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Why Block Grants Could be the Future of FEMA Public Assistance: Baker Donelson

Since publishing the Disaster Recovery Brief "[Are Block Grants the Future of FEMA Public Assistance?](#)" we received several inquiries seeking additional information. In response, this brief explains what a block grant is in the context of disaster assistance and the practical effect a block grant model could have on FEMA infrastructure grants to states, tribes, territories, local governments, and private nonprofits. Legislation would be needed to make such a major change to the delivery of FEMA Public Assistance, but if passed, such a shift could allow the Executive Branch to move away from its current project-based system and improve program efficacy.

FEMA's current Public Assistance grant program is run as a project-based grant where the initial grant to the recipient state or tribe is \$0, and FEMA amends the scope and amount of the grant each time the agency approves a subrecipient's project. The scope and cost of each project is developed consistent with strict eligibility requirements. In contrast, under a block grant model, the agency establishes the purpose, time, and amount of the grant based on a broad scope and then relinquishes control over the way the recipient accomplishes that scope. The federal agency does not micro-manage the implementation of a block grant, but the funds must be used for the authorized purpose and comply with any restrictions set by the authorizing statute or appropriation and terms imposed by the grant agreement. In addition, FEMA's current Public Assistance Program is reimbursement-based - meaning the applicant does the work, pays, and then seeks reimbursement from FEMA. Under a block grant model, the agency could move away from that system - providing funds up front for the provision of eligible work.

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