



October 12, 2020

The Honorable Jared Huffman
Chair
Subcommittee on Water, Oceans, and Wildlife
Committee on Natural Resources
U.S. House of Representatives
Washington DC 20515

Dear Congressman Huffman,

I would like to thank you for inviting me to testify before the Subcommittee on Water, Oceans, and Wildlife at the oversight hearing entitled, “Environmental Justice for Coastal Communities; Examining Inequities in Federal Grantmaking.”

My name is Ernesto Díaz-Velázquez, I am a marine scientist and serve as director of the Puerto Rico Coastal Management Program and the Puerto Rico Coral Reef Conservation and Management Program. In that capacity I also serve as Puerto Rico’s Point of Contact to the U.S. Coral Reef Task Force and the Coastal States Organization. For more than 25 years, I have collaborated or led projects funded by federal agencies such as the National Oceanic and Atmospheric Administration (NOAA), the U.S. Fish and Wildlife Service (USFWS), the U.S. Forest Service (USFS), the U.S. Environmental Protection Agency (USEPA), the U.S. Army Corps of Engineers (USACE), and the Federal Emergency Management Agency (FEMA).

In my testimony, I will be referring to federal grants and funding regularly announced to conduct natural resources conservation and restoration projects, environmental protection and hazard mitigation projects, as well as federal funding opportunities to build coastal communities’ resilience. These federal funding opportunities are seldom pursued by Island jurisdictions, among other reasons, because of matching requirements or lack of capacity to develop specific components of federal grants. Under normal circumstances, matching requirements typically range from a one to one (1:1) to 65%-35% or 75%:25% ratios. State matching can be waved under presidential disaster declarations.¹

Although capacity varies across Island jurisdictions, we all face the same type of challenges: evident needs and lack of funding. Historically, jurisdictions like Puerto Rico have placed emphasis on important issues such as health and education, in their efforts to secure funding.

¹ The Robert T. Stafford Disaster Relief and Emergency Assistance Act (referred to as the Stafford Act—42 U.S.C. 5721 et seq.) authorizes the President to issue “major disaster” or “emergency” declarations before or after catastrophes occur. Emergency declarations trigger aid that protects property, public health, and safety and lessens or averts the threat of an incident becoming a catastrophic event. Given their purpose, the emergency declarations may precede an event. A major disaster declaration is generally issued after catastrophes occur and constitutes broader authority for federal agencies to provide supplemental assistance to help state and local governments, families and individuals, and certain nonprofit organizations recover from the incident.

However, coastal and marine issues such as beach erosion, coral reef conservation and restoration, as well as water resources funding disparities have not been addressed in appropriate ways.

These issues became more evident in 2017, after hurricane María struck Puerto Rico with sustained winds of 155 mph, ripping roofs off homes, uprooting trees, downing cell towers, and severely impacting coral reefs, beaches, and mangroves. Electricity was cut off to 100 percent of the island, and access to clean water and food became limited for most, resulting in a severe humanitarian crisis.

According to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (COR3), a total of \$61,911,106,494 has been appropriated by the Congress for Puerto Rico recovery efforts. However, only \$16,912,557,902 (**27%**) have been distributed to recipients, subrecipients, and agencies². Three (3) years after Hurricane María, impacts to communities have not been effectively addressed because of administrative bottleneck. Coral reefs, beaches, dunes, and coastal natural infrastructure impacted by hurricane María are also waiting for restoration and repair. The Puerto Rico's Department of Natural and Environmental Resources through the COR3 submitted two (2) projects to FEMA under Section 428 (Public Assistance) and 44 Letters of Intent under Section 404 (Hazards Grant Mitigation Program) to repair and mitigate hazards through natural and nature-based infrastructure. In that process, we were able to present evidence that coral reefs provided effective protection to the densely populated San Juan Metro area by attenuating 97% of the incoming wave energy associated to hurricane Maria storm waves.

Investing in natural infrastructure repairs and restoration is one of the most effective means to reduce the cost of future disasters. However, Benefit-Cost Analysis tools used by FEMA and USACE, for example, do not favor nature-based solutions. On September 29th, 2020, FEMA approved the use of ecosystem service benefits applying to all types of HMA and PA Mitigation projects eligible under FEMA's mitigation programs³. In terms of policy, this is a step in the right direction. However, the issues associated to matching requirements and lack of capacity remain.

Concerted planning, training, and funding efforts are needed to overcome challenges and upgrade Island jurisdictions' capacity to meet Grant requirements. Local leadership and capacity building are essential to this process.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Ernesto L. Díaz-Velázquez', with a long horizontal stroke extending to the right.

Ernesto L. Díaz-Velázquez

² COR3 Transparency Portal. <https://recovery.pr/en>

³ Ecosystem Service Benefits in Benefit-Cost Analysis for FEMA's Mitigation Programs Policy
FEMA Policy FP-108-024-02