Highlights of [GAO-09-437T](#), a testimony before the Subcommittee on Emergency Communications, Preparedness, and Response, Committee on Homeland Security, House of Representatives

## Why GAO Did This Study

Recovery from major disasters is a complex undertaking that involves the combined efforts of federal, state, and local government in order to succeed. While the federal government provides a significant amount of financial and technical assistance for recovery, state and local jurisdictions work closely with federal agencies to secure and make use of those resources. This testimony describes lessons and insights that GAO has identified from review of past disasters, which may be useful to inform recovery efforts in the wake of Hurricanes Ike and Gustav, as well as disasters yet to come.

These lessons come from two reports GAO recently released last fall on disaster recovery. The first draws on the experiences of communities that have recovered from previous major disasters in order to help inform recovery efforts in the wake of Hurricanes Ike and Gustav as well as the 2008 Midwest floods. The second examines the implementation of the Federal Emergency Management Agency's (FEMA) Public Assistance grant program and identifies several actions that the Department of Homeland Security can take to improve operations of that program. These include improving information sharing and enhancing continuity and communication. Commenting on a draft of that report, the department generally agreed with our recommendations. In doing this work, GAO interviewed federal, state, and local officials involved in recovery and reviewed relevant documents, data, and laws.

View [GAO-09-437T](#) or [key components](#). For more information, contact Stanley J. Czerwinski at (202) 512-6806 or [czerwinkis@gao.gov](mailto:czerwinkis@gao.gov).

## DISASTER RECOVERY

### Past Experiences Offer Recovery Lessons for Hurricanes Ike and Gustav and Future Disasters

#### What GAO Found

Lessons from past disasters provide a potentially valuable source of information for all levels of government as they seek to meet the many challenges of recovering from a major disaster. For affected state and local jurisdictions, good practices to consider include the following:

- Creating a clear, implementable, and timely recovery plan can provide communities with a road map for the recovery process. Just 2 months after the 1995 Kobe earthquake in Japan, the city created a recovery plan with these elements.
- Providing financial and technical capacity facilitates jurisdictions' ability to implement federal disaster programs. For example, loans and technical assistance provided after past disasters helped communities better navigate the wide range of federal disaster programs.
- Implementing business recovery strategies to minimize business relocations helps small businesses adapt to postdisaster market conditions. For example, to encourage businesses to remain in the city Grand Forks after the 1997 flood, the city forgave loans for businesses that stayed in the city.
- Adopting a comprehensive approach toward combating fraud, waste, and abuse protects both disaster victims from contractor fraud and public funds from fraudulent applicants. Controls to combat such activities before, during, and after a disaster can deter such activities, including instances of contractor fraud.

On the federal level, experiences with FEMA's Public Assistance grant program after the 2005 Gulf Coast hurricanes illustrated a variety of challenges in the day-to-day operation of the program that could be faced again by Gulf Coast states recovering from Hurricanes Ike and Gustav or other disasters in the future. These include the following:

- Challenges using program flexibilities to respond to the postdisaster needs of grant applicants and determining project scope. For example, applicants reported needing additional flexibility when rebuilding to address significant population changes after the storm.
- Challenges in sharing information among federal, state, and local officials during project development that at times slowed the process. For example, some applicants in Louisiana told us of the need to repeatedly resubmit key project documents because of the lack of an effective system to share such documentation.

Opportunities exist for the federal government to further refine FEMA's Public Assistance grant program to better address these and other challenges as recovery continues on the Gulf Coast and in advance of future disasters.