The Daily Dish

Budgeting Disaster Relief Spending

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The damage and loss of life from the tornadoes in Kentucky (and neighboring states) is a genuine tragedy. But such a disaster, in general, is not unexpected. Each year brings some sort of disaster with near certainty, and the commensurate certainty that Congress will have to respond by passing emergency disaster relief funding. But why? If one can anticipate the need for disaster relief, why not just build it into the budget, make funding disaster relief the same as funding the government – a regular part of the appropriations process?

I am not the first person to have this idea. The Obama Administration, for example, came in with the strong statement that its 2009 budget “recognizes the statistical likelihood of natural disasters instead of assuming that there will be no disasters over the next decade.” In particular, “In the past, budgets assumed that there would not be any natural disasters in our Nation that would necessitate Federal help—no major earthquakes, hurricanes, floods, or man-made disasters. This omission is irresponsible, and has permitted past Administrations to project deficits that were lower than were likely to occur. Breaking with past practice, the President’s Budget puts more than $20 billion annually (the statistical probability of the costs of dealing with these emergencies) in its budget projections.”

Of course, budgeting for the expected costs of disasters raises the issue of what happens if these costs come in above the budget – presumably the occasion for an emergency emergency funding bill – or if there were few disasters and not all of the budgeted disaster funding would be spent – a real congressional emergency. Working out these details seems eminently doable.

The larger issue is that the Obama Administration proposed precisely such a structure for dealing with emergency funding, and Congress did not adopt it. Instead, one can anticipate a moment over the next weeks or months when it must vote on must-pass legislation for tornado damage relief, along with some other stuff that gets thrown in.