

DISASTER HOUSING

Improved Cost Data and Guidance Would Aid FEMA Activation Decisions

Why GAO Did This Study

The 2017 and 2018 hurricanes (Harvey, Irma, Maria, Florence, and Michael) caused \$325 billion in damage. FEMA provided post-disaster assistance, including rental and direct housing assistance. DHAP was a pilot grant program that provided temporary rental assistance and was used to respond to several hurricanes before 2017.

GAO was asked to review issues related to major disasters in 2018 and housing assistance provided after the 2017 and 2018 hurricanes. This report (1) describes the assistance FEMA provided in response to those hurricanes, and (2) evaluates the extent to which FEMA considered cost-effectiveness in activating programs.

GAO reviewed FEMA and HUD policies, communications, and other documentation; analyzed FEMA data; and interviewed officials at FEMA headquarters and regional offices, HUD, and Texas state and local government offices.

What GAO Recommends

GAO makes two recommendations to FEMA for its temporary housing programs: (1) identify and make changes to its data systems to allow for capture and analysis of programs' full costs, and (2) specify the information needed to compare projected program costs in its guidance on activating programs. DHS agreed with both recommendations, and said it planned to implement them in 2021–2022.

View [GAO-21-116](#). For more information, contact John Pendleton at (202) 512-8678 or pendletonj@gao.gov.

What GAO Found

The Federal Emergency Management Agency (FEMA) relied primarily on rental assistance payments to assist 2017 and 2018 hurricane survivors but also used direct housing programs to address housing needs, as shown in the table below. GAO found that FEMA provided rental assistance to about 746,000 households and direct housing assistance to about 5,400 households. FEMA did not use the Disaster Housing Assistance Program (DHAP)—a pilot grant program managed jointly with the Department of Housing and Urban Development (HUD)—because FEMA viewed its direct housing programs to be more efficient and cost-effective and did not consider DHAP to be a standard post-disaster housing assistance program.

Number of Households Affected by the 2017 and 2018 Hurricanes That Received Rental and Direct Temporary Housing Assistance, by State or Territory

State or territory	Rental assistance	Direct housing assistance
Florida	422,230	1,241
North Carolina	20,198	656
Puerto Rico	147,620	414
Texas	143,465	2,988
U.S. Virgin Islands	12,147	69
Total number of households	745,660	5,368

Source: Federal Emergency Management Agency (FEMA). | GAO-21-116

Notes: FEMA provided the vast majority of its direct housing assistance through transportable temporary housing units such as manufactured housing. Rental assistance data are as of February 13, 2020, and direct housing assistance data are as of July 15, 2020.

FEMA's analyses of the cost-effectiveness of housing assistance programs were limited because program cost data were incomplete or not readily useable. The Robert T. Stafford Disaster Relief and Emergency Assistance Act requires FEMA to consider factors including cost-effectiveness when determining which types of housing assistance to provide. Although FEMA has stated its direct housing programs were relatively more cost-effective than DHAP, FEMA generally could not support these statements with cost data. Specifically, FEMA does not collect key program data in its system, such as monthly subsidy and administrative costs, in a manner that would allow it to analyze the full costs of providing the assistance. Without such information, the agency's program activation decisions will not be well informed, particularly with regard to cost-effectiveness. FEMA policy guidance also says that FEMA is to compare the projected costs of the direct housing programs it is considering activating, but does not consistently specify what cost information to consider, such as whether to use both programmatic and administrative costs. Without such guidance, FEMA cannot reasonably assure that its assessments and their results incorporate consistent and comparable data.