



FEMA

October 17, 2024

MEMORANDUM FOR:

Robert Samaan
Regional Administrator
FEMA Region IV

FROM:

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SUBJECT:

Approval for Application of New OMB Revisions to Title 2 of the Code of Federal Regulations to Hurricane Helene Declarations

The Office of Management and Budget (OMB) recently released [revisions to the Uniform](#)

[Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200](#). The revisions are effective for FEMA awards and disasters declared on or after October 1, 2024.

Hurricane Helene made landfall in Florida on September 26, 2024, resulting in various southeast states requesting and/or receiving major or emergency disaster declarations from President Biden. Some states received a disaster declaration date prior to October 1, 2024, and others received a disaster declaration on or after October 1, 2024. To streamline the grant rules applicable to Hurricane Helene declarations, FEMA has decided to amend existing awards for disaster declarations declared prior to October 1, 2024, to apply the new rules to all Hurricane Helene declarations.

FEMA's decision aligns with OMB's guidance in [OMB Memorandum M-24-11: Reducing Burden in the Administration of Federal Financial Assistance](#), that provides:

For recipients to realize the maximum benefit of the 2024 Revisions, Federal agencies must implement them quickly and consistently. See 2 CFR 200.106. ...Federal agencies may elect to apply the 2024 Revisions to Federal awards issued prior to October 1, 2024, but they are not required to do so.

Additionally, the Council on Federal Financial Assistance (COFFA) issued the [FY 2024 Revisions to 2 CFR: Federal Agency Implementation](#) which provides supplementary information to assist Federal agencies with the implementation of the 2 C.F.R. revisions stating:

OMB also encourages agencies to amend existing awards for the purpose [e.g., to apply the 2024 Revisions] if the awards will extend into FY 2025 or beyond....In cases in which Federal agencies amend an existing award to apply the 2024 Revisions, the 2024 Revisions will generally apply prospectively to activities on or after the date of the amendment. Agencies may never retroactively apply the 2024 Revisions to past activities that preceded the effective date of the amendment if doing so would impose additional substantive requirements on recipients (such as requirements increasing burden). However, if memorialized in the amendment or through formal written notice, an agency may provide written approval to recipients allowing them to apply specific provisions of the 2024 Revisions that reduce burden on recipients to activities that preceded the amendment.

Consistent with COFFA's guidance in the Supplementary Information, FEMA has determined that retroactively applying the 2024 Revisions to all Hurricane Helene disaster declarations does not impose additional substantive requirements on recipients. The pre-October 1, 2024, procurement under grants standards required Indian tribes to comply with the procurement standards noted in 2 C.F.R. 200.318-200.327; prohibited the use of geographic preferences for local governments and nonprofits; and required States, local governments, Indian tribes, and nonprofits to take the socioeconomic affirmative steps noted in 2 C.F.R. 200.321. The 2024 Revisions revised these requirements, thus, decreasing the burden on recipients.

The 2024 Revisions also offer greater flexibility, especially in the area of procurement under grants. Several rules that were previously flagged in the Office of Inspector General (OIG) audits have been relaxed, including:

- The six affirmative socioeconomic steps, previously mandated, are now encouraged rather than required;
- The prohibition on using geographic preferences in evaluating bids or proposals has been lifted; and
- Indian tribes may now adhere to their own procurement policies and procedures, similar to state entities under prior guidance.

For more details on the revisions to procurement under grants, please refer to the "[Purchasing Under a FEMA Award: 2024 OMB Revisions Fact Sheet](#)."

It is important to note that amendments to the Financial Support Agreements (FSAs) will be necessary to reflect these changes.

If you have any questions, please contact the Grant Programs Directorate, Policy Division, at fema-gpd-policy@dhs.gov.