




FEMA

November 15, 2012

MEMORANDUM FOR: FEMA Regional Administrators  
Regions I-X

ATTENTION: Regional Mitigation Division Directors  
Federal Coordinating Officers

FROM: David L. Miller   
Associate Administrator  
Federal Insurance and Mitigation Administration

SUBJECT: Eligibility of Generator Purchases under the Hazard Mitigation Grant  
Program

The purpose of this memorandum is to address FEMA's authority to fund the purchase and installation of generators through the Hazard Mitigation Grant Program (HMGP) authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5170c; and in accordance with 44 C.F.R. Part 206, and Hazard Mitigation Assistance (HMA) criteria set forth in the Hazard Mitigation Assistance Unified Guidance (HMA Unified Guidance), dated June 2010.

Ensuring the continuity of life saving and life sustaining community services provided by critical facilities such as police and fire stations, hospitals and water and sewer treatment facilities reduces hardship, loss or suffering resulting from a major disaster. Therefore, this memorandum clarifies FEMA's determination that the purchase and installation of generators for critical facilities are eligible under HMGP, provided they are cost-effective, contribute to a long-term solution to the problem that it is intended to address and meet other project eligibility criteria as required by 44 C.F.R. § 206.434(c). Data needed to determine cost-effectiveness include return interval of the event(s) that results in the use of the generator and the value of losses avoided and other quantifiable benefits derived from its use. Generator projects that cannot be determined cost-effective via standard HMA benefit-cost methodology may be eligible under the 5 percent discretionary allowance, as described in current HMA Unified Guidance. See HMA Unified Guidance, Part III.D.1 and Part VIII.A.10. Any additional guidance clarifications specific to funding of generators via HMGP will be addressed in the next version of the HMA Unified Guidance.

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This memorandum applies to HMGP projects for disasters declared on or after the issuance of this memorandum, and disasters with an open HMGP application period as of the date of this memorandum.

This memorandum does not change any other statutory, regulatory or administrative requirements of HMGP. Projects approved to fund generator purchases and installation must adhere to all other applicable statutes and regulations that apply to HMGP. HMGP funds are not available as a substitute for emergency, temporary, or partial solutions under Stafford Act-Section 403, Essential Assistance (42 U.S.C. 5170b) and/or Stafford Act, Title VI-Emergency Preparedness (42 U.S.C. 5195).

If you have any question please contact Kayed Lakhia, Deputy Director, Risk Reduction Division at (202) 646-3458.