



August 6, 2025

The Honorable Sam Graves
Committee on Transportation and
Infrastructure
United States House of Representatives
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Rick Larsen
Committee on Transportation and
Infrastructure
United States House of Representatives
2165 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Graves and Ranking Member Larsen:

On behalf of the American Public Power Association (APPA), I write in support of H.R. 4669, the Fixing Emergency Management for Americans (FEMA) Act of 2025 (FEMA Act or discussion draft). While we continue to review the legislation and may have technical suggestions for improving, we believe it is a good bill that, if enacted, would substantially improve how communities respond to and recover from emergencies and major disasters.

APPA is the national trade organization representing the nation's 2,000 not-for-profit, community-owned electric utilities. Public power utilities are in every state except Hawaii. They collectively serve over 55 million people in 49 states and five U.S. territories. Public power utilities are load-serving entities, with the primary goal of providing the communities they serve with safe, reliable electric service at the lowest reasonable costs, consistent with good environmental stewardship. While public power utilities serve some of the nation's largest cities, nearly 1,600 of the 2,000 in operation serve rural communities.

APPA believes that the Federal Emergency Management Agency (FEMA) plays a key role in disaster preparation, response, and recovery. FEMA helps state and local entities by coordinating federal response before, during, and after an event, and by providing public assistance grants when local resources are overwhelmed. Knowing that there is a federal backstop in times of disaster also allows state and local governments to focus on saving lives and protecting property, including through maintenance and timely restoration of power. However, as Chairman Graves has correctly pointed out, all too often disaster mitigation, response, and recovery is hindered as communities are forced to navigate a maze of complicated rules, conflicting timelines, and mountains of burdensome paperwork.

As a result, we strongly support the FEMA Act's goals of streamlining the process for claiming public assistance in the wake of an emergency or major natural disaster. Specifically, we support the move from the cost-based reimbursement model provided for permanent work under Stafford Act section 406 to an estimate-based method provided under proposed section 409. Arguably one of the most common disputes with FEMA over public assistance reimbursement stems not from whether expenses were reasonable or accomplished their intended goal, but from disputes over procurement methods. In fact, it has been the position of the Department of Homeland Security that FEMA should seek reimbursement (or the "de-obligation") of funds that were reasonably spent, and which accomplished the purpose of the grant but technically violated federal procurement requirements.

As noted in the committee’s section-by-section description of the bill, grants under this new system would be “provided on a per-project basis, without regard to prior condition, based on an estimated cost developed by an appropriately licensed professional.” In turn, these funds could be used to “repair, restore, reconstruct, or replace public or private nonprofit facilities damaged or destroyed by a major disaster, including incorporating mitigation measures.”

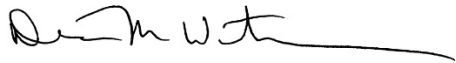
We believe this approach could clarify, simplify, and reduce regulatory risk from the process of receiving public assistance. It would also free up those on the ground to make the best use of public assistance funds. We are also encouraged by the committee’s work to ensure that FEMA does not layer past rules on top of this new regime and encourage the committee to continue in this direction.

We continue to believe that emergency work and debris removal might also benefit from being included in this estimate-based payment system, but greatly appreciate the committee’s decision providing that reimbursements for emergency work and debris removal should be made “not later than 120 days after the applicant submits a request for reimbursement if the President determines at least 9 percent of estimated costs are eligible for such reimbursement.” Rapid payment of such funds – which now routinely take years to arrive – would be of huge benefit to communities overwhelmed by emergencies and major disasters.

We also greatly appreciate the committee’s move to provide consistency in procurement practices. Local governments are responsible stewards of resources, and APPA supports allowing those with established procurement standards to use those standards when required for public assistance.

Thank you again for this opportunity to comment. If you have any questions or would like to discuss any of these issues, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Desmarie M. Waterhouse". The signature is fluid and cursive, with a long horizontal line extending to the right.

Desmarie M. Waterhouse
Senior Vice President of Advocacy and Communications & General Counsel