



August 8, 2025

Federal Emergency Management Agency Review Council
US Department of Homeland Security
Washington, DC 20528

RE: Building a Resilient America

Dear FEMA Review Council:

As the federal government considers a wide range of ideas to improve disaster preparation, recovery, and response, we are writing to propose a new framework for shared responsibility to maximize the impact of federal investment while harnessing frontline community expertise.

Across the country, local and state governments, financial institutions, insurers, civic leaders, utilities, and residents face rising costs of extreme weather disasters and serious disruption in insurance and utility markets, resulting in negative business consequences.

As the national system for disaster response comes under active review by the FEMA Review Council, key federal agencies, affected states, and Congress, we believe it is time to organize around a new model that scales from the bottom up, incentivizes prevention and resilience best practices, and builds for the future.

Making this transition from federal management to local leadership will, however, take time, collaborative partnerships, and resources to ensure that local and state governments can effectively shoulder new responsibilities for prevention, protection, rapid response, and long-term recovery. New approaches to catalyze resilient economic growth in underprepared communities, such as Opportunity Zones, Resilience Zones, and blended finance using municipal bonds, could help anchor next-generation policy that promotes resilient, public-private partnerships.

MAKING THE RESILIENCE TRANSITION: FIVE KEY PRINCIPLES

We believe that there is an emerging national bipartisan consensus on the five pillars of a more effective resilience system:

I. FUNDING TRANSITION THROUGH PERFORMANCE BLOCK GRANTS AND OTHER FINANCIAL LEVERS

Communities actively in recovery, at risk, or in economic distress cannot take up the responsibility for prevention, protection, response, and recovery without the tools, funding, and playbook they need to scale up local resilience. We believe that local governments must be equipped to lead, and better coordination among capital providers, insurers, and public leaders can make resilience both affordable and achievable. We look forward to working with you to accelerate this transition by streamlining time-limited federal funding through a range of options, such as tax incentives in designated federal investment zones, data

innovation to simplify federal program access for communities, performance incentives, and public-private partnerships.

II. INCENTIVIZING PRE-DISASTER MITIGATION

Study after study shows how small investments in pre-disaster mitigation deliver strong value return. To incentivize these investments, we support three years of federal transition funding to promote the scale-up of proven local innovations. For example, we support the growth of innovative financing authorities that invest on blue-sky days, long before a disaster strikes. Local government efforts, like the [Rhode Island Infrastructure Bank](#) and the [Ohio Water Development Authority](#), and private efforts, such as the work of [The Resiliency Company](#), are already demonstrating how to use infrastructure financing tools to reduce future risk and leverage success at every stage of disaster preparation and recovery.

III. INNOVATING RECOVERY ASSESSMENT

The ability to scope risk, allocate disaster costs, and estimate future damage is critical to planning, recovery, and protecting taxpayers who often foot the bill for community shortfalls in disaster preparation. Innovative partnerships with local governments and technologists are helping communities quantify their exposure and understand the real costs of inaction. A data-driven approach, such as work done in the [state of Florida](#); [Chaffee County, Colorado](#); and the [city of Providence, Rhode Island](#), enables smarter investments in reserves, insurance, debris removal, and post-disaster deployment, laying the groundwork for more strategic response and recovery.

IV. FACILITATING DISASTER RESPONSE AND RECOVERY

Disaster response and recovery often falter not for lack of will but for lack of liquidity and trust. Regional disaster recovery funds could be created, scaled, and replicated, giving every local government access to the dollars they need to respond in real time, provided their investments are accountable to defined performance metrics. Technical assistance as well as transition funding could help state and local governments capitalize disaster recovery funds that are built to last by recycling capital into investible hazard mitigation projects in the years to come. Proactive thinking is also needed to ensure small businesses have the resources to recover from disasters, a critical economic resilience issue often overlooked, especially at the state and local level.

V. CATALYZING LONG-TERM RECOVERY

As each disaster strikes, we don't just want to build back—we want to build forward. New public-private partnership pilots are needed to demonstrate how to rebuild to insurer-approved standards that lower risk and improve insurability. Backed by private investors, insurance partners, and public support, this model will pioneer a new approach to recovery that can maximize innovation and minimize long-term federal outlays. Another area of long-term opportunity is piloting efforts to designate disaster-affected areas as resilience zones to attract new private capital for community recovery and small business development. A hybrid approach that could follow the model of the Opportunity Zone program, supplemented by bipartisan ideas to supply predevelopment funding to kickstart development, offers real promise.

A growing number of governments, financial institutions, insurers, philanthropies, and civic leaders stand ready to help build a new system that rewards proactive investment, accelerates community-led reforms, and reduces the long-term costs of disasters. Top-down leadership from the federal government to help scale up these new bottom-up partnerships is needed to fortify national and community resilience. We

look forward to further discussion and welcome the opportunity to provide additional background on the proposed recommendations.

Sincerely,

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