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FEMA REAUTHORIZATION AND CUTTING THE RED TAPE IN RECOVERY

(112–46)

HEARING

BEFORE THE

SUBCOMMITTEE ON
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND
EMERGENCY MANAGEMENT

OF THE

COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
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Committee on Transportation and Infrastructure

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Washington, DC 20515

July 8, 2011

Nick J. Rahall, II
Ranking Member

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BRIEFING MEMORANDUM

TO: Members of the Subcommittee on Economic Development, Public Buildings, and Emergency Management
FROM: Subcommittee on Economic Development, Public Buildings, and Emergency Management Staff
SUBJECT: Oversight Hearing on "FEMA Reauthorization and Cutting the Red Tape in Recovery"

PURPOSE

The Subcommittee on Economic Development, Public Buildings and Emergency Management will meet on Thursday, July 14, 2011, at 10:00 a.m., in 2253 Rayburn House Office Building to receive testimony from the Federal Emergency Management Agency (FEMA) and State and local emergency managers. The purpose of the hearing is to examine the issues of communities recovering from a disaster in the context of FEMA reauthorization.

BACKGROUND

Federal Emergency Management Agency. History and Reauthorization

FEMA was established in 1979 by Executive Order by President Carter following a number of massive disasters in the 1960s and 1970s which resulted in proposals by the National Governors Association and others to streamline and cut the number of agencies States were required to work with following a disaster. Prior to the creation of FEMA, the federal government's emergency response mechanisms were scattered among many agencies throughout government. The creation of FEMA helped to centralize these authorities and the coordination of the federal government's response to a disaster. Following more than two decades as an independent agency, The Homeland Security Act of 2002 (P.L. 107-296), which created the Department of Homeland Security (DHS), placed FEMA within DHS, and FEMA's functions were dispersed among various offices and directorates of DHS.

In 2005, Hurricanes Katrina and Rita devastated the Gulf Coast. Following Hurricanes Katrina and Rita and the poor response that occurred, several investigations

and congressional inquiries and hearings took place to examine the preparation for, response to, and later recovery from these hurricanes. In particular, the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina was formed and culminated in the issuance of a report entitled, "A Failure of Initiative: The Final Report of the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina" on February 15, 2006.

Following the issuance of this report, Congress enacted the Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA) (P.L. 109-295), which put FEMA back together again within DHS. PKEMRA, authorized, among other things, FEMA for the first time in legislation.

Other programs requiring reauthorization include the Urban Search and Rescue System and the Emergency Management Assistance Compacts:

Urban Search and Rescue (US&R) System – Currently, there are 28 FEMA US&R Task Forces spread throughout the continental United States that are trained and equipped by FEMA. These teams are comprised of firefighters, engineers, medical professionals, canine/handler teams and emergency managers with special training in urban search-and-rescue, and serve as a national resource for disaster response. The task force is a partnership between state fire departments, law enforcement agencies, federal and local governmental agencies and private companies.

Typically, the teams are trained to conduct physical search and rescue missions in collapsed buildings, provide emergency medical care to trapped victims, assess and control gas, electric service and hazardous materials, and evaluate and stabilize damaged structures. If a disaster event warrants national US&R support, FEMA will deploy the three closest task forces within six hours of notification, and additional teams as necessary. The role of these task forces is to support state and local emergency responders' efforts to locate victims and manage recovery operations.

Emergency Management Assistance Compacts (EMAC) – EMAC is an interstate compact approved by Congress that provides an effective avenue by which states can provide one another mutual aid in the event of a disaster. Through EMAC, a state impacted by a disaster can request and receive assistance from other member states more quickly and efficiently, by addressing concerns with regards to liability and reimbursement.

Disaster Declarations

FEMA is the federal government's lead agency for preparing for, mitigating against, responding to, and recovering from disasters and emergencies related to all hazards – whether natural or man-made. When state and local resources are overwhelmed and the "disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments,"[1] the Governor of the affected State may request that the President declare a major disaster.

[1] Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5170.

If the President issues a declaration, federal resources are deployed in support of state and local response efforts. FEMA's primary authority in carrying out these functions stems from the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (P.L. 93-288).[2]

There are two categories of incidents included in the Stafford Act – "major disasters" and "emergencies". A "major disaster" is defined under the Stafford Act as:

> Any natural catastrophe (including any hurricane, tornado, storm, high water, winddriven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought), or, regardless of cause, any fire, flood, or explosion, in any part of the United States, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under this chapter to supplement the efforts and available resources of states, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.[3]

An "emergency" is defined as:

> Any occasion or instance for which, in the determination of the President, Federal assistance is needed to supplement state and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the United States.[4]

The key distinction between a major disaster and emergency is that emergencies authorize fewer types of assistance and do not require a state level disaster declaration or a request from a governor. In addition, emergencies are typically less severe events, limited in cost or can be declared to "lessen or avert the threat of a catastrophe."[5]

In 2010, the President issued 81 major disaster declarations and nine emergency declarations. So far in 2011, the President has issued 48 major disaster declarations and 10 emergency declarations.

Catastrophic Disasters

Generally, a disaster that would be considered "catastrophic" would fall within the definition of a major disaster; however, an ongoing question, especially given the slow response and recovery following Hurricane Katrina, is whether a separate catastrophic category for disasters should be added to the Stafford Act. Last Congress, Members of the Committee on Transportation and Infrastructure included provisions in

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[2] 42 U.S.C. §§ 5121-5207.
[3] 42 U S.C. § 5122.
[4] Id.
[5] 42 U.S.C. § 5122.

H.R. 3377, the Disaster Response, Recovery, and Mitigation Enhancement Act of 2009, to streamline the recovery process following a wide-spread disaster. However, finding the appropriate threshold or "trigger" for a catastrophic disaster and how "catastrophic" is defined for the purposes of federal assistance has remained a point of discussion at congressional hearings and in the emergency management community.

In 2006, the Committee passed and Congress enacted the Post Katrina Emergency Management Reform Act[6], which addressed some of the potential gaps related to catastrophic disasters. Most of these new provisions are related to planning and response, but not recovery. With respect to planning, the Act amended the definition of a "catastrophic incident" as:

> Any natural disaster, act of terrorism, or other man-made disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the population (including mass evacuations), infrastructure, environment, economy, national morale, or government functions in an area.[7]

This definition provides the scope of planning activities for the federal government to prepare for a catastrophic incident. However, there exists a question about whether this definition is too broad to be used as a trigger for extraordinary authority to provide federal assistance in the aftermath of such an event to facilitate better recovery following a disaster. In addition, the Post-Katrina Emergency Management Act provided for additional authority for response activities including: "accelerated Federal assistance" which can be provided in the absence of a state request in certain situations during the response to a major disaster or an emergency; expedited payments for debris removal; use of local contractors for federal disaster response contracts; and the rescue, care, and shelter for pets and individuals and households with pets.

Moreover, the Stafford Act itself provides broad authority and discretion to the President and FEMA in managing declared disasters. Many of the impediments to expediting response and recovery following a disaster, however, are often found in regulations and policies that the agency established. For example, in the Disaster Mitigation Act enacted by Congress in 2000, Congress authorized FEMA to implement cost estimating as a mechanism to speed up the rebuilding process following a disaster. However, FEMA has not yet implemented these cost estimating provisions.

Disaster Assistance Programs

FEMA's major Stafford Act programs for disaster response and recovery in the aftermath of a major disaster are in the Public Assistance Program and the Individual Assistance Program. The Public Assistance Program, authorized primarily by sections 403, 406, and 407 of the Stafford Act, reimburses state and local emergency response costs and provides grants to state and local governments, as well as certain private non-

[6] Title VI, Public Law 109-295.
[7] 6 U.S.C § 701(4).

profits to rebuild facilities. The Public Assistance Program generally does not provide direct services to citizens.

The Individual Assistance program, also known as the Individuals and Households Program, is primarily authorized by section 408 of the Stafford Act. The program provides assistance to families and individuals impacted by disasters, including housing assistance. Housing assistance includes money for repair, rental assistance, or "direct assistance," such as the provision of temporary housing. This section also authorizes the "other needs program," which provides grants to mostly low-income families for loss of personal property, as well as disaster-related dental, medical, and funeral costs to individuals regardless of income. Other Individual Assistance programs authorized by the Stafford Act include: unemployment assistance (section 410), disaster food stamps (section 412), disaster legal services (section 415), and crisis counseling (section 416).

Section 404 of the Stafford Act authorizes the Hazard Mitigation Grant Program (HMGP). HMGP provides grants to state and local governments to rebuild after a disaster in ways that are cost effective and reduce the risk of future damage, hardship, and loss from all hazards. FEMA also provides grants under HMGP to assist families in reducing the risk to their homes from future disasters, through such steps as elevating the home or purchasing the home to remove it from the floodplain.

The Pre-Disaster Mitigation (PDM) program provides funds to states, territories, Indian tribal governments, communities, and universities for hazard mitigation planning and the implementation of mitigation projects prior to a disaster event. Funding these plans and projects reduces overall risks to the population and structures, while also reducing reliance on funding from actual disaster declarations. Congress reauthorized PDM last year in the Pre-Disaster Mitigation Act of 2010 (P.L. 111-351).

Recovery

Depending on the severity of a disaster, states and local communities may only need limited assistance under FEMA's disaster assistance programs to recover and rebuild. However, in other cases, there may be such devastation that more resources are needed to facilitate recovery efforts. To provide other types of assistance, FEMA partners with other key agencies, including the Departments of Agriculture, Commerce, Homeland Security, Housing and Urban Development and Treasury, as well as the Small Business Administration. These agencies assist in various ways, including aiding with long-term housing needs, economic development, and loans for small businesses impacted by the disaster.

While the mechanisms are in place to assist states and local communities, the Subcommittee has conducted significant oversight and held hearings last Congress detailing, among other topics, the impediments to speeding up recovery following a widespread disaster like Hurricane Katrina and efforts to define catastrophic disaster, as described on pages 3-4. As recovery time is lengthened, costs escalate, jobs are impacted, and local economies continue to suffer. Finding ways to streamline the recovery process – through expedited assistance processes, improved coordination among

the relevant federal agencies, supporting mitigating efforts before a disaster strikes, and ensuring proper planning -- has been a significant issue for the Subcommittee.

WITNESSES

The Honorable W. Craig Fugate
Administrator
Federal Emergency Management Agency

Ms. Phyllis Little
Director
Cullman County Emergency Management Agency
International Association of Emergency Managers

Other Witnesses TBD

FEMA REAUTHORIZATION AND CUTTING THE RED TAPE IN RECOVERY

THURSDAY, JULY 14, 2011

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to call, at 10:09 a.m., in room 2253, Rayburn House Office Building, Hon. Jeff Denham (Chairman of the subcommittee) presiding.

Mr. DENHAM. The subcommittee will come to order. First, let me welcome FEMA Administrator Fugate and all of our distinguished witnesses and thank them for testifying this morning at today's hearing on FEMA reauthorization and examining how we can cut the red tape in helping communities rebuild and recover following a disaster.

At our hearing in March, we focused on how prepared we are to respond to a catastrophic disaster in the wake of the earthquake and tsunami in Japan. Today we will look at what happens next. After the initial response, how do we help communities pick up the pieces and recover quickly? So far this year, we have had 48 major disaster declarations, from tornadoes hitting communities in States like Missouri, Alabama, and Tennessee, to flooding in Vermont and Mississippi and wildfires in Texas. Thirty-two States so far this year have had major disaster declarations, 9 States have had emergency declarations, and 12 States had a total of 79 fire management assistance declarations. And this is without any major hurricanes yet this hurricane season.

After the initial response, communities are left with homes destroyed, businesses and stores damaged and closed, roads blocked, and lives lost. Cleaning up, rebuilding, and recovering quickly from disasters is critical. We know from experience the longer the rebuilding and recovery takes, the higher the cost to the taxpayer, the longer people are without jobs and schools for their children, and the more local governments lose in revenue. A long recovery hurts everyone, not least of which are the people who have lost everything.

Our subcommittee has held hearing after hearing to learn the lessons from Hurricane Katrina and find ways to speed up the recovery process. Many of FEMA's regulations and policies have created so many hurdles and so much red tape that communities devastated by disasters have often found it frustrating to navigate the process. For example, in 2000 Congress enacted the Disaster Miti-

gation Act and included provisions requiring FEMA to implement cost estimating to help communities rebuild faster. By all accounts, this one change could help streamline one of FEMA's key disaster assistance programs. However, it is now 11 years later, and FEMA has yet to implement those provisions.

I understand FEMA now is engaged in a Bottom Up Review of its public assistance program, is in the process of finalizing a national disaster recovery framework and is testing a new debris removal pilot program. While I am pleased to see these steps are being taken, I am worried these actions have taken just too long. With high unemployment, budget deficits, and everyone having to tighten their belts, we just simply cannot afford to have these recoveries drag on.

I hope today we can hear from our witnesses on how the recovery process can be streamlined and improved. I also hope we can receive input on FEMA's reauthorization and what changes may need to be made as we consider legislation.

FEMA was originally created in 1979 by Executive order and operated for nearly 30 years without explicit authorization and statute. FEMA was authorized in statute in 2006 through the Post-Katrina Act, and that authorization expired last year. While FEMA can continue to operate without explicit authorization, authorizing FEMA in the law helps to provide congressional guidance in the operations of the Agency. I look forward to working with Administrator Fugate, members of this committee, and other stakeholders on the reauthorization of FEMA.

I, again, thank the witnesses for being here today to address these important issues.

I would now like to recognize Ranking Member Norton from the District of Columbia for 5 minutes to make any opening statement she may have.

Ms. NORTON. Thank you very much, Mr. Chairman, and I very much appreciate your calling this hearing. I apologize to you and to Mr. Fugate that I will be running back and forth, after this statement I must run to a hearing where a vote is soon to be called, but this is a very important hearing to me and to the American people. We are pleased to welcome all of our witnesses today to discuss the need to improve and expedite recovery efforts from disasters as well as to reauthorize FEMA. During the 110th and 111th Congresses, our subcommittee held hearing after hearing to ensure that FEMA would not repeat its failures on the Gulf Coast.

Now nearly 6 years after Hurricanes Katrina and Rita struck our Nation, recovery efforts finally have progressed, in part, because FEMA, pressed by our subcommittee, has addressed some of the problems that impeded recovery. However, there remain other areas for improvement to ensure quicker recovery from disasters.

The recent tornadoes, floods, and wildfires that have caused great losses in human life and property should push all of us, once and for all, to improve the recovery process and to ensure that we are not still talking about rebuilding efforts in places such as Joplin and Minot 6 years from now.

FEMA's recent initiation of a Bottom Up Review of its public assistance program, FEMA's primary program for rebuilding infrastructure and public facilities following disasters, reveals that

FEMA understands what it can do and knows that it must do it better. Not only does lengthy recovery prolong suffering, but delays also drive up costs and impact jobs. Particularly now as our Nation climbs out of the great recession, we must avoid the experience following Hurricane Katrina, when billions of dollars in recovery funds went unspent for years, waiting to be used on construction of vital infrastructure that would have helped restore jobs and economic prosperity to the Gulf Coast, finally this subcommittee had to move with a new process in order to assure that so much in funds was not left on the table.

Although there has been progress in other areas, FEMA continues to show some troubling signs. On September 22nd of last year, this subcommittee held a hearing on lessons learned from Hurricane Katrina. At that hearing I asked FEMA to move to a system that pays State and local governments for repair and reconstruction projects on the basis of cost estimates, as is done in the insurance industry, and as mandated by the Disaster Mitigation Act of 2000.

We must learn today why nearly 11 years after President Clinton signed that bill into law, FEMA still has not implemented a rule to institute a cost-estimating system which would surely avoid the lengthy delays in recovery that have characterized past disasters.

I am pleased to be working with Chairman Denham on his bill to reauthorize FEMA's management and administration account, along with two crucial programs administered by FEMA, the Urban Search and Rescue System, and the Emergency Management Assistance Compacts, or EMAC, which FEMA originally created in 1979. EMAC helped to centralize the Federal Government's emergency response mechanisms and coordinate the Government's response to disasters. In 2006, after Hurricane Katrina exposed many of FEMA's weaknesses, Congress passed the Post-Katrina Emergency Management Reform Act to authorize FEMA for the first time and to strengthen FEMA by providing the Agency with additional authority to accelerate Federal assistance in the absence of a State request to expedite payments for debris removals and to use local contractors, among other reforms. The urban search and rescue, first established by FEMA in 1989, created a system of task forces, now numbering 28 in 19 States, which respond to structural collapses resulting from any type of disaster. We have been very proud of the work of these Urban Search and Rescue teams. For example, teams from California, Virginia, New York, and Florida responded to the Haiti earthquake of 2010 that shook many of Port-au-Prince's buildings to the ground. The American teams alone are credited with rescuing 46 people from the rubble.

In addition to the Urban Search and Rescue, EMAC plays an important role in disaster response by offering a method for States to quickly and efficiently provide aid when disaster strikes, when States do not have the needed personnel or resources. Just this month, the California Emergency Management Agency responded to an EMAC request from the State of Montana for technical advice and assistance in responding to the oil spill on the Yellowstone River. California personnel are currently on the scene. I hope our subcommittee can act now and reauthorize these important programs.

Again, I thank the witnesses for appearing today and look forward to their testimony.

Mr. DENHAM. I now call on the ranking member of the full committee, Mr. Rahall, for a brief opening statement.

Mr. RAHALL. Thank you, Chairman Denham, and thank you, Ranking Member Norton, for conducting these hearings today. They are very important, and I know there are a number of people in attendance that have been personally affected and witnessed much devastation during this year, and they certainly welcome FEMA's help.

Mr. Administrator, we appreciate your being with us as well. I know the hearing will be important to making the necessary corrections and refinements that are necessary to deliver help to our people.

I do want to also say a special welcome to the Honorable Cline Griggs, who is a District 4 Tribal Council member of the White Mountain Apache Tribe. This is an important occasion because it is possibly, Mr. Chairman, the first time ever that a Native leader has testified before this subcommittee on emergency management issues.

Today's hearing is on the reauthorization of FEMA and expediting disaster recovery. I would assert that no discussion about emergency management, whatever the focus, is complete without Indian tribes at the table. Tribal governments provide emergency response services such as law enforcement, firefighting, and health care to their citizens and to their neighbors in the same manner as any other governments. Like the rest of us, Indian citizens in their lands experience disasters. In fact, over the last several years, Native America has suffered damages from Hurricanes Katrina and Rita to winter ice storms in South Dakota last year that cut off heat, water, and electricity for several days in below-zero temperatures to the recent flooding of the Yellowstone River in Montana. Many tribal lands are also vulnerable to forest fires.

Unfortunately, the White Mountain Apache Tribe knows this firsthand. Not only did the tribe suffer devastating losses from a 2002 wildfire but tribal forests were also damaged last month when the Wallow Fire, which burned its way across Arizona, crossed on to reservation lands. So whatever the disaster, Native America rises to the challenge to help themselves and to help others respond and recover from the disaster at hand, yet despite the courage, strength, and resilience shown by Native Americans in their response efforts, Federal law does not fully recognize tribes for their recovery efforts. Under the Stafford Act, Indian tribes are treated as local governments of the State and must rely upon State Governors to request a disaster declaration on their behalf when they are overwhelmed.

While this may work in some disaster situations, it does not work in all situations. In those situations where it does not work, Indian tribes may be left to bear the cost on their own. So that is why I have introduced H.R. 1953, a bill that, first and foremost, recognizes tribal sovereignty. By doing so, the bill would allow Indian tribes to directly request the President to declare a disaster for tribal lands. I believe that is a first step in addressing some of the emergency management challenges faced by Indian country.

Again, Mr. Chairman, I thank you very much for the opportunity of making an opening statement, and thank those witnesses that are with us today.

Mr. DENHAM. Thank you. I would like to welcome our witnesses here today. On our first panel we have the Honorable Craig Fugate, Administrator, Federal Emergency Management Agency. I ask unanimous consent that our witness's full statement be included in the record. Without objection, so ordered.

Since your written testimony has been made a part of the record, the subcommittee would request that you limit your oral testimony to 5 minutes.

STATEMENT OF HON. CRAIG FUGATE, ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY, DEPARTMENT OF HOMELAND SECURITY

Mr. FUGATE. Thank you, Mr. Chairman and Ranking Member Norton. When it comes to tribal issues, you are exactly right, sir.

Mr. DENHAM. Can you scoot the microphone a little bit closer.

Mr. FUGATE. Yes. When it comes to tribal issues you are absolutely right.

Mr. DENHAM. And turn it on.

Mr. FUGATE. It is on. Is that better?

Mr. DENHAM. There we go. Thank you.

Mr. FUGATE. When it comes to tribal government, the sovereignty of those governments is not recognized in the Stafford Act, as you pointed out. The one thing we have been able to do is do a rule change that recognizes that once a declaration is issued, tribal governments do have the option to be the grantee, which has been another huge issue for the sovereignty of tribes when they have to either serve as a subgrantee of the State. Our understanding is that we are working to provide technical assistance on this issue, but I think the key thing for me with tribal governments is self-determination and recognizing the sovereignty of them when it comes to our Federal programs, and I am in full concurrence with you on that, sir.

Mr. RAHALL. Thank you.

Mr. FUGATE. Mr. Chairman, getting back to FEMA, the red tape in disaster recovery, there is always a challenge to balance speed and efficiency and operations with maintaining control over fraud and waste. From this committee is one example, in individual assistance programs, our error rate in the Katrina-Rita storms was running about 10 percent of payments made inappropriately or to people who were not eligible. Last year obviously not the same numbers we were dealing with, that error rate is now down to about 0.3 percent and below.

But that requires us to make sure we do due diligence that when people register for assistance that we assure that, A, they are actually residents in the area impacted, that they had losses tied to the disaster, that we are not duplicating benefits, verify if they have insurance coverage for their losses. FEMA will also verify whether applicants may qualify for low-interest disaster loans before providing grants for essential personal property. SBA loans can also provide home repair and replacement funds above the current $30,200 maximum grant. But in the recent disasters, that process

has only been taking about 2 days from the time somebody calls and registers until we get a housing inspector out to their homes until we are able to get them a determination on assistance, and in many cases, if they did qualify for the FEMA grant dollars, literally direct account deposits occurring within days of their registration.

So we do have a lot of red tape, but I think part of it is to make it so that it is achieving the goal of containing fraud and waste, but not necessarily delaying the assistance to the survivors and local governments. That becomes particularly challenging when you talk about public assistance because in these types of disasters, the nonduplication of other Federal programs, the requirement to ensure that if insurance was available and was enforced that we see what the insurance covered and then look at the uninsured losses. It means that we still have to do our due diligence in determining what is actually eligible under our programs and are we making an appropriate determination on the assistance being provided?

Probably the first area that most local governments deal with in any disaster is the emergency protective measures and the extraordinary costs sometimes of responding to these types of disasters as well as debris, and I think one of the things that you brought up from the ranking member is the emergency management assistance compact in mutual aid. In the most recent tornadoes, floods, and impacts in the southeast across these various disasters, the primary response was actually local government, supported by instate mutual aid, supported by assistance from other States through the emergency management assistance compact. I don't know if that would have been possible prior to September 11th of 2001, but given the investment this Nation has made in building the capabilities, I think we need to really recognize that what we have built is a national system that leverages the resources at the State and local level through their mutual aid agreements with the Federal Government, oftentimes supporting recovery because the response was managed with State and local government.

One of the things we have tried to do with debris, and this was, again, something I think you will hear from some of the folks that have dealt with this. This is a brand new program. When we generally dealt with debris in most disasters, because it is on private property, we have oftentimes said we need to move it to the right-of-way before we can pick it up. The problem is when you have a tornado strike and literally leave a trail of devastation where you don't know whose debris is on whose property, and property lines are not even visible, moving debris to the right-of-way would definitely slow down response, so we implemented a pilot program in Mississippi, Alabama, and in Missouri looking at how we quickly go in to private property, residential, noncommercial to remove debris from that property to get the community back on its feet faster and really focus on housing, which becomes the next big issue when you have all that destruction.

The Governor of Alabama basically stated that we have moved more debris in about 3 months, a little less than 3 months than we moved in 6 months in Hurricane Ivan, so we are moving it faster, but it is still a program that does require us to do due diligence to make sure that we are accounting for that, and because it was

new, there were still a lot of steep learning curves, so we are taking those lessons and working with our State and local partners to look at how we improve it.

As one example of how we are trying to speed up the process to get communities back on their feet quicker by getting debris picked up so we can get housing going. With that, Mr. Chairman, I will turn it back over for questions.

Mr. DENHAM. Thank you, Mr. Fugate. First of all, as you know, since post-Katrina, we now do reauthorization, we are preparing that reauthorization now. What do you believe are the key issues that should be addressed as FEMA is reauthorized?

Mr. FUGATE. I think, again, it was pointed out that for so long, FEMA had been a creation of Executive orders and authorization for spending. The Post-Katrina Reform Act was really the first time in legislation that we had a defined mission statement. It described our structures and our roles and responsibilities. Again, I think FEMA will be working with the committee to provide technical assistance, but I think it, again, is important that Congress defines what is the expectations for FEMA, and that as we adjust to our changing environment that you continue to provide what it is that you expect from the Federal Government to provide in disaster response, and so in drafting the reauthorization, we are more than willing to provide technical assistance, but I think it still comes back to the intent of Congress when we talk about these disaster programs, our assistance we provide, and the level of response that you feel the Federal taxpayer should be responsible for and what we see as a shared responsibility with State and local government in dealing with disaster threats.

Mr. DENHAM. And there have already been 48 major disasters declared this year, and we still have another half a year to go. Do you believe there is sufficient funds in the disaster relief fund to cover the expected costs of these disasters and any future disasters?

Mr. FUGATE. Mr. Chairman, let me be factual. I cannot foretell the future, so I don't know if I am going to have a hurricane or a catastrophic event in the near future. Right now the disaster relief fund is at $1.38 billion. That is actually a little bit higher than it was last month, which is counterintuitive given all the disasters, but we are also dealing with a large number of open disasters that we are working to close out and deobligate funding from projects that are already completed and return funds back into the DRF, and so that has been successful this year as we continue to work with our State partners as the mission is done, the project has been done, but we have perhaps written the project worksheet for $200 million is the initial estimate, the work was only $150 million is to return that $50 million back in.

Based upon that, we project with the current workload perhaps getting to about a billion dollars to $800 million sometimes the end of July, first of August, which would prompt us to look at do we need to reduce funding for any nonmission critical, particularly lifesaving or protective measures and human services, still projecting at the end of the fiscal year some balance in that, but there is a lot of variables, particularly the Missouri River flooding that is still ongoing as well as do we have any additional disasters.

Mr. DENHAM. So you start off, I just want to make sure I understand the process that you go through in funding all the disasters. You start off more of a full funding projection at the beginning of the year depending on the disaster. Assuming we have another Katrina or some huge unforeseen disaster, you could obviously utilize the entire pot of money on that one disaster?

Mr. FUGATE. Yes, sir, and that is why when we get down to about a billion, $800 million, we look at where we are at in our fiscal year and when we would expect to have the next appropriations in the Stafford Act, and what we try to do is not go below a limit that would preclude us from responding to the next catastrophic disaster. So we try to maintain a level of funding and balance there that we would be reluctant to go below unless we knew our appropriation was right behind that. That is why we look at about the end of July, first of August as we start approaching about a billion dollars to $800 million. Do we need to slow down or stop some work that is not tied to protective measures, debris or individual assistance until our next appropriation?

Mr. DENHAM. You said that you cannot plan for—let me first ask, is this a typical year that we are seeing right now? Would you consider this an average year, below average year?

Mr. FUGATE. It has been a very active year. What is interesting is, as devastating as these have been to the local communities, they are not the widespread type impacts we see in hurricanes and earthquakes. Although the loss of life has been extreme, none of these have really reached the point of what we consider catastrophic disasters from the standpoint of a financial of over $500 million.

As one example, individual assistance since the tornadoes struck in North Carolina, which was a couple weeks before the tornado outbreak in the southeast, all the way through this process, including the ongoing flooding up in North Dakota, individual assistance payments for both housing and other programs has been about $170 million. So, again, as we look at this, even though this is very localized and very devastating, it does not quite reach the type of response cost you see in a widespread disaster, so those costs are still—again, you would think with all this activity, the DRF would be steadily going down, but as we are recouping dollars from older disasters, our fund balance actually went up a little bit.

So we are maintaining this. This is part of what we had planned for is the level of activity is generally higher than what we have seen, but, again, because we have had a lot of older disasters we are closing out, we are almost—I would not say we are staying even, but we are not seeing it go down rapidly like you would see with a big hurricane or big earthquake where we had large geographical areas that were impacted.

Mr. DENHAM. Finally, I just wanted to follow up on one piece. The thing I am going to be looking at very critically as we go through this reauthorization is I am concerned, as we are seeing this year with the $1.38 billion, 48 major disasters, I am concerned that we are going to, especially in a tough budget year, one that we are looking for cuts everywhere, I am concerned that we are going to spend the large, the bulk share of that money early in the year without any new monies being appropriated, and I would dis-

agree. I do think that there are some areas that we can plan for disasters. I would assume that we have got to have a greater amount of planning when we see that our levees are getting old and starting to fall apart, that we can anticipate that if States or the Federal Government is not stepping in and fixing those levees, we are going to have floods. If we are having a huge wet year, a huge snow pack but we don't have the water storage, we can anticipate floods.

I think most critically in a State like California when we haven't managed our forests, when we have not fully utilized the timber harvesting plan, we have so much fuel on those grounds that at some point we are going to see more fire damage.

So my concern is, as we are looking at this budget, that fire season is late in the year, at the end of the budget cycle, so a State like California ends up having a natural disaster, no funds left to expend, and as you have said, nonmission critical, you are spending heavy on the beginning of the year which is appropriate, but in a tough budget year, we could have a huge shortfall in some of those other areas. If you care to have a quick response.

Mr. FUGATE. Again, Mr. Chairman, the variable is you take all these different factors and project out. Our only real tool basically is hindcasting what we have seen our activity on average to be over 5-year periods, and look at the outliers of large scale catastrophic disasters is not fitting that process. I think that is part of the reason why there is a lot of concern about what is the balance of the DRF, particularly as we go in the more active part of hurricane season, and again, to be upfront, if we have a large scale Katrina-size hurricane, we have an earthquake of some magnitude, it will require additional funds to provide the response cost.

Mr. DENHAM. Thank you. And before we move forward, I would ask for unanimous consent that Mr. Long of Missouri, who is a member of the Transportation Infrastructure Committee, be permitted to participate in today's subcommittee hearing. I would remind everybody that Mr. Long has Joplin in his district, and obviously we have certainly seen the devastation that has been caused there. Without objection, so ordered. I now turn to Ranking Member Norton.

Ms. NORTON. Thank you, Mr. Chairman. Mr. Fugate, the President, in his wisdom, appointed a professional. We acknowledge your long experience in Florida. I think bringing that experience from the field has helped you in your efforts to change and reform FEMA.

I want to ask you some questions from my experience when we were most concerned about FEMA. I don't believe that the way to avoid problems is to have no regulations. I strongly object to the kinds of regulations that willy-nilly come down from Federal agencies. That is what makes people hate Government. So I am a strong advocate of streamlining. When I headed a Federal agency, I spent a lot of my time doing just that.

Now, I mentioned in my opening statement a notion that is now in statute from 11 years ago and that is the kind of state-of-the-art from private business bringing into Government that is proven and that has not been, so far as I know, implemented by FEMA, and that is the use of cost estimates for repair and construction

projects, even though that was mandated long before you came actually 11 years ago.

What is the concern? Why hasn't that time-saving efficient notion been implemented? Is it related to what you said in your opening statement, that you are always looking for fraud and abuse? What is the problem with using cost estimates?

Mr. FUGATE. Well, I think it is a question about writing it into a rule basis. I know that we do cost——

Ms. NORTON. Did you use them in Florida?

Mr. FUGATE. We wrote project worksheets, which was basically we would try to get the most accurate figure for what we estimated costs, and then we would go through the project worksheet, and then if we required an adjustment on that when we got true costs, we would adjust the worksheet. In Florida, I did not really run into this issue. Probably the area, though, probably the more tricky one is doing the cost estimates on debris, which would, again, be the ability to write a project for the debris, and do it on the upfront based upon cost and estimates, and that is one that is more technically, you know, tricky as to how do you do that in such a way that we ensure that we are not way off mark.

But I would like to raise one issue you talked about, our rulemaking ability. When I got to FEMA, I had zero attorneys dedicated to rulemaking. I don't have a shop that does rules, yet I am an Agency that has tremendous regulatory and rulemaking authority, and I have a backlog of regulatory issues that we should have addressed already. So one of the things we did was we did not come back to Congress and ask for more positions and more money. We found our savings in our budget. We are for fiscal year 2012 authorizing eight new positions.

Ms. NORTON. But Mr. Fugate, you could use cost estimates not only in debris, even if you did not use them in debris, the statute said that these lawyers that you have hired could be doing a rule that allowed cost estimates to be used as an insurance for repair and construction projects. Why are they not being used in those projects?

Mr. FUGATE. Well, again, as I was trying to point out, we are working towards establishing a rule shop, bringing in the attorney and the economist that we would have——

Ms. NORTON. Are you intending to use cost estimates?

Mr. FUGATE. I have no opposition to it. As it goes through rulemaking, it is on the backlog.

Ms. NORTON. When is it—since you have got a whole set of disasters that you have had to deal with all at one time virtually, wouldn't cost estimates have helped you in that process, and cannot this be brought to the forefront if we are 11 years after the statute mandated it?

Mr. FUGATE. In some States, no. In some States they will not——

Ms. NORTON. Let us talk about States where it can be done. Let us talk about doing a pilot project. Let's talk about implementing the statute. Can this rule be brought to have priority?

Mr. FUGATE. We can do it as our practices allow us to do now, which is to a certain degree do it in the project worksheet process, which we estimate what the costs are, and then we allow for adjustments when true costs come in.

Ms. NORTON. So are you doing cost estimates now? Is that what you are telling me?

Mr. FUGATE. We are not doing them in debris. We are doing them when we write a project worksheet, it is a cost estimate of what we think the costs are.

Ms. NORTON. So you think you are in compliance with the statute?

Mr. FUGATE. Do we have a rule in place? No, ma'am.

Ms. NORTON. I am asking you when a rule will be in place, Mr. Fugate, for cost estimates.

Mr. FUGATE. With many things with rules, there is a rulemaking process that will take time, and my understanding is that this is on one of the backlogs of our rules that we are working on.

Ms. NORTON. Well, Mr. Fugate, I would ask you, to within 30 days, submit to the chairman where cost estimates—understand that this one is not a suggestion of the committee. This is a matter of statute. Where it appears in your list of regulatory priorities within 30 days to the chairman, and I would ask the chairman to share that with me, and I would move on.

Another inefficiency we found was truly astonishing, Mr. Fugate, and that was what I will call dual consultants. The taxpayers would be amazed to know that they pay for a consultant from FEMA, and a consultant from the State for estimates, and of course, everyone goes out to get their best consultant to provide an expert opinion on costs. This sets up an adversarial court-like process, not mandated by the statute, never conceived by the statute, costly because you have got to pay for the State's consultant. I asked you and I have to ask you now, what steps have been taken to move to a system where appropriate which would allow the parties to get together and decide to use a single consultant, saving the taxpayers money?

Mr. FUGATE. I would not agree to any consultant, but what we have agreed to and out of the arbitration hearings the judge directed us to, if we have a PE engineer, a licensed engineer of a State who is willing to sign on the record a loss or finding, we will accept that without putting in a second review.

Ms. NORTON. Excuse me, does that mean that the State does not have to—that the State has to abide by that choice as well?

Mr. FUGATE. It would be their engineer. But I will give you an example. Let us say we have a hospital that is a heavily damaged building. The question is, do we replace, repair or is it destroyed? If they have a licensed engineer saying the building is not repairable, we are going to take that. If the engineer signs off on that that it is not repairable, we will look at replacement versus trying to repair the structure versus bringing in a second team to look at that.

Ms. NORTON. Mr. Chairman, I take that to be that the testimony here has been that they now operate with one consultant if it is a licensed expert. If that is the case, then that right there cuts in half what the taxpayers have been paying. Thank you.

Mr. DENHAM. Thank you. I now recognize Mr. Meehan for 5 minutes.

Mr. MEEHAN. Thank you, Mr. Chairman. Mr. Fugate, thank you for not only your time testifying here today but your long service

in the first responder community. I think America has taken a new awareness of the significance and importance, and I think, of course, we all had our eyes opened on September 11th. There is so many aspects of that, but to me, one of the things having served in the aftermath as a Federal prosecutor, and as many observed, it was the remarkable difficulty of communications in the aftermath of that incident. Naturally, the unanticipated impact of what would happen once the interoperability of our traditional systems and the communications from towers to transmission lines went down. So I think we as a Nation went back to the bucket brigades. In effect, at that point in time, it was ham operators, radio operators that were establishing central communications for our system.

The frustration is that a few years later we saw the same thing duplicated in Katrina in which, once again, although there was a suggestion that we had interoperability and we would be better prepared, there was physical damage done to towers and in the immediate aftermath the inability to communicate.

What have we done in that time so that if we have a similar kind of incident which we can anticipate the infrastructure is going to be significantly damaged we can have real-time communications capacity that is better than the bucket brigades of the ham operators?

Mr. FUGATE. Well, sir, as it goes to the question of what is different, several things have improved and changed. I think one of the things is we are responsible as part of Homeland Security for doing disaster emergency communications. If the area of impact has lost their infrastructure and needs to have equipment brought in, we have the capability to bring in and set up communications and work across a wide range of systems to get initial interoperability back up, but that means it has to get to the area, so there is a delay from the initial impact.

Mr. MEEHAN. What kind of delay would that be and how significant is the communications capacity once it comes in?

Mr. FUGATE. It is not more—it really comes back to drive time to physically get in or do we fly the kits in? So it is just the transport time, and these are resources scattered across the country to get them in. Probably more important is the investment that has been made in interoperability, as an example in Congressman Long's State we had participated in a national level exercise which was an earthquake a week before the tornadoes hit, and at that time, the Governor was demonstrating their statewide radio system which had used Federal dollars to develop interoperability, and we did not know a week later, not even a week later they would be using that very system in Joplin when that city got hit to provide backup communications to responders because of the impacts there.

Mr. MEEHAN. But are they still built again on existing infrastructure like cell towers and other kinds of transmission lines that roll through?

Mr. FUGATE. Well, again, when you look at the public safety, those are generally Government-owned systems, and so we bring the systems to augment that. We also work very closely with the private sector through the national communications system to get those systems back up. Sometimes it is damaged infrastructure. A lot of times it is not only infrastructure, it is bandwidth to provide

communication. So in the initial hours, our first focus will always be on the public safety responders, getting them back up, but one of the other things we have learned that is also important is getting the public back up, and that is where the private sector really has, I think, made improvements in their ability to bring in mobile units, get communications up, and add capacity for cellular communication, wireless communications in areas.

Mr. MEEHAN. That is critical. That is one of the things. I am asking these questions for a variety of reasons, but not least of which I have had the opportunity to visit within my own district a group called the Ragant Corporation, who has been at the cutting edge of communications for the military. They have had the ability, of course, into areas in which there is armed conflict, to quickly be able to enable there to be communications. It is a system called Bread Crumbs. The concern, as I asked them about, if they have had communications with FEMA. They did. They talked to FEMA 6 weeks before Katrina and were told we have all the communications we need, and then obviously we found out the inability to do that.

So how do we keep certain that we are accessing the latest technology and capacity that is available so that we know that we can find communications capacity in that critical window, not the 48 hours that it is going to take to drive or fly it in, but in those 2 or 3 hours where people may be at peril?

Mr. FUGATE. I think, again, one of the issues the Post-Katrina Emergency Management Reform Act established was, we had to do more than just talk about interoperability and provide grant funding, we need to have States devise their plans, we need to have deployable capability which was assigned to FEMA for the disaster emergency communications, and we continue to look at how do you start using things that, again, we still face the fact that most smartphones have more capability than a lot of our public safety radios.

So as we continue to transition to bringing that into the public safety world, how do we continue to enhance wireless networking, both for the public safety as well as the public?

Mr. MEEHAN. But we know—and I will close out, Mr. Chairman, in a second. But that was the great frustration was simply in New York the wireless network being overloaded with family members trying to contact other family members, and so, you know, we have got a very, very precarious network in the immediate aftermath. Well, thank you, Mr. Fugate, for all of your work, hard work in putting that together. Thank you, Mr. Chairman.

Mr. DENHAM. Thank you. Mr. Long?

Mr. LONG. Thank you, Mr. Chairman, and I would first like to thank you, Chairman Denham, for letting me sit in on this hearing today and appreciate you, even though I am not on this subcommittee. And I am from Springfield, Missouri, which is 70 miles from Joplin, Missouri, as you know, Mr. Fugate. Branson, Missouri is also in my district. Two or three weeks before the Joplin situation we had had terrible flooding in Branson, and FEMA had started to set up shop down there, and I got a call from your people a week or 10 days before Joplin saying that they understood I was not happy with FEMA in the Branson situation, and I said, well,

it is not that I am not happy with FEMA. I am not happy that the Governor waited a full week in an obvious situation where people have 4½ to 8 feet of water in their homes to have declared it a disaster area, and so when Joplin then hit, I was kind of on FEMA's radar, I think they wanted to make sure if I was happy. I stayed happy, and the morning of the morning after the tornado that hit on a Sunday, I was in Joplin at the light of day, walked in the firehouse down there.

There was 400 to 500 first responders standing around waiting to go to work. Unfortunately, we had weather move in that morning, hail storm, 60 mile-an-hour winds, so they had to kind of wait out a couple of hours while we knew there were people that we could go out and rescue that morning. Shortly thereafter, I got a call from the White House liaison for FEMA, and they explained that FEMA would be on the ground shortly in Joplin, and I said no they are not.

And they said, what do you mean? I said, well, they are already here, they got here about 10 minutes ago. So you all from that point on have been excellent in the Joplin situation. Mr. Serino came in, I think, a day or two before you came in, the President has been there, and it is truly, truly indescribable, it is something that you cannot describe.

Representative Akin came down a week ago, and after everything that has been on TV and the situation in Joplin and everything, he still looked at me a couple days ago and he said, when I went to Joplin it was 10 times worse than anything I could imagine. And it is a town of 50,000 people. The devastation is three-quarters of a mile wide by 6 miles in depth, and it is clear cut. It is absolutely clear cut. Eight thousand homes, one hundred fifty-nine people lost their lives in a town of 50,000 people, 8,000 homes, 159 lives lost, not to mention the ones who are still in hospital and have various problems, 500 businesses destroyed, 54 percent of the school capacity. They are going to start school here in a few weeks. Fifty-four percent of the school capacity gone, and, but I just, in those dire circumstances, I do want to thank you.

I was down there 2 weeks ago with the Army Corps of Engineers which is in charge, of course, of the debris removal, and they made a comment as I was driving around that they have never seen HUD, FEMA, Army Corps, economic development, all the different Government agencies that are getting along. I think a lot of that has to do with the attitude of the people in Joplin and southwest Missouri pitching in and helping themselves, but I just cannot say enough. One of the city leaders, city fathers of Joplin told me a couple days ago, you need to tell FEMA, because I told them we are having this hearing this morning, they said you need to tell FEMA they are damaging their reputation here. So you are doing better than you are supposed to be doing.

I do have one question for you. There has been—the city leaders in Joplin are trying to find out on this 90/10 split with the Federal Government, they have asked for 100 percent, and I do not know, I am sure they want the 100, but the question is, they would kind of like to know, and they have been trying to get an answer on that. Do you have any idea when they may have a yes-or-no answer on that?

Mr. FUGATE. Well, there is two parts. The first part is in the areas we are doing debris, that is at 90 percent for the first 75 days, but for the rest of the cost, under the CFR, that is actually based upon a per capita impact to the State of $127, which I think for Missouri is over $700 million. Another part of that is we look at the existing disasters that have occurred in the past 12 months as additional factors, and as I talked to Senator Blunt about this yesterday, I talked to our Federal coordinating officer, and she thinks probably in about the next 60 to 90 days, we will have enough of the project worksheets written to have some idea what the total cost of the Joplin impacts as well as some of the other disasters, and that would give us an indicator whether we would be in the point to make the recommendation of 90/10, but in our rules within the CFR, we would only make the recommendation for all categories of public assistance at 90 percent based upon a statewide per capita of $127 statewide.

Mr. LONG. OK, OK. Well, I appreciate. Again, I just want to thank you and thank everyone that has come to see the Joplin situation because to a person, when they see it, my chief of staff included, which came down a couple of weeks ago, even though I had been ballyhooing it ever since the day it hit and telling how devastating it is, I do not know how many F5s have hit this country, but the number is very small, and the ones that have stayed on the ground over a quarter mile F5s are extremely rare, and this F5 stayed on the ground for 6 miles, and I also went out to with the Army Corps a couple weeks ago to the vegetation, whatever they call it, but it is where you take the big 100-, 150-year-old trees that are no longer there, the huge, huge stumps, you see trucks going down the road with huge stumps on them, huge big massive trees. They have chips, chipper shredders set up, they have 20-, 30-foot high piles of shreddings from all those trees lost over a tremendous area.

Again, I just want to reiterate how much we do appreciate your efforts and your help and the fact that you came there and saw for yourself. I know when Secretary Napolitano came in, her comment was the same thing. She has seen a lot of disasters, and she had never seen anything to equal Joplin, Missouri. I appreciate it. Thank you, again, Mr. Chairman, for letting me sit in.

Mr. DENHAM. Thank you, Mr. Long. Mr. Fugate, we understand the new temporary housing units that meet FEMA's new standards will cost between $44,000 and $46,000, somewhat higher than the costs for housing units used in earlier disasters. Under what circumstances would FEMA provide temporary housing units as opposed to some other less costly housing units?

Mr. FUGATE. Well, Mr. Chairman, we have done about 400 so far, and I expect some more in more recent disasters. Our first goal is, again, providing renters assistance if there is available housing in the area. If you go back to last year's floods in Tennessee which impacted several thousand homes, we were rather successful in that event of just doing renters assistance. We did not have to do temporary housing. But with these tornadoes, particularly in smaller or rural communities there may not be available housing. Again, the preference of the State is not to have people move long distances away from their communities, so we will do that. Again, in

the tornadoes across the southeast, there were so many housing units destroyed, there just was not enough rental hotels and motels to provide a solution until homes could be rebuilt. So we do this as a tiered approach, always looking at the quickest way to help people is with renters assistance if there is someplace to stay. In the absence of that, we will look at providing relocation for people, and then our third option would be looking at temporary housing units.

Mr. DENHAM. And how about as far as somebody whose home is inhabitable, just doing the patch work to get it habitable for a short period of time before the——

Mr. FUGATE. That is a program that we worked with the Corps of Engineers. Previously we had a program called Blue Roofs which was a rather expensive program to put a tarp on a roof, but that would not always dry out a home and get people in, there may be busted windows, a door may have been damaged, and we realized that for the cost of doing that, we could incrementally increase some additional funds and get people back in their homes if we do some expedient repairs. So we have a program with the Corps where we will do expedient repairs, this is not permanent work, but it provides enough repairs, if possible, to get people back in their home, to get power back on until permanent repairs are made. So we do have that program. But as Congressman Long will tell you, there were not a whole lot of homes in Joplin that were only partially damaged. It was pretty much either destroyed or not heavily impacted, but we think this would be a more viable option, particularly in hurricanes where we do see widespread damages that if we could do these expedient repairs it would reduce the cost to the taxpayer as well as get people back in their homes quicker.

Mr. DENHAM. Thank you. When do you believe the Bottom Up Review for the public assistance program will be completed?

Mr. FUGATE. The short answer is I do not think we will ever be done. I think it is going to be a continuous process. What we have run into as we started this process, and we asked our subject matter experts, they were not quite grasping what I was looking for, and they began incrementally looking at pieces of this. So we reset it to go back and again ask the fundamental questions. What does the Stafford Act say? What does the CFR say? And then what do our rules and policies that conflict or do not make sense or add layers? We have already eliminated or have actually deleted a lot of policy guidance that we felt was duplicative, not clear or not relevant, so part of this was going through just the policy pieces and looking at what things should be eliminated.

Then as we go through that, it is to look at some fundamental structures such as cost estimates. Or the other question is, right now we do debris literally in a manner that is very costly to monitor, but it is done because it is not a very easy thing to do cost estimates on, but is there a better way to do debris as a lump sum versus doing it as a reimbursement for the work being done?

Mr. DENHAM. Does the Bottom Up Review also include an examination of the Stafford Act?

Mr. FUGATE. Yes, it does. Again, I have been pretty consistent with this, Mr. Chairman, and it sounds like a broken record, but the Stafford Act has a lot of inherent flexibility that it is our own

policies that prevent us from doing things. An example is going on private property removing debris is permitted under the Stafford Act, but generally in our policies and regulations we have precluded that, and we do not normally provide that as a way of doing it. That is why when we looked at the damage in some of these recent storms, we said, you know, the Stafford Act says we can do this, we think there is a compelling case to do this, we think it is the thing that needs to be done to get on private property to get the debris removed, so we authorized it. So we start out with what does our policies and our rules and our oftentimes practices do that we can adjust first before we look at the Stafford Act?

Mr. DENHAM. As you go through the Stafford Act, do you also develop recommendations for legislation that is needed?

Mr. FUGATE. Yes, sir, but again, I am finding less that is specific to the Stafford Act that is more specific to our internal, our rules, and to the CFR, and again in many cases, there is inherent flexibility in the Stafford Act that has been precluded because of practice or by policy or rules. So we start there before we look at the Stafford Act. We are still working through a lot of that, and again part of this has been is to build a rulemaking shop to actually get up a team that can make an effective calendar of the things we need to change, get rid of the stuff—we actually have some of our policies that date back from the 1970s and 1980s that have not been updated and reviewed because we don't have a central shop doing nothing but rulemaking, and so that is one of the things that we are going to build in fiscal year 2012 out of our fund base to have a rulemaking capability that gets us through a process that has not been—quite honestly in many cases, it has been an ad hoc process spread out through the Agency with no central point of coordination.

Mr. DENHAM. Thank you. Mr. Long?

Mr. LONG. I don't have anything.

Mr. DENHAM. Another question, mitigation obviously can save lives and money. By mitigating against disasters, there are less casualties and less damage to people's homes and businesses, however post-disaster mitigation funding often becomes available well into or after the rebuilding process. What steps have you taken to ensure mitigation is a meaningful part of the recovery following a disaster?

Mr. FUGATE. Mr. Chairman, I will talk about some sections that your staff probably know very well. But when we have a public assistance disaster declaration and we are in the rebuilding process, there is a section of the Stafford Act, Section 406, that provides that not only can we replace—let us talk about fire stations. There were several stations in Joplin that were impacted, one which was heavily damaged. The way that we would normally go in there is if that was not an insured building, we would provide a replacement cost and it would have to be built to code. One of the things we can do is while we are rebuilding it, we can actually mitigate with cost-benefit analysis and upgrade the building beyond code. So one of the things that we are really focused on is life safety in a lot of these public infrastructures is making sure that as we rebuild schools, we rebuild critical infrastructure, we rebuild the safe rooms and other things to harden these buildings as we are re-

building them so that the other section, which is 404, which is the mitigation dollars the State gets on top of their repair and replacement costs, can go to other activities. But as much as we have damaged infrastructure, we want to aggressively make sure that as we rebuild them where the opportunities are and where it makes sense and it makes—the cost-benefit analysis makes sense and we are not spending a million dollars to save a dollar but where it makes sense or particularly in critical infrastructures like fire stations, that we don't just look at merely replacement or building it back to code. We look at how do we harden that building and use those mitigation dollars under Section 406 to harden the building.

Mr. DENHAM. As you know, the Emergency Management Assistance Compact that facilitates mutual aid among States is up for reauthorization. EMAC has been funded up to $2 million annually.

How critical do you believe EMAC is in our response and recovery system?

Mr. FUGATE. Mr. Chairman, in these tornados, again if this was 2001, I think we would probably end up deploying about a third of our national Urban Search and Rescue teams, which is another part of what you looked at in reauthorization. Because we had such strong intrastate and interstate, which is the EMAC component where they are able to move resources across State lines, we were not required to deploy any of the national teams. Meaning that if there had been another disaster the day after Joplin, 27 of those teams would have been available to respond. The one team that wouldn't was Missouri 1, which was activated under the Governor's authority. But they also brought teams in from the neighboring States that allowed them to respond quickly to that disaster. Those 500 responders that Congressman Long talks about came from the area and it was all done through mutual aid.

Again, this is why we look at these teams as national assets, why we look at our local and State responders and our county and city emergency managers as national assets. The Emergency Management Assistance Compact gives us the ability to leverage resources across the Nation, not just those that are specific to the Federal Government. And that meant that in these tornados, as bad as they were, the initial response and search and rescue took place in hours in the first couple of days. We were able to focus almost immediately upon going into recovery and supporting that. And I think this is the strength of looking at our State and local governments as part of national assets and using tools such as the Emergency Management Assistance Compact to share these resources by Governors across State lines, independent of a Federal response where oftentimes they are quicker, faster and the cost is actually lower to the taxpayer and it is money we have invested in our homeland security grant dollars to build this capability.

Mr. DENHAM. And how about for preparedness grants? Which preparedness grants leverage the most local funds and provide the most capability for the least amount of Federal funds?

Mr. FUGATE. That would be the emergency management preparedness grants, which are the dollars that are provided to the States and often times fund local emergency management programs. This is a program that is a 50/50 cost share. So there is a lot of local and State investment in these programs. And to be

quite honest with you, Mr. Chairman, without these funds, I think we would have a less robust capability at a local and State level. I think our response to these most recent disasters would have been slower because we wouldn't have had the base of the expertise at the local level managing these responses. And it would ultimately cost us more in loss of lives and the impacts of the recovery because we would have to bring everything from the outside to begin the response versus building upon the local expertise, the local community, adding to that and speeding up that response and recovery.

Mr. DENHAM. And lastly, last Congress, members of this subcommittee introduced the Integrated Public Alert and Warning System Modernization Act, and we are working to refine that legislation and reintroducing it again this year. In the hearings last Congress, concerns were raised as to whether FEMA was effectively developing this system with input from experts and other stakeholders. You talk about what FEMA is doing to ensure IPAWS not only stays on track, but also how key stakeholders are involved in its development.

Mr. FUGATE. Mr. Chairman, there is two key parts to IPAWS this year. The first one is we are doing our first national activation of the emergency alert system. This has never been done in all the history of the program, which is a key cornerstone of IPAWS. Because we are using the common alerting protocol to do these activations, we have now, working with our partners at the FCC, but more importantly working with the wireless community, are moving towards the ability to now provide notifications to cell phones that are based upon their location without them having to preregister or sign up.

This program is being kicked off in New York. We are also working in DC. And ultimately we want to expand it out so that cell phones, as part of the emergency alert system, which is part of IPAWS, would be able to receive alerts in areas based upon your location. You do have the ability to opt out of it. It doesn't track your location. We don't know where you are at. But it does provide the ability to broadcast a warning to the phones in the area and alert people of things such as the tornados and floods we have seen this spring.

Mr. DENHAM. Thank you. Mr. Carnahan, do you have questions?

Mr. CARNAHAN. Thank you, Mr. Chairman. And I want to thank the witness for being here and for what your Agency does. A couple of things I wanted to cover. First starting out with the disaster in Joplin, Missouri. I am glad to be joined here by my colleague from Missouri, Congressman Long. And I appreciate all the work he has done in this regard as well. But also the more recent flooding emergencies up and down the Mississippi River. I wanted to ask kind of a broader question to start with, in terms of the lessons learned by FEMA in these recent disasters and how can we incorporate those into this reauthorization effort we are going through here in Congress. Again, to learn from those lessons, you know, what went well, what didn't and how we can improve.

Mr. FUGATE. I think—and again, some very broad observations is, what worked well was not building a Federal centric response but building response based upon local and State with Federal sup-

port and working as a team. I think that in many of these responses the reason we—as devastating as they were, we did not see issues that had been raised elsewhere is a tremendous response not only from Government, but also recognizing the value of the volunteer and NGO organizations of the private sector. And that is one area since I have been at FEMA we have been working on, is to expand a team and not just look at what Government can do, but also incorporate and give a seat at the table. We are not abandoning our responsibilities as FEMA to do our job. We also recognize that there are many members of the community that have key roles they can play. And it is important that we provide at the Federal level a place to integrate those responses as we see being done at our local and State level every day.

Another one that I think is important—and this is a mitigation issue—is reenforcing in those areas that have significant risks to the tornados, the importance of safe rooms. As was pointed out with the National Weather Service and as you see the devastation, even with warnings, we had a large loss of life, which points out the challenge. Even with warnings, if people don't have somewhere safe to go, to get there quickly, we may not always be able to reduce the loss of life. So particularly in facilities such as schools and critical public safety buildings, I think it is important that we look at how do we harden those buildings and then also provide to homeowners who rebuild their homes opportunities either through Small Business Administration mitigation loans or mitigation dollars the States have to provide safe rooms in residential structures.

Mr. CARNAHAN. And to follow on that, we have had a lot of discussion in the aftermath of these disasters in terms of preparedness. The difference in cost in terms of—I have seen several figures out there. I think maybe 7 to 1, the difference in cost. If we can address some of these issues on the front end in the preparedness area versus having to do things more expensively afterward. Again, talk to me about some of those strategies and how we can do better on the front end of disasters.

Mr. FUGATE. I think what it goes back to is what we look at in our mitigation funding, I think the numbers that I—that generally we use at FEMA is about a 4 to 1 return on the investment for mitigating the effects of disasters. And again it is—the challenge is if you always knew where the disasters would be, it would be real easy to fund. This means it has to be a more systemic approach. And I think it has got to be a combination of not only our Federal dollars investing in mitigation practices, but also recognizing that State and local governments through land use and building codes can also significantly reduce the impacts of disasters.

My home State of Florida, when we adopted more stringent wind codes, we saw the difference in the 2004 hurricanes. Homes side by side, same neighborhoods, literally built to a stronger wind code had roofs; those that didn't, were heavily damaged and not occupiable. And that drove the cost up for everybody's response. And again—so we know that things like building code, land use planning can reduce the cost of disaster as well as strategically targeting our limited Federal dollars to mitigate known hazards.

Mr. CARNAHAN. I have got one more if we have got time, Mr. Chairman. The last issue I wanted to talk about was the Urban Search and Rescue task forces that are throughout the country. I understand we currently have 28 comprised of firefighters, engineers, medical professionals with special training in search and rescue. Obviously these folks are coordinating with State and local resources.

How can we best improve that coordination? Are we identifying best practices on how to do that? And you talk about how we can—the status of that and are there steps that we can do to even improve that?

Mr. FUGATE. I think again we saw some unique opportunities in the past year, both the response to Haiti. And we sent teams to Haiti as part of support, USAID, as well as the teams that went to Japan and bringing those lessons back. But the other thing I think that the Urban Search and Rescue community that we have been working in—although again the funds are—it is a finite resource—is to continue to work with that. Because as you point out, the teams themselves are local and State responders. They are not Federal employees until we activate the teams. What we provide is the equipment and training. So we look at some of the unique issues they have raised, particularly in dealing in WMD environments where we may have toxic chemicals and other things. We don't currently equip the USAR teams with that type of equipment. But we have another program, the Preposition Equipment Program, that does have that equipment.

So one of the things we worked out with the USAR teams is the ability to deploy those preposition equipment caches with the USAR teams if they need additional protective equipment. So we are utilizing resources we are already having, that have already been funded to meet some of those requirements. But we do do an active lessons learned program with the USAR teams, not only for the 28 that are federally recognized, but also the vast number of teams that are out there at the State and local level that are also USAR capable, and provide those lessons back to that community from our lessons, particularly in Haiti, some of the things we saw there.

Mr. CARNAHAN. Thank you very much. Thank you, Mr. Chairman.

Mr. DENHAM. Thank you. One final question before we go to the second panel. Not long ago, FEMA signed an agreement with the Red Cross to have the Red Cross to take the lead in providing emergency shelters and other care. How is that going?

Mr. FUGATE. I went to a shelter in Joplin that the Red Cross was operating that was taking care of people that had medical needs. They had a co-located pet shelter that they had worked out with the local humane society to staff. They had the Adventists and the Southern Baptists in there providing programs for infants and children. And again, I think under the leadership of the Red Cross, they have recognized that to be successful they have to bring in more team members. So we are seeing—and again are working with our Red Cross partners and others that provide shelter services to continue to do that. But probably again, this is always based upon people's willingness to give and volunteer to the volunteer or-

ganizations. So we also recognize that we have to work hand in hand, whether it be supplies or the ability to support them with resources.

But in the recent disasters, our Red Cross partners and other volunteer agencies not only have been sheltering, but they have been feeding and providing mass care. And it is actually—Mr. Chairman, you kind of just have to go see it. When you have got folks like the Southern Baptists with a big cook truck cooking, putting meals into Red Cross containers and having those Red Cross vehicles then take it out to a Salvation Army canteen to feed people or to a church or other community group, you get some sense of the capabilities the volunteer community brings to the team and why we need to leverage those resources and not duplicate, but be ready to support and fill gaps if needed.

Mr. DENHAM. Thank you. And at some point, I would like to travel with you and see firsthand through the same eyes on some of the challenges that you are facing. Thank you for your testimony today.

Now we will have the second panel.

Mr. FUGATE. Thank you, Mr. Chairman.

Mr. DENHAM. Thank you.

I now call our second panel of witnesses: Mr. Jerome Hatfield, Deputy Superintendent for Homeland Security, New Jersey State Police; Cline Griggs, Tribal Council member of White Mountain Apache Tribe; Ms. Phyllis Little, Director of Cullman County, Alabama, Emergency Management Agency; and Mr. Chad Berginnis, Associate Director, Association of State Floodplain Managers.

I ask unanimous consent that our witnesses' full statements be included in the record. Without objection, so ordered. Since your testimony has been made part of the record, the subcommittee would request that you would limit your oral testimony to 5 minutes or less.

Mr. Hatfield, as your seat becomes available, I would ask you to begin your testimony.

TESTIMONY OF JEROME HATFIELD, DEPUTY SUPERINTENDENT OF HOMELAND SECURITY, NEW JERSEY STATE POLICE, NATIONAL EMERGENCY MANAGEMENT ASSOCIATION; CLINE GRIGGS, DISTRICT 4 COUNCIL MEMBER, WHITE MOUNTAIN APACHE TRIBE; PHYLLIS LITTLE, DIRECTOR, CULLMAN COUNTY, ALABAMA, EMERGENCY MANAGEMENT AGENCY, AND MEMBER, U.S. COUNCIL OF THE INTERNATIONAL ASSOCIATION OF EMERGENCY MANAGERS; AND CHAD BERGINNIS, CFM, ASSOCIATE DIRECTOR, ASSOCIATION OF STATE FLOODPLAIN MANAGERS

Mr. HATFIELD. Thank you, sir. Thank you, Chairman Denham, distinguished members of the committee, for the opportunity to testify today on behalf of the National Emergency Management Association, better known as NEMA.

NEMA represents the emergency management directors of all 50 States, Territories and the District of Columbia. Members of NEMA are responsible to the Governors for many responsibilities, including emergency preparedness, homeland security, mitigation,

response, recovery activities for natural, human-caused or terrorism-related disasters.

The issues specifically surrounding recovery from large-scale disasters are not easy to tackle, but we remain encouraged on how the committee has continued to demonstrate support to FEMA's programs. In terms of FEMA reauthorization issues, the most pressing issue for NEMA at this time is the much needed reauthorization of the Emergency Management Assistance Compact. Since 1996, EMAC has helped States coordinate mutual aid efforts and the compact has only grown in size and grown in impacts.

For example, 2009 spring flooding in North Dakota and Minnesota resulted in States deploying equipment, sandbags, over 1,000 personnel to North Dakota. In all, 700 plus National Guard personnel, over 300 civilians were sent to assist via the compact. Recently, over 600 personnel have been deployed in response to floods and tornados in Missouri, North Dakota, Nebraska, South Dakota, Mississippi, Alabama and Tennessee. The investment in EMAC stands as a relatively minimal one for maintaining a proven national emergency response capacity. All members of EMAC rely on the compact as an asset in the response and recovery arsenal.

The tools available to emergency management directors, however, extend far beyond mutual aid. After the response phase comes recovery. And over the years, recovery has proven to be elusive and difficult to manage. While FEMA provides a great deal of assistance as we make the transition from response to recovery, there are still some issues which need to be addressed.

NEMA remains optimistic in FEMA's Bottom Up Review of the Public Assistance Program. After an original review, FEMA restarted the process. According to the administration, the goal is to reduce the administrative burden and overall costs of the Public Assistance Program. To date, NEMA has provided informal comments to FEMA which were discussed through the National Advisory Council process. We believe FEMA is currently conducting a Phase II review of this process. The Public Assistance Program remains a vital tool to emergency management, and we remain encouraged by FEMA's commitment to this process.

A recently evolving challenge is in regard to the functional needs, support services decisions made by the Justice Department. Issued in November of 2010, the functional needs, support services guidance laid out how general population shelters must accommodate those with functional needs. NEMA and States were concerned the requirements could involve costly changes to general population shelters, which could ultimately reduce the number of shelters available. In today's economic climate, most State and local governments simply cannot afford major and costly alterations to existing shelters.

FEMA and the Department of Justice briefed NEMA members of the status of the initiative at our annual conference, but the agencies provided conflicting information. NEMA has requested clarification and has been told FEMA General Counsel and Department of Justice Disability Section continues working towards a solution.

All the programs mentioned above are key components to a viable effective recovery structure within FEMA, but integration in the diversity of these programs and long-term recovery planning is

difficult. While FEMA has begun to address this by putting together a Long-Term Disaster Recovery Working Group, which facilitated the development of the National Disaster Recovery Framework, there remains much unfinished work.

As demonstrated during the recent storms throughout the southern United States, recovery begins immediately and support from the Federal Government must easily fit into the plans and processes on the State and local level to ensure effectiveness.

Some of the programs outlined throughout this testimony need reauthorization, while some simply require inquiries from Congress. Hearings such as this represent vital steps towards building a more effective recovery system.

Thank you again for the opportunity to testify. I look forward any questions that you may have.

Mr. DENHAM. Thank you, Mr. Hatfield.

Mr. Griggs.

Mr. GRIGGS. Good morning. My name is Cline Griggs, Chairman, subcommittee members and guests. I am a member of the White Mountain Apache Tribe. I live on the reservation. Due to the limited time in gathering information for today's hearing, some of the testimony I am providing today will follow up with additional information.

The Fort Apache Indian Reservation is home to the White Mountain Apache Tribe. A federally recognized Indian tribe, the tribe's total enrollment is 15,500 with approximately 93 percent of enrolled tribal members. The majority of the population lives in and around White River with the seat of our tribal government, with others residing in other eight communities.

Responding to emergencies is a total tribal effect. The emergency response coordinator, under the provision of the tribe's emergency response plan, mobilizes agencies and organizations and communicates with external agencies. The White Mountain Apache Tribe has its own tribal law enforcement, tribal fire department, with forest fire response, capable with firefighters, which is known as the what hotshot team who recently joined State and national efforts in fighting the Wallow Fire. The White Mountain Apache Tribe also has its own emergency medical response and hospital. The emergency requires a widespread response. Typical are the result of wildfires, flooding and snow storms. Wildfires, such as the recent Wallow Fire and the adjacent national forest, destroyed vegetation and by denuding the land increased runoff and flooding from summer monsoon rain.

The reservation, with the heavy snowstorm during the winter, during the near record snowfall of January 2010, the community of Cibecue, population of approximately 3,500, which is 60 miles away from White River, was affected very drastically due to no electricity which were without water, electricity for a whole week. The Locust Fire, which was involved, troubled forestry and the fire department and instructive protection efforts. Eventually the snowstorm was declared a State and national disaster. FEMA to date and has notified the tribe that all claims were settled—has provided $146,000 to reimburse the tribe for expense and damage to property that occurred. The last payment was at the end of April 2011. This was 15 months after the costs were incurred. The Lo-

cust Fire was never declared a disaster, so all costs of the fire was tribal.

The White Mountain Apache Tribe comments and recommendation of FEMA's long-term recovery, individual assistance and public assistance are included in the written testimony and will not be detailed here. Additional information needed for these sections will be forthcoming.

Lessons learned from these two disaster events are important. The time required for the State to mobilize for assessing the extent of the damage following by the delays of the coordination between the State and Federal Government and declaring a snow caused disaster are contributing factors in the lengthy time between the disaster in January 2010 and FEMA's payment received at the end of April 2011.

The Locust Fire was a result in a closer working relationship between the tribe and Navajo County. Quick and total response is required to save lives and alleviate distress. Delays in the current system are in direct conflict with the need to move quickly and enforce.

H.R. 1953 is strongly supported by the White Mountain Apache Tribe and other American Indian tribes in Arizona. The bill would amend the Robert T. Stafford Disaster Relief and the Emergency Assistance Act to authorize Indian tribes to directly request the President for a major disaster or emergency declaration. It has been a priority of Indian Country for over a decade and upon enactment to treat Indian tribes as the sovereign government that they are. In Arizona, a lot of the FEMA Region 9 office, this new 2010 tribal policy seems to be misguided in its implementation. States do not have jurisdictional authority on tribal lands, but are encouraged to be the entity to deliver grants, training and support as authorization to the Federal agency that has the trust and responsibility to American Indian nations. FEMA grant funding shall be directly to tribes as a sovereign government, not to the State.

The White Mountain Apache Tribe has become dependent on grant funding as they struggle to recover from the effects of the recent recession. When the recession hit America, the reservation's unemployment went from 33 percent to an estimated 65 percent, leaving a bothersome 51 percent of the reservation's population living below the poverty line. But the responsibility of the emergency response to disasters, direct funding from FEMA and other Federal agencies become impossible when faced with the staggering cost of disaster relief and cost sharing requirements.

Thank you.

Mr. DENHAM. Thank you. Ms. Little.

Ms. LITTLE. Chairman Denham and distinguished members of the subcommittee, thank you for allowing me the opportunity to provide testimony on this important topic. I am Phyllis Little, Director of Emergency Management for Cullman County, Alabama. I am a member of the International Association of Emergency Managers and am providing this statement on their behalf.

We appreciate the support this subcommittee has provided for the Emergency Management Performance Grant Program, the Emergency Management Institute, and for strengthening FEMA. Cullman County has a population of 80,406 residents. The county

is located in central north Alabama. Primary businesses in the area are agriculture based. The tornado outbreak on April 27th impacted the entire county.

The cities of Hanceville and Cullman were hardest hit. The National Weather Service mapped five tornado touchdowns across the county, two being rated as EF–4s, with wind speeds up to 200 miles per hour. Approximately 500 homes and 100 businesses were damaged or destroyed. Electrical power was lost to most of north Alabama for 5 to 7 days. We were fortunate to have only two lives lost. School buses would have been on their routes when the tornados hit had school officials not postponed the opening of schools. Collectively planning, training and exercising together benefited us greatly when the event occurred.

We owe a great deal of credit for our ability to respond to the funding received from the Emergency Management Performance Grant. Our EMPG allocation, which is cost shared 50/50, provides funds to staff our office with two people, as well as assistance to maintain half of our outdoor warning sirens.

Our two greatest challenges have been debris removal and unexpected financial outlays. Debris removal is a life safety, health and economic recovery issue. FEMA initiated a pilot program called Operation Clean Sweep in Alabama. The program has enabled affected property owners to apply for assistance to remove debris from private property in an effort to jump-start recovery. Given the extensive amount of debris, it is much needed but it has not been without its problems.

These problems can be attributed to inconsistent and inaccurate information provided early in the program. Better coordination, along with clearly defined policies and definitions of debris and areas of operation provided upfront would be extremely beneficial.

The actual program to assist residents with debris removal did not begin in Cullman County until approximately 10 days ago. We still do not have a complete list of eligible properties. The cost share changed as of midnight July 12th from 90/10 to 75/25. The State's request for an extension was denied July 12th. We urge reconsideration of this cost-share extension.

Cullman County chose the Corps of Engineers to handle debris removal primarily because of the magnitude of damages. Getting a unit cost for debris removal from the Corps has been extremely difficult. This has proven problematic to local officials attempting to manage finances in these tough economic times. Given the uncertain financial obligations, Cullman County made the decision on Tuesday to terminate the Corps work in their jurisdiction as of July 29th and terminate participation in Operation Clean Sweep. This is strictly a financial decision.

FEMA individual assistance has been delayed due to confusion over the meaning of denial letters directing applicants to complete SBA loan applications. Many did not complete the process. The SBA deadline is July 17th. I received the information late yesterday that FEMA has recognized the problem and is sending community relation teams door to door to assist applicants through the process. We applaud FEMA for assigning a liaison to each county. Locating the joint field office closer to the disaster and the creation of division offices in the affected areas has aided in recovery efforts.

Local officials will be meeting with FEMA to discuss available options, including possible assistance under the Community Disaster Loan Program. Given the loss of tax base and financial difficulties, this assistance could be vital to recovery.

In conclusion, we appreciate the improvements made by FEMA. We urge the extension of the cost share on Operation Clean Sweep since it had a slow start. We urge expediting funding and decisions under the Hazard Mitigation Grant Program to allow safe rooms to be integrated into rebuilding projects. We urge adequate funding for the Community Disaster Loan Program for our hardest hit communities. We urge better communication on individual assistance eligibility. We urge consideration of providing advanced funding to communities based on the estimated costs of a declared disaster. And we urge recognition that local officials are reluctant to incur financial obligations of unknown amounts.

I will be happy now to answer any questions.

Mr. DENHAM. Thank you. Mr. Berginnis.

Mr. BERGINNIS. It is hard to imagine a more appropriate time for this hearing when we are debating what services the Federal Government should fund while at the same time experiencing an unprecedented number of disasters.

Mr. Chairman, you noted in your opening remarks the large number of events that the United States has had in the first 6 months of 2011. In fact, those events have resulted in $27 billion in losses, which is double the 10-year average.

Chairman Denham, Ranking Member Norton, and members of the subcommittee, I am Chad Berginnis and before you today on behalf of the Association of State Floodplain Managers, an organization of 14,000 individuals and 31 State chapters that work to reduce flood losses and preserve the natural functions of floodplains. As a former local official who administered a mitigation project in a community devastated by flooding and as a former State official overseeing hazard mitigation programs in Ohio, I am particularly honored to be here to explain how hazard mitigation programs that cut across the Federal Government work to reduce disaster losses, result in better economic vitality, and increase community resiliency.

What is hazard mitigation? The simple definition is that it is any sustained action to reduce long-term risks from hazards. It can be a number of things from the standpoint of flooding during a disaster recovery. Hazard mitigation measures could include such things as elevating buildings in place, retrofitting them to protect against a certain level of flooding, removing them from hazard areas either by relocation, acquisition or demolition. It also includes enforcement of building and land-use codes, recovery and mitigation planning, natural restoration of flood storage areas, critical facility protection and planning construction of flood attenuation structures.

Let me make three statements of fact that will frame my remarks. First, investments in hazard mitigation will always reduce the cost and misery in the long term to individuals, communities and the taxpayer. The widely cited 2005 study by the National Institute of Building Sciences concluded the projects funded by FEMA mitigation programs yielded $4 in benefits for every dollar of in-

vestment. Now, there are now instances where disasters are no longer declared in a community after an event because of mitigation.

Second, mitigation is complicated, and in most situations there is not one solution to fix hazard issues in a community, and technical expertise is needed to understand the risk in mitigation options.

Third, the window of opportunity to do the most mitigation, the time that people are most receptive is after a disaster.

The two most common observations by our members about mitigation during recovery are, one, that not enough funding is generally available, the program is being oversubscribed; and two, the development, review and approval of a project takes far too long. To address these, ASFPM has the following recommendations which are detailed in our written testimony to result in more efficient recovery programs.

First, FEMA must develop a framework for delegating the Hazard Mitigation Grant Program to capable States. Much like other provisions of the Stafford Act, this authority has existed now for 11 years, was part of the Disaster Mitigation Act of 2000. HMGP projects in a disaster recovery environment are developed by a community, reviewed by the State and sent to FEMA for review and approval. We could eliminate one entire step with true program delegation where FEMA's role is oversight, training and auditing.

Second, State capability must be able to handle catastrophic and multiple back-to-back events. This is not just a FEMA responsibility. States also must have skin in the game. From the FEMA standpoint, though, one way this can be incented is to develop an ongoing funding mechanism similar to the Community Assistance Program under the National Flood Insurance Program.

Third, the Federal Government under FEMA's leadership must have the ability to supplement State program capability with robust and timely technical assistance in a post-disaster environment. This expertise can help State staff develop public assistance and mitigation project applications, assist home and business owners on how to apply mitigation techniques, and perform needed analyses to understand the hazards and develop data so that appropriate mitigation techniques are used. Of specific importance to this process is to allow for extra code inspectors and permit officials to be reimbursed under the Public Assistance Program. Also, a mitigation review under Section 406 should be mandatory for every project worksheet. In fact, our members report and I have experienced that this is not consistently nor robustly done in every disaster.

Fourth, there must be incentives and requirements to use and adopt best available data for reconstruction. One of the real tragedies in the recovery process of Katrina is that on the Gulf Coast today you can see rebuilt structures that with almost near certainty will be destroyed in future hurricanes. We can and must do better.

Fifth, there must be better Federal interagency coordination before and during the recovery. Valuable time and resources are wasted when agencies are not on the same page. One promising

program in this regard is the U.S. Army Corps of Engineer's Silver Jackets Program.

Finally, all Federal recovery programs should incorporate hazard mitigation to the greatest extent possible. There are an array of programs in operation after a disaster and all of them should have a mitigation element. Again, investment in mitigation means reduced investment in future disaster recovery funding and savings to the taxpayer.

Thank you.

Mr. DENHAM. Thank you. We are going to have one round of questioning here. First of all, Mr. Hatfield. We are doing the reauthorization legislation.

What do you think the key issues to be addressed in the FEMA reauthorization should be?

Mr. HATFIELD. We are going to reinforce the fact that the Emergency Management Assistance Compact is critical and it is essential. I think years ago, it was mentioned that the Nation is best prepared when neighborhoods are prepared. And as such, EMAC allows for intra- as well as interstate activities so that emergencies are actually something that is taken care of locally and not nationally. And so we would encourage that as the national mutual lead initiative, EMAC be reauthorized so we can continue to work in neighborhoods throughout the United States.

Mr. DENHAM. Thank you. And we talked earlier with Secretary Fugate about the Bottom Up Review. From your experience, what are some of the key areas FEMA should be looking closer at to help expedite the recovery process following a disaster?

Mr. HATFIELD. The one thing I would like to say is that we are working very closely with FEMA. FEMA has developed working groups and focus groups to go and entertain some of the changes that are necessary in the Public Assistance Program. There is a benefit-cost analysis, if you will, that is done in the Public Assistance Program in that we do preliminary damage assessment reporting, which gives us cost figures to take a look at the potential overall impacts to a disaster.

With that said, I think previously FEMA had put together a pilot program and it was a pilot program that focused on estimates. And with that, we are actually going to work very closely with them to—in hopes that they would actually re-engage that program.

But front and foremost, I do believe that the payments that have come out for public assistance have been improved. Can they be streamlined? Absolutely. But I think a part of the achievement at this point is actually working very closely with all partners, to include nongovernmental organizations and the public sector across the board.

I think the true achievement of the Public Assistance Program and the revamping of that program is something that FEMA has also embraced quite some time ago and it is called the Whole of the Community. I think that with the potential impacts to the Public Assistance Program across the spectrum, if we are bringing all those stakeholders in to talk about necessary changes with the program, if those changes are delayed, I think it will be acceptable knowing that we are going to maximize the greatest opportunity of efficiency by factoring in all stakeholders that are available.

Mr. DENHAM. Thank you. And, Mr. Griggs, will you talk about the unique challenges tribes have faced following a disaster and how you believe that those can be addressed?

Mr. GRIGGS. Some of the problems that we are facing not only the White Mountain Apache Tribe but other Indian tribes throughout the United States is the government-to-government relationships that we see not being strongly honored. When the Rodeo-Chediski Fire happened on our reservation, it wasn't until it crossed the reservation borderline that other agencies started to help with fighting the fire. When Hurricane Katrina happened, the United Houma Nation in southern Louisiana did not get the proper help that they would have to receive. When the Wintco blizzard happened in North and South Dakota, the Lakota Tribes did not receive generators and they were without electricity.

Even our own community of Cibecue that I had mentioned, they were without power for a week. While communities off reservation when the same snowstorm hit, their powers were restored within a day or so. But due to the lack of cooperation, the lack of communication, and not having the assistance there, it is my belief that the American Indians are still not receiving the adequate resources that are entitled to them or that are there available.

Once again, the community of Cibecue and McNary, when the snow fell, it was our tribal elders who survived that week without electricity. When they were growing up, they didn't have electricity as they were growing up. Running waters were not a part of their daily lives. It was through the teaching of our tribal elders that brought our troubled youth through that disaster that had happened. So we are a strong people. But when our young ones are in need of help, it is through the strength of our elders and through the knowledge of what we hold today that can help us.

We do need H.R. 1953 to be passed not only for the White Mountain Apache Tribe but other American Indian tribes throughout the Nation. The government-to-government relation needs to be established through FEMA so that it is the President who will call upon or the tribal leaders to call upon the President of the United States to declare their nation an emergency area where as of now it is the power of the State Governors to do that. So this is very strongly supported.

Mr. DENHAM. Thank you, Mr. Griggs. I am out of time. Ranking Member Norton.

Ms. NORTON. Thank you very much, Mr. Chairman. Mr. Griggs, I understand precisely what you are talking about, where the philosophy here is supposed to be that those closest to the people are the ones who are best able to move in. Indeed FEMA testifies that much that happened in the recent disasters were first remedied by those closest. So I hear you. Tribes are treated as sovereign when people want them to be and often not when it is most important to tribes. I think we should look closely at that.

Ms. Little, I was interested in reading your testimony and what you had to say about the Emergency Management Performance Grants because you gave them so much credit for building—for allowing your county, Cullman County, to build a strong emergency management system. That system apparently was instrumental in helping to save lives. I would like you to elaborate on how this

grant, the emergency management grant, helped you to rebuild that system when it occurred and how you think the grant itself was instrumental.

Ms. LITTLE. Well, the grant for Cullman County amounts to about 24 percent of my annual budget. So we receive actually around $49,000 a year through the EMPG grant. Without this grant, I would be a one-person office. And as a one-person office, it would be nearly impossible for me to complete the plans that have to be done for disasters and to provide the training to emergency responders under the incident command system to elected officials about their role and responsibilities in disasters and to provide the exercising and training that we do as all agencies across our county. So I do give the EMPG program a lot of credit for providing those resources for us.

In addition, Cullman County has 42 sirens or outdoor warning sirens on our system. My maintenance budget would be rather low if it weren't for this funding. So as being responsible for more than half of the sirens on that system and their upkeep and maintenance, I can attribute a lot of that assistance to the EMPG.

Ms. NORTON. So if that funding was reduced——

Ms. LITTLE. If that funding was reduced, I see that I would be a one-person shop quite likely and the funding just would not be there for the training and the exercising and the other things that we do with the planning. I also see that we would have to make choices and tough choices, do we provide this training for our first responders or do we repair the sirens as they go down. And those are quite expensive when you start repairs.

Ms. NORTON. I must say I congratulate you on your efficiency. One person doing what you are doing and facing the kind of disaster you faced, the grant allowed you to be far more prepared than otherwise would have been the case.

Mr. Hatfield, I would like to ask you about the Urban Search and Rescue Grants. As I indicated my admiration of them—we always read about them in the newspapers. We are amazed—we have one not in my own jurisdiction. There is one in Fairfax County. And we read that these people go to every part of our country and perform what seems to us to be miracles, this kind of mutual aid that goes on. So I don't want—my view comes from having called some of them before us after specific disasters. But I would like your view as a State official on the reauthorizing of the Urban Search and Rescue Grants as a national resource. I don't know if you had one in New Jersey.

Mr. HATFIELD. We do. First, I would like to say it is an incredible capability that provides support to communities throughout the entire Nation. NEMA fully supports the reauthorization of dollars that will allow for the continuation of efforts for Urban Search and Rescue teams throughout——

Ms. NORTON. Instead of having each jurisdiction try to somehow get the necessary ability to handle these disasters by themselves, as I understand it these teams, regionally located, form the expertise and the equipment. And they go and—so that a local jurisdiction doesn't have to worry that because it doesn't have the money, because it may be a small community like Ms. Little's, that there won't be anybody there for them.

Mr. HATFIELD. I think that we have seen a lot of the Urban Search and Rescue teams travel not only within their State but outside the State. And very recently we have seen them travel overseas. It is an incredible capability, but what it does is it really serves the interests of public safety in the best way possible. We are looking at multiple disciplines that actually member incredible capabilities that are served in our Urban Search and Rescue, whether it is swift water rescue, building collapse, what have you. The training, the requirements for equipment are very strong. And as a result of that, the 28 Federal teams that support the Nation's interests are robust. There are local teams and there are other teams that are not federally supported, and they too have capabilities that provide support to communities locally and regionally as well.

Absent the urban search and rescue capability, I couldn't imagine taking a look at a catastrophe, cataclysmic events absent that specialty, that expertise, and come through that with the glowing colors that we have seen with the challenges that they have been able to mitigate in responding to efforts not only in Haiti but also throughout the United States.

Ms. NORTON. Mr. Chairman, my time has expired, but I do want to say this is an example of Government efficiency writ large that instead of duplicating these capabilities throughout the country, we see that so often one State does the same thing another State does or one agency does the same thing another agency does. Here Government has done something really right and I just want to go on record as indicating my strong support for that part of the reauthorization.

I yield back.

Mr. DENHAM. Thank you. Our time has expired for this committee hearing, but we do have several other questions that we want to get your responses on the record for this hearing. Especially Mr. Berginnis. Still several more questions for you as well. So we will submit those to you.

At this time, I would like to thank each of you for your testimony. Your comments have been very insightful and helpful to today's discussion. I would ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that have been submitted to them in writing and unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing. Without objection, so ordered.

I would like to thank our witnesses again for their testimony today. If no other Members have anything to add, this subcommittee stands adjourned.

[Whereupon, at 11:55 a.m., the subcommittee was adjourned.]

House Committee on Transportation and Infrastructure
Subcommittee on Economic Development, Public Buildings and Emergency Management
Hearing on "**Streamlining the Recovery Process Following Local Disasters**"
July 14, 2011, 10:00 a.m.

Statement for the Record by Rep. Richard L. Hanna (NY-24)

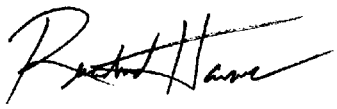
Mr. Chairman, thank you for holding this important hearing.

Having spent my career in the construction business, one of the ways that I believe we can streamline the recovery process after a natural disaster strikes is to have less damage to begin with. A study by the Louisiana State University Hurricane Center estimated that stronger building codes would have reduced wind damage from Hurricane Katrina by 80%, saving $8 billion. The study also conducted a comparative analysis of the economic loss in Mississippi due to Katrina, showing savings of $3.1 billion if tougher building codes had been in place. Sadly, several Gulf States lacked strong state-wide building code prior to the 2005 storms.

With this in mind, I am an original cosponsor of HR 2069, the "Safe Building Code Incentive Act of 2011." This legislation simply amends the Stafford Act to provide a financial incentive to those states that act proactively. States that adopt and enforce recognized model building codes would qualify for an additional 4 percent of funding available for post-disaster grants. This would only apply to a state following a disaster declaration. Sixteen states would currently be eligible including my home state of New York, and another 15 would qualify with minor changes to current laws and regulations. Importantly, this incentive requires no new spending and would be distributed within the existing appropriations.

According to a National Institute of Building Sciences study - for every $1 spent to make buildings stronger, the American taxpayer saves $4 in federal disaster assistance. This legislation safeguards people, property, the environment, and ultimately the economy by reducing the need for post-disaster rebuilding as more homes and buildings are likely to withstand higher impacts. This bill rewards states that enact building codes with additional federal funding to prepare for future events but **does not** place a mandate on states that do not currently have statewide building codes.

Thank you, Mr. Chairman.



STATEMENT OF
THE HONORABLE ELEANOR HOLMES NORTON
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS AND EMERGENCY MANAGEMENT HEARING ON
"FEMA Reauthorization and Cutting the Red Tape in Recovery"

July 14, 2011

We are pleased to welcome our witnesses to today's hearing to discuss the need to improve and expedite recovery efforts from disasters, as well as to reauthorize the Federal Emergency Management Agency (FEMA). During the 110th and 111th Congresses, the subcommittee held hearing after hearing to ensure that FEMA would not repeat its Gulf Coast failures. Now, nearly six years after Hurricanes Katrina and Rita struck our nation, recovery efforts finally have progressed, in part because FEMA, pressed by the subcommittee, has addressed some of the problems that impeded recovery. However, there remain areas for improvement to ensure quicker recovery from disasters. The recent tornadoes, floods and wildfires that have caused great losses of human life and property should push all of us, once and for all, to improve the recovery process to ensure that we are not still talking about rebuilding efforts in places such as Joplin and Minot six years from now.

FEMA's recent initiation of a bottom-up review of its Public Assistance Program, the primary program for rebuilding infrastructure and public facilities following disasters, reveals that it knows it must and can do better. Not only does lengthy recovery prolong suffering, but delays also drive up costs and impact jobs. Particularly now, as our nation climbs out of the Great Recession, we must avoid the experience following Hurricane Katrina, when billions of dollars in recovery funds went unspent for years, waiting to be used on the construction of vital infrastructure, which would have helped restore jobs and economic prosperity to the Gulf Coast.

Although there has been progress in other areas, FEMA continues to show some troubling signs. On September 22, 2010, the subcommittee held a hearing on lessons learned from Hurricane Katrina. At that hearing, I implored FEMA to move to a system that pays state and local governments for repair and reconstruction projects on the basis of cost estimates, as is done in the insurance industry and as is mandated by the Disaster Mitigation Act of 2000. It is unconscionable that, nearly eleven years after President Clinton signed the bill into law, FEMA still has not implemented a cost-estimating system, which would surely prevent the lengthy delays in recovery that have characterized past disasters.

I am pleased to be working with Chairman Denham to introduce a bill to reauthorize FEMA's Management and Administration account, along with two crucial FEMA programs: the Urban Search and Rescue (US&R) system and the Emergency Management Assistance Compacts (EMAC). FEMA, originally created in 1979 by Executive Order, helped to centralize the Federal government's emergency response mechanisms and coordinate the government's response to disasters. In 2006, after

Eleanor Holmes Norton

Hurricane Katrina exposed many of FEMA's weaknesses, Congress passed the "Post Katrina Emergency Management Reform Act" (PKEMRA) to authorize FEMA for the first time. PKEMRA strengthened FEMA by providing it with additional authority to accelerate federal assistance in the absence of a state request, to expedite payments for debris removals, and to use local contractors, among other reforms.

US&R, first established by FEMA in 1989, created a system of task forces, now numbering 28 in 19 states, which respond to structural collapses resulting from any type of disaster. In fact, teams from California, Virginia, New York, and Florida responded to the 2010 Haiti earthquake that shook many of Port-au-Prince, Haiti's buildings to the ground. The American teams alone are credited with rescuing 46 people from the rubble.

In addition to US&R, EMAC plays an important role in disaster response by offering a method for states to quickly and efficiently provide aid when the states do not have the needed personnel or resources. Just this month, the California Emergency Management Agency responded to an EMAC request from the State of Montana for technical advice and assistance for an oil spill in the Yellowstone River. California personnel are currently on-site. I hope the subcommittee can act now and reauthorize the Management and Administration account and these important programs.

I would like to thank the witnesses for appearing today, and I look forward to their testimony.

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TESTIMONY

FEMA Reauthorization and Cutting Red Tape in Recovery

before the

House Transportation and Infrastructure Committee
Subcommittee on Economic Development, Public Buildings and Emergency Management

by

Chad Berginnis, CFM
Associate Director
Association of State Floodplain Managers

July 14, 2011

Introduction

The Association of State Floodplain Managers (ASFPM) is very pleased to offer our thoughts and recommendations in ways to improve the capacity of our nation's communities to recovery from disasters. We thank Chairman Denham and Ranking Member Rahall for your attention to the importance of disaster recovery and how the process can be improved. Our testimony will focus on the importance of the use of "hazard mitigation" or using the recovery period to build back in a way that will reduce economic, social and ecosystem losses; human suffering; and taxpayer-funded disaster relief in future disasters. Practitioners in the field understand that disaster recovery offers an important window of opportunity which we need to use more effectively.

We are hopeful that this Congress can provide for improvements in the federal government's ability to assist in effective hazard mitigation and disaster recovery. We note and appreciate the work of the Subcommittee in passing HR 3377 in the last Congress. Prior to that, the only legislation passed into law was the Post Katrina Emergency Management Recovery Act (PKEMRA), which largely focused on preparedness and response. Since then, lessons have been learned – and are continuing to be learned -- regarding recovery and mitigation, the other two phases of emergency management that will actually reduce future disasters and point to the need consider new and bold reform proposals.

Central Considerations

There are two vital considerations that Congress should address as part of any changes to the disaster recovery and mitigation process:

1. How can recovery and mitigation processes be responsibly shortened and made more effective?

2. How can a system of recovery and mitigation provide appropriate incentives (or eliminate disincentives) to help our communities and citizens recover in a more resilient/sustainable manner that measurably reduces future costs of a similar disaster?

How Congress decides the address these issues is central to the way in which future reforms to the nation's disaster recovery process should be framed. And will have substantial bearing on the cost to our nation.

About ASFPM

Members of the Association of State Floodplain Managers (ASFPM) are the Federal government's partners in coordinating and implementing the National Flood Insurance Program (NFIP), FEMA's hazard mitigation programs, the US Army Corps of Engineers' flood risk management programs, and other Federal agency programs focused on the hazard of flooding. ASFPM and its 31 Chapters represent over 14,000 state and local officials and other professionals who are engaged in all aspects of floodplain management and hazard mitigation, including management, mapping, engineering, planning, community development, hydrology, forecasting, emergency response, water resources, natural and beneficial functions, and insurance for flood risk. All ASFPM members are concerned with working to reduce our Nation's flood-related losses. Many of our state members are designated by their governors to coordinate and implement the National Flood Insurance Program, and many others are involved in the administration and implementation of FEMA's mitigation programs. For more information on the Association, our website is: http://www.floods.org.

Disaster Recovery and Hazard Mitigation

Importance of Hazard Mitigation

As 2011 unfolds, the United States is experiencing an unprecedented number of disasters from natural hazards (floods, earthquakes, hurricanes, wind, and wildfire) whose costs exceed $1 billion. This is not unanticipated, nor is it as bad as it could get. While the hurricane seasons of 2004 – 2005 (including Katrina and the nation's first $100 billion natural disaster) resulted in unprecedented losses and strains on our programs to facilitate disaster recovery, , larger events can and will occur. Consider:

- Modeling shows that a category 3 hurricane hitting the New York City area could produce a storm surge of over 20 feet in some areas, flood local airports and lower Manhattan, and result in extensive economic disruption.
- Experts have estimated that an earthquake in San Francisco of the same magnitude as the 1906 earthquake could cause as many as 3,400 deaths, displace up to 250,000 households, and cause as much as $120 billion in property damage.
- The recently published ARkStorm scenario modeling for the Sacramento area is based on a scientifically realistic flood event, similar to that which occurred in California in 1861 and 1862. It indicates that three quarters of a trillion dollars in damage (business interruption costs of $325 billion in addition to the $400 in direct property loss) will occur if that event happened today.

Additionally, population trends and climate change are increasing the nation's vulnerability. As the costs of disasters continue to rise, governments and citizens must find ways to reduce risks from all hazards, but especially natural hazards, which occur on an average of more than one every week. Efforts made to reduce hazard risks are easily made compatible with other community goals: ability to recover after the disaster, protection of citizens as well as businesses, infrastructure that does not

continue to be damaged again and again; quality of life and safer communities (which are more attractive to employers as well as residents).

As communities plan for new development and improvements to existing infrastructure, mitigation can and should be an important component of the planning effort. However, it is after a disaster when the greatest window of opportunity exists to repair and rebuild in such a way that makes the community more resilient to future disaster events. Mitigation means taking a sustainable action to reduce or eliminate long-term risk from hazards and their effects.

A variety of mitigation activities exist that can reduce the risk of losses from natural hazards. Typically, these activities are arranged in five different categories:

1. Prevention: These activities are intended to keep hazard risk problem from getting worse, and ensure future actions do not increase hazard losses. Examples include planning, zoning, and building codes. Typically there is low cost to implement.
2. Property protection: These activities are intended to modify existing development subject to hazard risk. Examples include acquisition and demolition, elevation, relocation, or retrofitting of existing buildings. These are the primary activities funded by FEMA mitigation programs. Moderate to high cost to implement.
3. Natural resource protection: Activities intended to reduce intensity of hazard effects as well as improve the quality of the environment and wildlife habitats. Examples include wetlands restoration (for flood), buffer zones, setbacks, and forest management practices (wildfire). Low to high cost to implement.
4. Emergency Services: Activities to ensure continuity of emergency services. Examples include critical facilities protection to a high standard so these facilities are operational and accessible during extreme events. Moderate to high cost to implement.

5. Structural measures: Activities include development of large, highly engineered hazard reduction structures. Examples include levees and debris basins. High to very cost to implement.

While hazard mitigation can be undertaken at any time, citizens and communities alike are most receptive in the aftermath of a disaster. This is because very significant decisions have to be made during rebuilding and it is much easier to incorporate mitigation measures as rebuilding occurs versus on a "sunny day" when there is no urgency or low perception of being at risk.

Saving Taxpayers Money

When cost savings are analyzed, there are a few fundamental assumptions:

1. Cost savings are not all resulting from lessening the total federal expenditures for one disaster; rather the actions need to be analyzed over time to ensure that dollars spent the first time are good investments and improve community resilience so the costs are lower when the next and subsequent events occur. Also when you consider that not all disasters are federally declared, taxpayers are still bearing the costs of being affected whether or not federal funds are involved. Thus, investments in resiliency during the recovery process will save taxpayers even more than what would show in reduced recovery expenses during future events.
2. Time costs money. Processes that take longer result in more costs although these costs may be in functional downtime for businesses, lost wages, etc. However, this is a truism for every disaster that occurs in an area. So if a location is hit by three disasters in a ten year span, but proper investments in resilience (mitigation) are done the first time, subsequent costs will not be incurred or at least lowered.

3. Natural hazard mitigation, by definition, will save money. Mitigation represents a societal investment, not a cost. The benefits of this investment are clearly evidenced in several ways:
    a. Averts loss of life and injury to people
    b. Reduces damages to public and private property.
    c. Lessens expenditure of resources and exposure to risk for first responders.
    d. Reduces costs of disaster response and recovery.
    e. Accelerates recovery of communities and businesses affected by disasters.
    f. Enhances community resiliency.

It is important all of us recognize that mitigation, because it must be cost-effective when implemented, saves money. This investment now will continue to pay dividends year after year into the future.

A widely cited 2005 study shows that money spent on reducing the risk of natural hazards is a sound investment. On average a dollar spent by FEMA on hazard mitigation (actions to reduce disaster losses) provides the nation with about $4 in future benefits. The study was conducted by the Multihazard Mitigation Council of the National Institute of Building Sciences, which aims to improve communication among entities involved in disaster mitigation and provide credible information for public policy.

So how does mitigation post disaster save taxpayers money in the real world? First, we are talking about repairing damaged buildings and infrastructure. Therefore, if only disaster assistance were to be provided, and the damaged building were rebuilt to as it existed previously, there would be zero reduction in potential future flood damage. However, if mitigation were include in the rebuilding and another event occurs, the potential future flood damage would be reduced. For damaged floodprone buildings that were constructed before building codes required elevation, data shows that repairing and

mitigating them to just the minimum NFIP standards would result in 80% less flood damage in a future event. That is savings!

Issues with Integrating Mitigation into Recovery Processes and Timeframes

Does faster always mean better or most cost-effective in the long run? It is important to understand some dynamics that occur post-disaster. First, FEMA programs such as the Public Assistance (PA) and Individual Assistance (IA) programs focus on getting funds out and facilitating rapid recovery. However, as we indicated earlier, while faster can result in some less cost (such as business downtime), if mitigation is not included, risk and future disaster recovery costs have not been reduced. Mitigation can be complicated (securing funding match, provision of technical assistance, etc.) and therefore can slow down rebuilding. Furthermore, mitigation projects require community planning and other considerations. Although FEMA is providing some assistance through pre-disaster planning and some Joint Field Office (JFO) assistance, mitigation projects are being funded and implemented far too slow nationally. This dynamic can be seen in the PA program. In Public Assistance, straightforward PA projects can be funded relatively quickly. However, to access PA based mitigation (406 mitigation) additional analysis is required, thereby slowing the process down somewhat. This effect can be reduced by having appropriate technical staff assisting communities in determining the project scope.

Perhaps one of the speediest mitigation programs post-disaster is the Increased Cost of Compliance element of a NFIP policy. This mechanism can very quickly result in both speedy recovery and mitigation. However, because an ICC claim is triggered by a local official declaring a structure substantially damaged, the process can be slowed down when a community does not have the capacity to do a large number of post-disaster inspections in a short time. This provides a great opportunity for FEMA assistance to communities to cost share these inspections.

Thoughts on Better Integrating and Streamlining Mitigation and Recovery Processes

1. Implement Existing Authority to Delegate HMGP to Qualified States and Continue to Improve Efficiency of Post-Disaster Delivery of Mitigation Funds. FEMA has only recently started considering action to implement Sec. 404(c) Program Administration by States (42 U.S.C. 5170c) which was authorized eleven years ago. States with approved "enhanced" hazard mitigation plans prepared pursuant to Sec 322 are poised to assume the additional responsibilities and authority. Delegation to one or more of the more active states (perhaps with an initial focus on the top 5 states with the greatest number disasters per year) will yield significant benefits, including lower federal costs for long-term staffing, faster processing of grant applications and awards, and obligation of the program funds. Many of the communities that have very active mitigation programs are in these same states. Now that, thanks to the Disaster Mitigation Act of 2000 developed by this Committee, many of the Nation's high risk communities have pre-disaster mitigation plans (and a growing number also are pre-designing projects), they need to have faster access to post-disaster mitigation funding (HMGP). It is common for decisions by FEMA on applications to be made more than 12 months after a declaration, which leaves communities and property owners in an uncertain environment. Sometimes owners cannot wait that long and will begin to get their lives "back to normal" so they invest their own funds and insurance proceeds in homes that are scheduled for floodplain buyouts. Most states perform a significant amount of review and forward eligible applications with recommendations for funding to FEMA. Rather than have FEMA take several more months to perform much of the same work, delegation of HMGP would shorten the timeframes while also saving federal funds. Under the concept of a delegated program, appropriate

roles for FEMA would be training and capability building of states, and periodic oversight/assessment of programs and HMGP funds would be provided to a state in a block grant format.

2. Assist in Building State Capability Including Mechanisms to Assist with Catastrophic and Multiple Events. By and large, Federal funds for state mitigation programs are funded through the administrative allowance that is available as a result of receiving FEMA mitigation grants. While Emergency Management Performance Grants (EMPG) may be an ongoing source of funding, the demands on it are significant meaning mitigation often is not a high priority. So, state mitigation programs often find themselves with little capacity to respond to catastrophic events or multiple disaster events which ends up costing more time and money. Mechanisms should be developed to ensure high state capability (incentives, funding, etc.) and capacity to manage these programs in a timely manner. One suggestion ASFPM provided in past testimony was to create a cost-shared program for state mitigation offices similar to the Community Assistance Program under the NFIP.

3. Improve the Government's Ability to Supplement State Program's Capability with Robust and Timely Technical Assistance in a Post-Disaster Environment. FEMA's lead role in coordinating disaster response and recovery involves many complicated aspects, but should be improved by a more robust incorporation of technical assistance. First, the Stafford Act should be amended to allow for the reimbursement for the assistance necessary to perform building and code related inspections of damaged buildings. As the Stafford Act is interpreted now, the reimbursement can only be made for inspections related to immediate life-safety issues. Yet, for rebuilding and mitigation programs to work right away during recovery, property owners and government officials need to quickly assess the damages and repairs needed. In our experience, owners start clean up and repairs in as little as

the day after water has receded from a building. Community inspections must be made timely and inspections such as those to determine substantial damage in flood hazard areas are the initial triggers for mitigation programs to kick in -- for example the Increased Cost of Compliance mitigation funds accessed through a property owner's flood insurance. When a community building department has thousands of inspections to do with a staff of 2-3 people, which may be adequate capacity in non-disaster times, there is no hope of completing these inspections in a timely manner. Disallowing the reimbursement for these additional temporary staff to conduct inspections under the Stafford Act means a slower recovery and mitigation process, but even more important, it misses the opportunity to let citizens and businesses know how badly damaged their building is and what options are available to them to rebuild it to be safer in the future. And while it seems that increasing eligibility for reimbursement of these expenses is initially more costly, it ends saving much more time and money as the recovery proceeds.

Another related issue involves the bureaucratic processes related to getting technical assistance into the field after a disaster event. The Hazard Mitigation Technical Assistance Program (HMTAP) is one example. Currently, after FEMA has opened up a Joint Field Office (JFO), HMTAP assistance can be requested by the state to support its Mitigation Strategy. However, unlike many provisions for assistance, the Federal Coordinating Officer (FCO) cannot, by himself, approve HMTAP assistance. Rather, it first is approved by the FCO, then the FEMA Region, and then FEMA Headquarters, wasting precious time in getting the technical resources in the field. ASFPM recommends that this process be changed to allow a quick review of the request to be done in the JFO. As long as the assistance request is consistent with the Mitigation Strategy and is an eligible activity, the FCO's approval would result in HMTAP assistance being provided.

Yet another related issue relates to the overly bureaucratic process of developing and implementing Mission Assignments. In one experience during a flood event in 2007, the FEMA mitigation lead in the JFO worked for over several weeks to execute a mission assignment with the United States Geologic Survey to conduct high water mark surveys and collect flood damage data. A process should be put in place to facilitate advance agreements or templates for such agreements.

Still another related issue is the underutilization of mitigation through the Public Assistance program. The success of 406 mitigation after an event has to do with three primary factors: The attitude of the FCO, the federal Public Assistance Officer, and FEMA Region. Our members have long reported that the primary objective of many FCOs is to spend few dollars and close disaster field offices as soon as possible. Currently, we are not aware of any metrics for the performance of FCOs related to improving the resiliency of the disaster affected area. Until this becomes a priority for the FCO, labor intensive efforts such as a robust mitigation presence – both 404 and 406 – will not occur, thus resulting in missed opportunities for mitigation and slower implementation of both mitigation and recovery programs. Most mitigation activities other than the strategy development and grant application process kickoff occur after the JFO is closed. Mechanisms must be developed to maintain the presence of staff and technical assistance throughout the mitigation process or at least longer than exists now. While this means more investment of resources initially, it also means a much more efficient program in terms of increased mitigation accomplished in much more acceptable timeframes. Currently the evaluation of the feasibility of mitigation under PA for each Project Worksheet (PW) is encouraged. ASFPM believes it should mandatory that all PWs be evaluated for mitigation opportunities by those with expertise in hazard mitigation. Regardless if mitigation is actually done or not, this serves as technical assistance and provides a blueprint for the community to later implement the mitigation measure.

Related to the previous issue, there could be a better balance of JFO resources. For example while there is a robust presence related to outreach and community affairs, there is generally little FEMA presence when it comes to mitigation and technical assistance. This must be improved. Recent experiences by other non-profit organizations in developing countries affected by earthquakes report better and more accepted mitigation by property owners when there is adequate technical assistance provided to them after an event. Why could this not be done here in the United States? For example, area disaster field offices could have individuals or teams that could work with individual property owners to review and identify specific mitigation measures that could be taken on a building by building basis.

4. Require consideration, development, and use of best available data to maximize resiliency of buildings and infrastructure using mitigation funds. Currently, the Stafford Act only requires that mitigation projects meet local codes. Sometimes, the local code can be exceeded if the project is cost-effective (such as under HMGP). However, there are many instances where there is known risk that is at a higher level than what local codes require. For example, in rebuilding critical facilities such as hospitals or schools while local codes require protection to the 100-year flood level, data may exist to show the 500-year flood level or a historic event. Similarly, in coastal areas, there is now significant data to indicate sea level rise is an ongoing and future issue – with predicted levels to increase by a minimum of 30 inches in many areas by 2100. However, the increased risks are not being incorporated into mitigation projects. Critical facilities receiving recovery and mitigation funds must be protected to at least the 500-year flood level. Integrating this additional protection while structures are being repaired and rebuilt is more cost effective than having to pay disaster assistance multiple times on the same structure.

5. Establish Broader Collaborative Partnerships from "Whole Community" to Better Collaboration Among Federal Agencies. Efficiencies in program execution and a reduction in resources spent can be achieved through robust collaboration before, during, and after a disaster event. Recovery and mitigation programs exist within a joint Federal, state, and local framework. Often, these efforts - especially at the federal level - are fragmented and do not provide a comprehensive national strategic framework for mitigation. Federal agencies involved in hazard mitigation activity simply do not coordinate as well as needed.

Previously, FEMA developed a comprehensive strategic framework through the creation of the National Mitigation Natural Hazard Mitigation Strategy that sought to strengthen partnerships among all levels of government and the private sector. Various provisions of federal laws stress the importance of national efforts in natural hazard mitigation and highlight FEMA's leadership role in such efforts. The absence of a comprehensive framework makes it difficult to ensure that the federal government is effectively identifying hazard risks and that those undertaking mitigation efforts are working collectively. Further, without such a framework federal efforts may not be leveraging resources and developing synergies across the various hazard-specific mitigation efforts to accomplish common national natural hazard mitigation goals.

ASFPM recommends that FEMA, in consultation with other appropriate federal agencies, develop and maintain a national comprehensive strategic framework for mitigation and mitigation-related metrics that are used to measure the success of a post-event disaster recovery. Such metrics could measure the increase in resiliency that a community achieved while receiving scarce taxpayer dollars. The framework could include items such as common mitigation goals; performance measures and reporting requirements; the role of specific activities in the overall framework; and the roles and responsibilities of federal, state, and local agencies, and nongovernmental stakeholders. As part of this

framework, consideration should be given to reconstituting interagency hazard mitigation teams after each disaster declaration that would complement the state mitigation strategy.

6. Ensure all Federal Recovery Programs Incorporate Mitigation to the Greatest Extent Possible. FEMA is not the only agency with disaster recovery responsibilities. For example, the US Army Corps of Engineers PL 84-99 program is heavily skewed towards repairing levees and forever perpetuates costs to the US taxpayer, without even asking the question whether the levee should be repaired versus another alternative that may increase overall flood resilience and reduce long term taxpayer costs. Why would a levee owner ever consider another alternative when the federal government would provide 80-100% of the repair costs? It should be a requirement that all federal recovery programs be reviewed and adjusted to consider mitigation and resiliency alternatives and evaluate long term solutions.

Conclusion

Given the increasing costs of natural disasters, the predictions for more frequent and more severe storms and weather conditions, and the severe budgetary constraints the nation faces, getting effective mitigation accomplished is essential. It behooves us to figure out how to take much better advantage of the disaster recovery period to get some serious mitigation work done – and save lives and many taxpayer dollars in the future. The Association of State Floodplain Managers appreciates this opportunity to share our observations and recommendations with the Subcommittee. For any further questions on this testimony contact Chad Berginnis, ASFPM Associate Director, at cberginnis@floods.org (608) 274-0123 or Meredith Inderfurth, ASFPM Washington Liaison, at (703) 448-0245.

Written Statement of

Craig Fugate

Administrator
Federal Emergency Management Agency
Department of Homeland Security

"FEMA Reauthorization and Cutting the Red Tape in Recovery"

Before the

House Committee on Transportation and Infrastructure,
Subcommittee of Economic Development, Public Buildings, and Emergency Management
U.S. House of Representatives
Washington, DC

July 14, 2011

Good morning Chairman Denham, Ranking Member Norton, and distinguished Members of the Subcommittee. My name is Craig Fugate, and I am the Administrator of the Federal Emergency Management Agency (FEMA). It is an honor to appear before you today on behalf of FEMA to discuss our efforts in helping America's communities recover from disasters. Recovery is a top priority at FEMA, and we appreciate the Subcommittee's attention to this important matter.

Recovery is at the heart of disaster response and it is often where FEMA is asked to contribute its resources and expertise. Collaboration with our many partners is critical to FEMA's ability to assist communities and individuals in the recovery process. Successful recovery also depends on all stakeholders having a clear understanding of pre- and post-disaster roles and responsibilities. FEMA is just one part of the team, and the success and speed of recovery depends heavily on the whole community's involvement.

In my testimony today, I will highlight FEMA's different recovery capabilities and programs that can be provided when a State requests federal assistance. Many of these programs begin immediately following disasters and others are longer term efforts. In some of the nation's most recent disasters, FEMA has had the opportunity to test many new programs and strategies.

The magnitude and severity of destruction in Missouri, Mississippi, and Alabama is truly heartbreaking, and I would like to express my sympathy to all of the families who have lost loved ones during the recent tornadoes and flooding around the country. While we mourn the lives that were lost, these events serve as an important reminder that disasters can strike anytime and anywhere, and that all citizens must be prepared.

Recovery Philosophy

Recovery plays an integral role in FEMA's overall mission, ensuring that individuals and communities affected by Presidentially-declared disasters of all sizes, including catastrophic events and terrorist attacks, receive rapid disaster assistance and can return to normal functions with minimal suffering and disruption of services. This process begins with a prompt and effective response effort, which includes the efficient processing of State requests for supplementary disaster assistance, and the provision of rapid and compassionate care to communities, families, and individuals. The success of recovery efforts depends upon strong coordination between FEMA and our partners across the Federal, State, Tribal, and local governments, the private sector and nongovernmental organizations (NGOs). This "Whole Community" approach also includes individuals, families, and communities, who continue to be our greatest asset.

Once life-saving and life-sustaining operations have ceased, the recovery process requires the restoration of basic services within 60 days. This includes restoring meaningful operating capacity for essential city service facilities, utilities, transportation routes, schools, neighborhood retail businesses, and other workplaces. In situations in which complete restoration of these facilities is not feasible, FEMA provides temporary facilities in order to bring services and systems back online. As the stabilization process unfolds and communities continue to recover, we work closely with our partners to restore, redevelop and revitalize the physical, economic, and natural environment and infrastructure.

Recovery encompasses more than the restoration of a community's physical structures; it also includes a continuum of care to meet the needs of disaster survivors as well as positioning the community to meet the needs of the future. Strengthening health and human services, housing and educational systems, environmental sustainability and cultural resources enhance the overall resiliency of the entire community. In order to carry out this mission, we will continue to work with our Federal, state, and local partners on preparedness efforts and mitigation measures to ensure that when a disaster strikes, communities are prepared.

Assistance to Individuals

FEMA's Individual Assistance (IA) program ensures that disaster survivors have prompt access to a full range of programs and services provided by Federal, State, Tribal, and local governments; voluntary agencies; and the private sector. IA programs include emergency assistance, the Individuals and Households Program (IHP), Crisis Counseling Program, Disaster Legal Services, Disaster Unemployment Assistance, and the Disaster Case Management Program.

IHP provides housing assistance and other needs assistance, through financial assistance or direct housing assistance. Housing assistance includes, temporary housing (rental or temporary housing unit), repair and/or replacement assistance. IHP also authorizes FEMA to construct permanent housing under certain circumstances, in cases where alternative housing resources are unavailable, or other forms of FEMA temporary housing assistance are not feasible or cost-effective. For more than three decades, FEMA

has provided a range of temporary housing assistance options to help eligible disaster survivors with their housing needs.

Disaster housing needs reflect the varying needs of disaster-affected communities and individuals. FEMA housing programs enumerated under the Stafford Act are not intended to restore the applicant to their pre-disaster standard of living but rather to provide a bridge between short-term transitional sheltering and long-term, sustainable permanent housing. Rental assistance is the most common form of housing assistance provided by FEMA, enabling individuals and families to rent a housing unit while they locate and secure long-term permanent and sustainable housing.

One form of temporary housing provided under IHP is Temporary Housing Units (THUs), which address the housing needs of disaster survivors whose residences have been rendered uninhabitable or destroyed during a presidentially declared disaster. The THU's can be used as housing while the survivor works to find a sustainable long-term solution. Generally, a direct housing operation is activated after a large-scale disaster when available local resources do not meet the community's disaster housing needs. This assistance is available for up to 18 months after the declaration of a major disaster.

Another form of transitional housing available to individuals is the Rapid Temporary Repair initiative, which provides limited direct assistance for sheltering purposes during a federal major disaster recovery effort after a request for activation by a Governor. This initiative, a partnership between the U.S. Army Corps of Engineers, FEMA and participating State, expedites temporary repairs to disaster damaged windows and doors and provides debris removal to allow access to the dwelling, enabling disaster survivors to continue to live in their homes.

In addition to housing assistance, FEMA provides supplemental funding to States for short-term counseling services following a disaster declaration. The Crisis Counseling Program is an interagency Federal partnership between FEMA and the Center for Mental Health within HHS's Substance Abuse and Mental Health Services Administration, providing services for up to nine months after the date of grant award. Outreach services under this program include public information, community networking, and education services.

FEMA is also working with the Young Lawyers Division of the American Bar Association to provide free Disaster Legal Services to disaster survivors, including help with insurance claims and consumer protection matters, legal advice and referrals, and replacement of wills and other important legal documents.

Disaster unemployment assistance may also be available through the Department of Labor. This assistance program provides federally-funded weekly benefits to workers and self-employed individuals who are unemployed as a direct result of a declared major disaster, and who are not eligible for regular unemployment benefits. This program helps to provide financial stability to disaster survivors, while supporting the local economy.

The Post Katrina Emergency Management Reform Act of 2006 authorized FEMA to implement a disaster case management services program. A Memorandum of Agreement signed in 2010 by FEMA and the HHS Administration for Children and Families outlines the first prong, or the Direct Federal Disaster Case Management Program. Once a State requests and is approved for the Direct Federal Disaster Case Management Program, FEMA notifies the Administration for Children and Families to initiate the rapid deployment of disaster case management assistance to individuals and

families in the affected disaster area. The second prong of the State Disaster Case Management Program is a State-administered program funded through a direct grant from FEMA. The State Disaster Case Management Program ensures that the State is an essential partner in the delivery of ongoing disaster case management services and that the use of local service providers in the recovery for disaster survivors and their surrounding communities is maximized.

Public Assistance

Public Assistance (PA) provides Federal disaster grants to eligible State, Tribal, and local governments, as well as certain Private nonprofit entities for the repair, replacement, or restoration of publicly-owned facilities and infrastructure damaged during a disaster.

As part of the overall recovery strategy, the PA program provides immediate assistance to local governments through debris removal operations. For example, the Expedited Debris Removal Program used geospatial imagery provided by the National Geospatial Intelligence Agency to make rapid assessments and identify the areas with the most catastrophic damage in order to expedite the removal of debris.

In Mississippi, Alabama, and Missouri, local governments volunteered to participate in the expedited debris removal program in response to the recent disasters. Supported by a 90 percent federal cost share, this program allowed communities to use their municipal funds for other recovery needs.

As part of the PA program, FEMA also funds the construction of other temporary facilities like schools, enabling communities to quickly restore critical public

infrastructure. Following the severe storms in the south, FEMA evaluated and expanded the funding of these temporary facilities to include the construction of safe rooms in schools.

National Disaster Recovery

As part of the National Response Framework, FEMA has recognized that recovery needs to begin immediately following a disaster. During response operations, FEMA will align with other federal agencies, such as Housing and Urban Development and the Small Business Administration, to begin to scope the recovery challenges.

The Emergency Support Function (ESF) #14 – Long-Term Community Recovery program provides a mechanism for coordinating Federal support to State, Tribal, regional, and local governments, NGOs, and the private sector to enable a community to recover from the long-term consequences of a disaster. This is accomplished through ESF #14 by identifying and facilitating the availability and use of sources of recovery funding, and providing technical assistance (such as impact analyses) for community recovery. Community recovery efforts build resilience by restoring infrastructure, housing, the agricultural industry, natural resources, community well-being, and the local economy, also contributing to mitigation of future impacts.

The federal government plays a critical role in supporting disaster recovery by providing local officials with expert technical assistance – particularly with regard to including all sectors of the community in the planning process – and with well coordinated information about the full range of assistance available. States act in support

of their communities, evaluate their capabilities and provide a means of support for local governments.

In preparation for the release of the National Disaster Recovery Framework (NDRF) and in response to the severe storms in the south, FEMA began to pilot many of the key concepts in the NDRF, such as the utilization of a Federal Disaster Recovery Coordinator (FDRC). A FDRC deploys in large scale and catastrophic events when it is determined that significant interagency resource coordination, technical assistance and expertise of participating federal agencies is necessary. FDRC's work under the authority of the Federal Coordinating Officer, but are solely focused on assisting the community rebuild and recover. FEMA will continue to work with our local partners to ensure that communities receive assistance as quickly as possible and begin rebuilding efforts immediately.

Conclusion

Pre-disaster preparedness and mitigation are critical to recovery and resilience-building. Additionally, timely decisions can significantly reduce recovery time and cost. Therefore, it is important that all members of the team understand their role in disaster response and recovery and to begin to prepare for disasters before they occur.

Recovery is one of the most vital and sustained phases of the emergency management cycle. Coupled with pre-disaster planning and mitigation techniques, it can also be one of the most rewarding and positive phases following a disaster. FEMA remains committed to assisting our local, State, and Tribal partners in the aftermath of a disaster along with our partners in the private sector and voluntary agencies.

Thank you, Chairman Denham, Ranking Member Norton, and members of the Subcommittee. We look forward to working with the subcommittee as we continue to prepare for the recovery needs of the future.

I would be happy to answer any of your questions.

Question#:	1
Topic:	disaster
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Eleanor Holmes Norton
Committee:	TRANSPORTATION (HOUSE)
Organization:	U.S. Department of Homeland Security
Witness:	Craig Fugate – FEMA Administrator

Question: The Disaster Mitigation Act of 2000 mandated FEMA to move to a system that pays state and local governments for repair and reconstruction projects on the basis of cost estimates. During the hearing Administrator Fugate indicated that this is one of FEMA's many regulatory priorities.

Where does this fit within your list of regulatory priorities?

When can we except FEMA to publish this rule for comment?

Response: FEMA has been working to develop and implement the use of cost estimating as part of the Public Assistance program since enactment of the Disaster Mitigation Act of 2000 (P.L. 106-390) which amended Section 406 of the Stafford Act. Specifically, as required by Section 406(e) of the Stafford Act (codified at 42 U.S.C. § 5172(e)(3), as amended, FEMA convened an Expert Panel on Cost Estimating, which provided recommendations on implementing the new authority in 2002.

FEMA also offered Public Assistance applicants the option of receiving their grant funding based on estimates for Large Projects up to $500,000 under the PA Pilot Program authorized in Title VI of the Department of Homeland Security Appropriations Act 2007 (Oct. 4, 2006) (P.L. 109-295) entitled the "Post-Katrina Emergency Management Reform Act of 2006" (PKEMRA) and implemented by FEMA from June 2007 to December 2008. FEMA is using the Cost Estimating Format to develop estimates for Large Projects that are for permanent work and are less than 90% complete.

FEMA is in the process of re-establishing the Expert Panel on Cost Estimating, pursuant to Section 406(e), to assess and provide reports on the implementation of this authority.

Question#:	2
Topic:	review
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Eleanor Holmes Norton
Committee:	TRANSPORTATION (HOUSE)

Question: What can we expect from the bottom up review of the public assistance program? Shortening the length of recovery? Lowering costs? As follow up, do you see FEMA developing a legislative proposal as a result of this review?

Response: FEMA is approaching the Bottom Up Review as an opportunity to re-evaluate the PA Program.

FEMA's goal is to expedite recovery, streamline PA processes, and provide communities with the greatest flexibility possible in the use of PA funding, while ensuring program effectiveness and accountability for taxpayer dollars and compliance with Federal statutes and requirements.

FEMA is currently analyzing external and internal feedback and PA process data.

Question#:	3
Topic:	PA
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Eleanor Holmes Norton
Committee:	TRANSPORTATION (HOUSE)

Question: In December 2009, the DHS Inspector General released a report identifying weaknesses in the Public Assistance (PA) program and pointing out alternatives to streamline the process. These alternatives include using negotiated settlements, increasing the large project threshold, and replacing some grants with mission assignments. The report concludes with "wholesale change may occur only through a shift in the current PA paradigm."

Do you agree with this assessment?

Will FEMA consider fundamental changes to the PA program as part of its bottom up review?

Response: FEMA is approaching the Bottom Up Review as an opportunity to re-evaluate the PA Program.

FEMA's goal is to expedite recovery, streamline PA processes, and provide communities with the greatest flexibility possible in the use of PA funding, while ensuring program effectiveness and accountability for taxpayer dollars and compliance with Federal statutes and requirements.

FEMA will seek additional feedback on the key concepts from all stakeholders including: Federal, Tribal, State, and local officials; emergency management associations; private industry; and the general public.

Additionally, FEMA has addressed the recommendations included in the OIG report with regard to specific issues concerning the implementation of the Public Assistance Program. FEMA continues to make improvements to the Public Assistance Program to ensure it accomplishes the mission of assisting communities after major disasters and emergencies in the most efficient and effective manner possible.

Question#:	4
Topic:	flash flooding
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Lou Barletta
Committee:	TRANSPORTATION (HOUSE)

Question: "Administrator Fugate, earlier this month my constituents in Plymouth Borough, Plymouth Township and Jackson Township in Luzerne County, Pennsylvania, suffered severe flash flooding. In a matter of hours, reports estimate that between 5 to 10 inches of rain fell on these mountainous communities. On multiple occasions, since the rains fell, my staff and I have seen, firsthand, the effect of these storms on the communities in Luzerne County. I have spoken with the residents in these areas and seen the stress on their faces as they showed me the damage done to their homes. Several residents remain landlocked in their homes with their only access road having been completely destroyed. Several others have been forced to leave their homes because their foundations have been so severely compromised by the sheer force of the water that their homes may have to be condemned."

"Even today, roads and bridges remain closed or heavily damaged, jeopardizing the response and access of emergency services. As the damaging effects of the heavy storms and flooding continue to mount, it is clear that additional assistance is critical to public health and safety and to ensure that the region is adequately prepared for any future disasters. Unfortunately, PEMA and FEMA's current threshold levels for disaster relief were not met due to the large population of Pennsylvania."

"While my state has many large, urban areas, the communities hit in my district are more moderate in size and unable to fund recovery efforts without exhausting local budgets.

Given your previous work as the head of Florida's Emergency Management Agency, what suggestions would you be able to provide for areas abnormally affected by flash flooding and, hence, not located in an existing flood plain?

Because of these residents' geographic location they are unable to purchase flood insurance.

As the current Administrator of FEMA, how will the federal government be able to assist these communities facing abnormal flooding circumstances?"

Response: The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) establishes the type and amount of disaster assistance that FEMA is authorized to provide. After a disaster occurs, if State, Territory, Tribal, and local governments believe their combined resources are not sufficient to provide adequate assistance to the residents of an affected area, the Governor may request the President to

Question#:	4
Topic:	flash flooding
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Lou Barletta
Committee:	TRANSPORTATION (HOUSE)

make a Disaster or Emergency Declaration, in order to trigger Stafford Act assistance. A Preliminary Damage Assessment team—composed of personnel from FEMA, the State, Territory, Tribal, and local officials—gathers information that is used to determine whether supplemental Federal assistance is warranted. A variety of factors lead to the declaration of a major disaster. The severity, magnitude, trauma, and impact of an event on a community are primary considerations. FEMA representatives consider the number of homes destroyed or damaged and the threat to public health and safety. We also look at the impact of the event on State, Territory, Tribal, and local government services, functions, and facilities. FEMA also takes into account the level of insurance coverage in place and the availability of resources from other Federal, State, Territory, Tribal, and local government agencies and voluntary organizations.

At the request of the Commonwealth of Pennsylvania, on Friday, July 8, 2011, the Pennsylvania Emergency Management Agency (PEMA) and the Federal Emergency Management Agency (FEMA) conducted joint Preliminary Damage Assessments (PDAs) in Plymouth Borough, Jackson Township, and a few other adjacent communities in Luzerne County, due to flash flooding. The Commonwealth requested PDAs for Individual Assistance, Public Assistance, and Hazard Mitigation. At this time, there has been no request from the Commonwealth of Pennsylvania to add Luzerne County to the major disaster declaration, FEMA-4003-DR.

In 1968, Congress created the National Flood Insurance Program (NFIP) to provide an affordable means for property owners to financially protect themselves from losses associated with flood. Since standard homeowners insurance does not cover losses caused by flooding, it is important to have protection from the floods associated with hurricanes, tropical storms, heavy rains and other conditions that impact the United States. Homeowners, renters and business owners generally are eligible to purchase NFIP flood insurance as long as their community participates in the NFIP. Participating communities agree to adopt and enforce ordinances that meet or exceed FEMA requirements to reduce the risk of damage caused by flooding. Plymouth Borough, Plymouth Township, and Jackson Township, Pennsylvania are participating communities in the NFIP. Flood insurance is available through many agents in the area and can be found on our website at www.floodsmart.gov.

Floods and flash floods happen in all 50 states; everyone is at risk of flood, regardless of whether they live in an area identified as a Special Flood Hazard Area subject to the 100-year flood. Those living outside of high-risk areas file over 25% of NFIP claims and receive one-third of disaster assistance for flooding. For those living in a moderate-to-low risk area who are eligible for the Preferred Risk Policy, the premiums are very affordable, and the package policy will include both structure and contents coverage.

Question#:	4
Topic:	flash flooding
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Lou Barletta
Committee:	TRANSPORTATION (HOUSE)

An average $100,000 flood insurance policy premium is about $400 a year ($33 a month). Policyholders living in communities participating in the NFIP's Community Rating System (CRS) can qualify for an insurance premium discount of up to 45%. In comparison, the majority of federal disaster assistance money is provided in the form of loans that must be repaid with interest. For a $50,000 loan at 4% interest, the monthly payment would be around $240 a month ($2,880 a year) for 30 years.

Question#:	5
Topic:	streamline
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: I am interested in ways we can streamline the recovery process after a natural disaster strikes is to have less damage to begin with. A study by the Louisiana State University Hurricane Center estimated that stronger building codes would have reduced wind damage from Hurricane Katrina by 80%, saving $8 billion. The study also conducted a comparative analysis of the economic loss in Mississippi due to Katrina, showing savings of $3.1 billion if tougher building codes had been in place. Sadly, neither Louisiana, Mississippi nor Alabama had a strong state wide building code prior to the 2005 storms.

HR 2069, the Safe Building Code Incentive Act of 2011 is a bill that simply amends the Stafford Act to provide a financial incentive to those states that act proactively. States that adopt and enforce recognized model building codes would qualify for an additional 4% of funding available for post-disaster grants. This would only apply to a state following a disaster declaration. Sixteen states would currently be eligible including my home state of New York, and another 15 would qualify with minor changes to current laws and regulations.

According to a National Institute of Building Sciences study - for every $1 spent to make buildings stronger, the American taxpayer saves $4 in federal disaster assistance. This legislation safeguards people, property, the environment, and ultimately the economy by reducing the need for post-disaster rebuilding as more homes and buildings are likely to withstand higher impacts. This bill rewards states that enact building codes with additional federal funding to prepare for future events but does not place a mandate on states that do not currently have statewide building codes.

Director Fugate, I would appreciate your views on the benefits of model building codes throughout the U.S.

Do building codes save lives, property and the need for federal disaster aid?

Do you believe that incentivizing states to adopt model codes as is done in HR 2069, the Safe Building Code Incentive Act?

Response: The adoption, and enforcement, of disaster-resistant model building codes is a very effective way to reduce the impact of disasters and to create resilient communities. In disaster after disaster, communities that had an effective building regulation process in place suffer less damage than those without it. FEMA strongly supports the adoption and

Question#:	5
Topic:	streamline
Hearing:	FEMA Reauthorization and Cutting the Red Tape in Recovery
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

enforcement of a building code as a way for communities to make themselves safer and more resistant to the effects of disaster of all types.

As the studies cited suggest, mitigation efforts save lives and property and reduce the amount of disaster aid otherwise needed. Our anecdotal observations after many disasters have been that the adoption and enforcement of a model building code does save lives and property and reduce the need for federal disaster aid.

TESTIMONY OF WHITE MOUNTAIN APACHE TRIBE
BY
MR. CLINE GRIGGS
DISTRICT 4 COUNCIL MEMBER, WHITE MOUNTAIN APACHE TRIBE
REGARDING SUBCOMMITTEE HEARING
"FEMA REAUTHORIZATION AND CUTTING RED TAPE IN RECOVERY"
Presented to
Chairman John L. Mica, and Ranking Member, Nick J. Rahall and
Members of the Subcommittee on Economic Development, Public Buildings, and Emergency Management
2253 Rayburn House Office Building
Washington, DC. 20510

July 14, 2011

Mr. Chairman and Members of the Subcommittee:

Mr. Chairman, Subcommittee Members and Guests. Good morning. My name is Cline Griggs, District 4 Council Member, White Mountain Apache Tribe. I live on WMAT lands in Whiteriver, Arizona.

The Hopi Tribe has submitted additional testimony that is now included as an attachment to this Testimony.

The Fort Apache Indian Reservation is home to the White Mountain Apache Tribe (WMAT), a federally recognized Indian Tribe, and is located in east central Arizona in portions of Navajo, Apache, and Gila Counties. The reservation stretched 75 miles long and 45 miles wide, comprised of more than 1.6 million acres, most of which is stunning wilderness. According to the 2005 Bureau of Indian Affairs' Labor Force Report, the WMAT's total enrollment is 15,500 with approximately 93% of enrolled tribal members. The majority of the population lives in and around Whiteriver, the seat of Tribal government, with others residing in the communities of Cibecue, Carrizo, Cedar Creek, Forestdale, Hon-Dah, McNary, East Fork, and Seven Mile.

White Mountain Apache Tribe – a Brief History:
On November 9, 1891, the Fort Apache Indian Reservation, sometimes referred to as the White Mountain Apache Reservation, was established by Executive Order. Originally, the Fort Apache Indian Reservation included the San Carlos Apache Reservation but was separated by an act of Congress in 1897. Many White Mountain Apaches believe that it was because of their service to US Army General Crook, especially the services of the Apache Scouts as part of the US Army, during the 1800s that made it possible for the tribe retain such a large portion of their homeland. The White Mountain Apache peoples' land is essential to their Apache language and culture because it connects the people to their history and ancestors while serving as a moral compass. In 1936, the White Mountain Apaches wrote their own constitution and established a tribal council to oversee governance and all tribally owned property and businesses.

The WMAT's Tribal Council consists of the Tribal Chairman, Vice Chairman, and nine Council members who are elected from four separate districts; all of whom are elected to a four-year term by popular vote of the tribal members. The chairman presides over all Tribal Council meetings, meets with world leaders, legislators, and dignitaries on behalf of the Tribe and exercises all authority delegated to him by law, ordinance or Tribal Council action. The Tribal Council represents the WMAT and its people, and also acts in all matters that concern the welfare of the Tribe, and to exercise all powers vested in the Tribe through its inherent sovereignty. Although the Tribe has legal authority over almost every activity that affects its surroundings, the Tribe's members must strive to overcome a legacy of social and ecological illnesses.

The WMAT has become dependent on grant funding as it struggles to recover from the detrimental effects of the recent recession. When the recession hit America, the reservation's unemployment went from 33-percent to an estimated 65-percent leaving a bothersome 51-percent of the reservation's population living below the poverty line. The Tribe's fraught economy has also exacerbated the social and health problems tribal members face. For example, the 2005 WMAT Community Health Profile states that the life expectancy for those residing on the reservation is 28 years of age drastically lower than the national average of 78 years of age. Suicide and alcohol related incidences are the leading cause of death for teenagers and young adults; additionally, alcohol related accidents and cardiovascular diseases are responsible for a majority of the deaths for those 40 years and older.

According to the Bureau of Indian Affairs (BIA) 2005 Labor Force Report, total employment for the reservation is estimated to have been approximately 3,849 in 2005, only 344 per 1000 residents—30 to 40 percent less than the national and state averages. The current figures are projected to be considerably worse with the closure of the Fort Apache Timber Company (FATCO) in the summer of 2010. With FATCO being closed there is a ubiquitous and augmented threat of wild fires and flooding, both of which can easily endanger countless lives and the natural resources that the WMAT stakes their livelihood. The WMAT suffers from numerous social and economic problems at rates several times the national average; this includes everything from educational attainment to causes of mortality. Since officials have declared the end of the recession, the WMAT continues to encounter many difficulties that have made it nearly impossible to provide sufficient non-federal funding to even the most necessary programs and services.

WMAT Infrastructure and All Hazards Emergency Response Plan:

Emergencies requiring a wide spread response typically are the result of wildfires, flooding, or snowstorms. Wildfires, such as the recent Wallow Fire on the adjacent national forest, destroy vegetation and by denuding the land increase runoff and flooding from summer monsoon rain storms. The elevation on the reservation is conducive to heavy snowfall during the winter. During the near record snowfall in January 2010, the community of Cibecue (population of approximately 2500) was effectively cut off from the rest of the reservation and the outside world for a week. Electric service was out due to downed lines; food supplies ran out with no means to resupply; homes were without heat as firewood supplies were exhausted; roofs collapsed due to the weight of the snow and the extreme cold which delayed melt. Like the Locust fire this summer in the community of Whiteriver, the tribe's emergency response infrastructure mobilized to address the circumstances. Responding to emergencies is a total tribal

effort. The Emergency Response Coordinator under the provisions of the Tribe's Emergency Response Plan mobilizes agencies and organizations and communicates with external agencies.

The White Mountain Apache Tribe has their own Tribal Law Enforcement, Tribal Fire Department with forest fire response capability with Fire Fighter Hot Shots. The WMAT also has its own emergency medical response and hospital facilities and health providers.

The 2010 snowfall saw Public Works and Land Operations help with snow removal efforts. FATCO and the Hon Dah Casino to help families and individuals without heat and food with assistance from social service agencies, the Cibecue School, and external help from the Red Cross. The Locust Fire also involved tribal forestry and the fire department in firefighting and structure protection efforts. KNNB, the local Apache language radio station, was the primary means of communicating with the general public. The police department supplemented by the Arizona Department of Public Service closed state highway 73, the major artery in Whiteriver. The Whiteriver school district housed the shelter and provided buses to evacuate residents threatened by the fire. As the fire threatened power lines causing the power to be cut off to large sections of the community, generators from FATCO and the Casino again were provided to the shelter and to KNNB so communications with the public could stay in place. The Red Cross again provided manpower and supplies for the shelter. The Chairman and Vice Chairman's staff were PIO's for coordinating information to the public from the fire command center, including evacuation notices and lifting of those orders.

White Mountain Apache Tribe Emergency Response – Working State and Federal Agencies:
Eventually the snowfall was declared a state and then national disaster. FEMA to date and has notified the Tribe that all claims were settled has provided $146,000 to reimburse the Tribe for expenses and damage to property that occurred. The last payment was the end of April, 2011 – this was 15 months after the costs were incurred. The Locust fire was never declared a disaster so all costs were tribal.

Lessons learned from these two disaster events are important. The time required for the State to mobilize for assessing the extent of the damage followed by the delays in the coordination between the State and federal government in declaring a snow caused disaster are contributing factors in the lengthy time between the disaster in January 2010 and the FEMA payments received at the end of April, 2011. The Locust Fire has resulted in a closer working relationship between the Tribe and Navajo County. The County is using their reverse 911 system to notify residents of pending floods during the current monsoon season. Emergency situations are extraordinary events that often are threats to the life and safety of White Mountain Apaches. Quick and total response is required to save lives and alleviate distress. Delays in the current system are in direct conflict is the need to move quickly and in force.

FEMA Recommendations:

Stafford Act Titles IV and V identify the types of assistance that may be provided, and, in some circumstances, the limitations on the aid. Most of the presidential authority set out in Titles IV and V in the statute, with the exception of the authority to issue declarations, has been delegated to administration officials—currently the Secretary of the Department of Homeland Security

(DHS)—through executive orders.

Stafford Act assistance funding derives from appropriations made to the Disaster Relief Fund (DRF), administered by DHS. 10 Federal assistance supported by the DRF, and authorized in Title IV (for major disasters) or Title V (for emergencies) provides grants for mass care for disaster survivors, the restoration of damaged or destroyed facilities, amelioration of the impact of future disasters, clearance of debris, and aid for those with uninsured critical needs. The statute also authorizes loans to communities that suffer significant revenue losses as a result of major disasters. In addition, the statute authorizes unemployment assistance directly related to the event (administered by the Department of Labor) and allows federal agency heads to provide technical assistance, personnel, equipment and other resources to help state and local response and recovery efforts. The following comments are recommendations on changes to FEMA.

1. Long Term Recovery Sec. 404. Hazard Mitigation (42 U.S.C. 5170c)*

   Background:
   The President may contribute up to 75 percent of the cost of hazard mitigation measures which the President has determined are cost-effective and which substantially reduce the risk of future damage, hardship, loss, or suffering in any area affected by a major disaster.

   Area of Concern:
   With the responsibilities of emergency response to disasters, grant funding from FEMA and other federal agencies becomes imperative when faced with the staggering cost of disaster relief. **WMAT will follow up with additional information on long term recovery issues**

   Recommendation:
   (1). Provide 100 percent federal cost share for hazard mitigation (Sec 404);
   (2). Provide immediate administrative funding for affected jurisdictions to quickly implement an effective hazard mitigation program (Sec 404);
   (3). Direct hazards mitigation funding to the impacted tribal community in proportion to the damage done by the event (Sec. 404);
   (4). Make initial hazard mitigation funding available immediately, based on the Preliminary Damage Assessment (PDA) estimates (Sec. 404);
   (5). Require 75 percent of the allowable administrative costs to be provided by the grantee to the subgrantees as funding for their implementation costs or as services performed by the grantee for jurisdictions without administrative capacity (Sec 404);
   (6). Permanently adopt the Demolish-Rebuild (Pilot) Program developed after National disasters like Hurricanes Katrina and Rita and make it an eligible activity under HMGP (Sec 404).

2. Individual Assistance: (Section 408, 410, 415, 416)

   Background:
   The President, in consultation with the Governor of a State, may provide financial assistance, and, if necessary, direct services, to individuals and households in the State

who, as a direct result of a major disaster, have necessary expenses and serious needs in cases in which the individuals and households are unable to meet such expenses or needs through other means.

Area of Concern: ** WMAT will follow up with additional information specifically on recent snow and fire disaster emergencies and individual assistance challenges and success.

Recommendation:
(1). Provide temporary mortgage or rental payments for individuals or families who face financial hardship caused by a disaster (Sec 408);
(2). Allow all evacuees regardless of citizenship status to be eligible for Individual Assistance so that they do not become a burden on local host communities (Sec 408);
(3). Do not penalize households that need to separate temporarily so that one member can return to work in the affected community (Sec 408);
(4). Provide safe and secure living accommodations for victims of domestic violence so they are not penalized for requiring separate accommodations (Sec 408);
(5). Allow for 100 percent reimbursement for affected communities and host communities for personnel costs and lost revenue incurred to manage and implement assistance for evacuees (Sec 408);
(6). Ensure that affected and host communities are stakeholders in the coordination of all Individual Assistance and other financial assistance programs. Due to privacy laws prohibiting the sharing of personal data, this would facilitate maximum outreach to eligible applicants and help to verify that benefits are not duplicated (Sec 408);
(7). Fully engage the Department of Housing and Urban Development (HUD) as a partner with FEMA in coordinating the provision of disaster housing by using funding from the Disaster Relief Fund (DRF) – the source of funding for disaster assistance programs (Sec 408);
(8). Make disaster housing available not only for displaced residents but also for workers who are critical to response and recovery operations (Sec 408);
(9). Assure that all modalities of mental health treatment (in addition to Crisis Counseling Assistance and Training) are available and funded to provide psychiatric services and medications to the affected population. In catastrophic events, the personal lives of huge segments of the population are in crisis; damage to basic health and mental health infrastructure will prevent adequate help for the severe and prolonged mental health needs in the affected communities. Mental health services also need to be provided to long-term evacuees in their host communities (Sec 416);

3. Public Assistance: (Sections 403, 406, 407)

Background:
In general - Federal agencies may on the direction of the President, provide assistance essential to meeting immediate threats to life and property resulting from a major disaster, as follows:

(1) Federal resources, generally - Utilizing, lending, or donating to State and

local governments Federal equipment, supplies, facilities, personnel, and other resources, other than the extension of credit, for use or distribution by such governments in accordance with the purposes of this Act.

(2) Medicine, durable medical equipment, food, and other consumables - Distributing or rendering through State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations medicine, durable medical equipment, food, and other consumable supplies, and other services and assistance to disaster victims.

(3) Work and services to save lives and protect property - Performing on public or private lands or waters any work or services essential to saving lives.

Area of Concern: Limited funding to provide assistance to everyone regardless of citizenship and reduce the heavy burden on local communities. ** WMAT will follow up with additional information specifically on recent snow and fire disaster emergencies and public assistance challenges.

Recommendation:
(1). Provide automatic 100 percent federal funding for all categories of eligible work for the duration of a disaster (Sec 403);
(2). Mandate the immediate release of federal funding for 50 percent of the Preliminary Damage Assessment (PDA) estimate for all grant programs. Currently "Immediate Needs Funding" can take 60 – 90 days or longer and is not available for initial recovery work on critical infrastructure, including public safety facilities and equipment (Sec 403);

4. H.R.1953 – Stafford Act revisions to authorize tribes to go directly to the President's Office for emergency declaration, instead of the State Governor

H.R.1953 is strongly supported by American Indian Tribes in Arizona. The bill would amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize Indian tribes to directly request the President for a major disaster or emergency declaration. This has been a priority for Indian country for over a decade and upon enactment, will treat Indian tribes as the sovereign governments that they are.

Currently, American Indian tribes experiencing a disaster or emergency situation must rely upon a State governor to request the President for a declaration. Not only is this contrary to tribal sovereignty but it also requires the President to consider the State's, not the tribe's, ability to pay for the damages. The State's authority or willingness to provide assistance to the tribe is not considered in the determination process.

Tribes are independent sovereigns, they are different in their history, governmental structure and community priorities – each Tribal Nation makes independent decisions that are best for their communities. Under this legislation, strongly supported by the WMAT, all tribes may

still request the State to make the declaration on their behalf but it provides another avenue for those tribes who want to exercise their sovereignty or where a State may be unable or unwilling to make a request on a tribe's behalf. There is a choice.

Currently, FEMA has published the June 29, 2010 FEMA Tribal Policy which includes the following provision:

> " *FEMA will encourage States to incorporate the inclusion of Tribal governments into grant programs and processes to support the trust responsibility between the government and nation-to-nation relationship.* "

In Arizona, out of the FEMA Region 9 Office, this new policy seems to be misguided in its implementation. States do not have jurisdictional authority on tribal lands – but are "encouraged" to be the deliver of grants, training and support as an alternate to the Federal Agency that has the Trust Responsibility to American Indian Nations. In addition, this new policy seems to delegate this Federal Trust Responsibility to States – a political entity that, again, does not have jurisdictional authority on tribal lands. In Arizona, it is the local mind set that Tribal members are "citizens of the State" just like everyone else. The nation-to-nation, independent sovereignty status of the American Indian seems all but lost in this "one community" approach.

The WMAT has become dependent on grant funding as it struggles to recover from the detrimental effects of the recent recession. When the recession hit America, the reservation's unemployment went from 33-percent to an estimated 65-percent leaving a bothersome 51-percent of the reservation's population living below the poverty line. With the responsibilities of emergency response to disasters, grant funding from FEMA and other federal agencies becomes imperative when faced with the staggering cost of disaster relief and cost sharing requirements.

It is hoped that with H.R. 1953 will pass and authorize Indian tribes to directly request the President for a major disaster or emergency declaration, and change this "citizens of the State" approach and begin a new approach that will include funding directly to Tribes and Tribal originations to access funding directly through FEMA in a proper "nation-to-nation" federal trust relations.

HOPI TRIBE'S TESTIMONY

FEMA REAUTHORIZATION AND THE RED TAPE TO FULL RECOVERY

1. Towards Long-Term Recovery - Tribal nations are hindered in reaching full recovery from a disaster due to the time required for the State government to mobilize in assessing the extent of the disaster event damages. Furthermore, delays in the coordination between the State and Federal government in an official declaration of a natural disaster are contributing factors to the lengthy time between the January and July disaster events of 2010 and the FEMA process for receiving disaster funding. A coordinated and comprehensive response effort is required to save lives and alleviate distress. Delays in the current processes are in direct conflict with the need to move quickly and in force. The current process for the Hopi Tribe to receive emergency funding is as follows: 1.) the Hopi Tribe must issue an Executive Order Declaration for a State of Emergency that is also approved by the Hopi Tribal Council to activate tribal emergency and general resources; 2.) In order to receive assistance from the County governments, the Hopi Tribe has to provide their emergency declaration to the County and then wait to see if they will do an emergency declaration on behalf of the Tribe; 3.) The County government must than send their County Emergency Declaration to the State government and then wait for the State Governor to prepare a State Emergency Declaration on behalf of the county and the region impacted; 4.) Finally the State Governor must forward the State Declaration to the President of the United States and wait for him to issue a Presidential Declaration. In the meantime the Tribes are doing what they can with limited tribal resources to respond to and prevent further damage to the infrastructure on reservation lands.

2. Individual Assistance - The Hopi Tribal membership has never been able to receive IA funding for individual homes due to the federal requirements for building codes. The Hopi Tribal government does not have standards for individual homes and many of these are traditional homes with no guidelines to cover standardization of these types of homes. We hope to address this issue by educating our tribal council of the need and process for adopting codes used by neighboring regional communities and other tribes to use as guidance.
3. HR-1953 is strongly supported by the Hopi Tribe and other American Indian Tribes in Arizona. The bill would amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize Indian tribes to issue direct requests to the President for a major disaster or emergency declaration. This has been a priority in Indian Country for over a decade and upon enactment, will treat Indian tribes as the sovereign governments that they are.

BACKGROUND

My name is Roger F. Tungovia, Director of the Department of Public Safety and Emergency Services for the Hopi Tribe. I live on Hopi Reservation in Kykotsmovi, Arizona. I have been trained to work as a first responder and delegated the responsibility of handling different types of emergencies and disasters. I have served as an Incident Commander, Emergency Operations Manager, and worked as part of the Multi-Agency Coordination group in partnership with other tribes, county, state and federal agencies.

Due the limited time in gathering relevant information, here is the testimony I am providing today. Due to the short notice, I hope to provide as much detail as I can before the August 17, 2011 deadline given to me.

The Hopi Indian Reservation is home to the Hopi/Tewa people, a federally recognized Indian Tribe, the Hopi Tribe's total enrollment is 13,359 with approximately 75% of enrolled tribal members living on the reservation. The majority of the population lives in and around the land management area of District Six which is central to the reservation with 10 of the 12 Hopi villages, within outer undeveloped areas known as the Hopi Partitioned Lands, and the community of Kykotsmovi, the seat of Tribal government.

Responding to emergencies is a total tribal effort. The Hopi Emergency Response Team under the provisions of the Tribe's Emergency Response Plan mobilizes tribal resources, local agencies and organizations and communicates with external agencies. The Hopi Tribe's primary first responders are: BIA Law Enforcement Services, BIA Fire/Rescue, Hopi Resource Enforcement Services and Hopi Emergency Medical Services. The Department of Public Service and Emergency Services heads the Hopi Emergency Response Team and the Incident Command/Emergency Operations Center's Command and General staff consist of individuals trained in National Incident Management System, also has in place a Multi-Hazard Mitigation Plan which was approved by Tribal Council and Federal Emergency Management Agency.

Emergency response requiring a wide spread response typically are the result of flooding, heavy rains, high winds, drought, severe cold/winter storms or snowstorms. Due to the drought

conditions there is limited vegetation and this increases the potential of denuding the land increase runoff and flooding from summer monsoon rain storms. The higher elevation on the reservation is conducive to heavy snowfall during the winter.

During the near record snowfall in January 2010, the main reservation communities depleted their wood and coal supplies for heating and were faced with conditions that limited the delivery and movement of livestock looking for foraging. Many were unable to travel to stores to acquire needed supplies. Local responders were busy trying to get to the outlying undeveloped areas to residents and ensure they were safe then clear the main transportation and bus routes.

For the July and August flooding, this was a major event for Hopi due to the breakage of a community two main water lines and sewer system, road wash outs, flooding of homes, lost of electrical power system, lagoon damage, rock slides and sanitation needs. The community population of approximately 500 people plus the businesses, schools and health facilities were without water and sewer services for three weeks. The Hopi Emergency Response Team worked with the BIA Hopi Agency roads Department, Arizona Public Service, Arizona Department of Transportation, Navajo County and Indian Health Services with the Hopi Tribe taking the lead.

Lessons learned from the two latest disaster events are important.

In Arizona, out of the FEMA Region IV Office, this new 2010 Tribal Policy seems to be misguided in its implementation. States do not have jurisdictional authority on tribal lands – but are "encouraged" to be the entity to deliver grants, training and support as an alternate to the

Federal Agency that has the Trust Responsibility to American Indian Nations. FEMA grant funding should be directed to Tribes as sovereign governments, not to the State.

The Hopi Tribe has become dependent on grant funding as it struggles to recover from the detrimental effects of the recent recession and loss of revenues from the closure of the Mohave Power Plant. The Hopi reservation's unemployment has been high with the population living below the poverty line. With the responsibilities of emergency response to disasters, direct grant funding from FEMA and other federal agencies becomes imperative when faced with the staggering cost of disaster relief and cost sharing requirements.

The Hopi Tribe is in a rural area and border communities where supplies can be purchased average travel distance to and from the border towns is 136 to 400 miles, pickup and delivery need supplies makes it time consuming and dangerous to travel since the local transportation routes are not cleared on a timely base. The tribe also does not have the means or facilities to store needed supplies for delivery to the communities during the emergency/disaster.

The Hopi Tribe has worked cooperatively with FEMA and the Arizona Department of Emergency Management to use a different form which made it easy to record and document the expenditures and a formula for the reimbursement for emergency declarations. We were able to finalize the requirements for the emergency declaration process just in time for the summer flooding in 2010 - and are now able to do a drawdown to finalize the closeout.

MR. JEROME HATFIELD

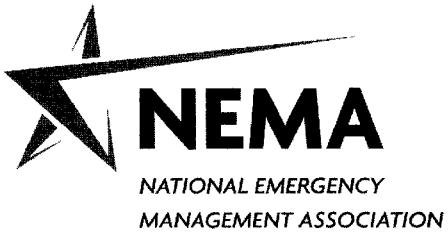
Deputy Superintendent of Homeland Security, New Jersey State Police

TESTIMONY

Before the House Transportation & Infrastructure Subcommittee on Economic Development, Public Buildings, and Emergency Management

FEMA Reauthorization and Cutting the Red Tape in Recovery

July 14, 2011



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Testimony of Mr. Jerome Hatfield
National Emergency Management Association
July 14, 2011

Introduction

Thank you Chairman Denham, Ranking Member Norton, and distinguished members of the Subcommittee for inviting me to appear before you to discuss FEMA Reauthorization and how the Federal government can best support State and local government recovery efforts.

The National Emergency Management Association (NEMA) represents the emergency management directors of all 50 states, territories, and the District of Columbia. Members of NEMA are responsible to the Governors for myriad responsibilities including emergency preparedness, homeland security, mitigation, response, and recovery activities for natural or terrorism-related disasters.

The issues specifically surrounding recovery from large-scale disasters are not easy to tackle, but we remain encouraged in how the Committee has continued to demonstrate support of FEMA's programs and seem committed to looking forward.

Emergency Management Assistance Compact

One critical part of response and recovery to disasters is the Emergency Management Assistance Compact (EMAC). When states and the U.S. Territories joined together and Congress ratified EMAC (Public Law PL-104-321) in 1996, it created a legal and procedural mechanism whereby emergency response resources such as Urban Search and Rescue Teams can quickly move throughout the country to meet disaster needs. All 50 states, the District of Columbia, and three territories are members of EMAC and have committed their emergency resources in helping neighboring states and territories.

Since ratification by Congress, EMAC has grown significantly in size, volume, and the types of resources states are able to deploy. For example, 26 emergency management personnel responded to the September 11, 2001, terrorist attacks. Conversely, over 66,000 personnel from a variety of disciplines deployed to the Gulf Coast in response to Hurricanes Katrina and Rita and 12,279 personnel to Texas and Louisiana during Hurricanes Gustav and Ike. The 2009 Spring Flooding in North Dakota and Minnesota resulted in states deploying equipment, sandbags, and 1,029 personnel to North Dakota. In all, 727 National Guard personnel and 302 civilians were sent to assist via the compact. Recently, over 600 personnel have been deployed in response to the floods and tornados in Missouri, North Dakota, Nebraska, South Dakota, Mississippi, Alabama, and Tennessee.

EMAC has also demonstrated the need for a unified mutual aid system (intrastate to interstate) coordinating with the federal response. EMAC has a five-year strategic plan to put lessons learned into practice. The After-Action process from Hurricane Katrina allowed EMAC to examine how to improve the system after unprecedented disasters and an unparalleled growth in the use of the system. Examples of improvements to be made with current and future funding as a result of lessons learned are outlined below:

- NEMA has been working with first responder disciplines to provide EMAC educational and training materials. This includes training on EMAC, integration with State Emergency Operations Centers, Incident Command Systems, resource typing, and credentialing;
- NEMA has established an EMAC Advisory Group that is working to better integrate mutual aid partners into the EMAC system before future disasters occur. The group includes representatives

from state and local government associations, the National Guard Bureau, emergency responder associations, public utility associations, the private sector, DHS/FEMA, and the Centers for Disease Controls. The discussions and interactions of this group serve to assist in adding local government assets to the scope of resources and other disciplines that can be readily plugged into the system;

- EMAC is evolving the tracking of resources through NEMA administrative management. EMAC is working towards an integrated system to allow for swifter approvals from the requesting and responding states, which will ultimately allow for improved tracking and faster response to requests for assistance;
- States are engaged in developing their own resource typed mission ready packages and EMAC is involved in assisting with responsibilities set in both the Post-Katrina Emergency Management Reform Act and the Implementing the 9/11 Commission Recommendations Act for resource typing and credentialing; and
- Building capabilities for A-Team operations to assist during disasters outside of State Emergency Operations Centers with resource management, integration of EMAC into exercises with the development of table-top exercises and inclusion in national level exercises such as TOPOFF, as well as address reimbursement ahead of mission deployments for both state and local resource providers.

While Emergency Management Performance Grants (EMPG) and homeland security grants continue to help build capabilities, the National Homeland Security Strategy counts on mutual aid being put to use in a disaster. The support of EMAC is critical to helping offset the costs of disasters and building costly infrastructure at the federal level that could sit unused until a disaster. In order to meet the ever-growing need for and reliance on interstate mutual aid, EMAC needs reauthorization for 2010 and beyond for building EMAC capabilities and our nation's mutual aid system.

As the opportunity is afforded, EMAC intends to develop, maintain, and exercise state and regional mutual aid capabilities, train state and local emergency response personnel who may be deployed through EMAC, support the development of specialized emergency response capabilities among the regions, and ensure EMAC remains a viable resource for the states now and in the future. The investment in EMAC stands as a minimal investment for maintaining a proven national emergency response capacity that day-to-day is equipped, trained, and ready to provide critical disaster response resources and support between states. All members of EMAC rely on the Compact as an asset in the response and recovery arsenal. The tools available to emergency management directors, however, extend far beyond mutual aid.

Urban Search & Rescue

In 2010, the world watched as Haiti experienced destruction and devastation following a catastrophic earthquake near the city of Port-au-Prince, Haiti. Urban Search and Rescue (USAR) teams from California, Virginia, New York, and Florida worked closely with one another to make a difference in the region. Just a few weeks after the earthquake struck, international and domestic USAR teams rescued 122 individuals throughout Port-au-Prince. USAR teams are credited with rescuing 43 of the 122. These teams are utilized following non-seismic disasters as well such as following the 1995 bombing of the Alfred P. Murrah building in Oklahoma City, the Kansas grain elevator explosion in 1998, and the 9/11 attack on the World Trade Center. Numerous teams were also deployed to assist after Hurricane Katrina.

The USAR program is much like the state mutual aid system where the state is responsible for overall coordination and development of the system, but local cities and counties are the ultimate first responders, the owners of the USAR resource, and the focus of the program. Through the state's mutual aid system, the local USAR teams become an asset to counties and cities. Also, through EMAC a state's USAR teams stand as an asset to the entire country.

FEMA currently provides approximately $1 million to directly support each of the 28 task forces for equipment, training, and various administrative functions. This $1 million is supplemented with significant state and local investment. For several years, the vast majority of USAR team deployments have been out of state or out of county. As with EMAC, the federal government has a ready nationwide asset with USAR, but at a fraction of the actual costs necessary to sustain their capability. If this Committee is to consider a FEMA reauthorization bill, NEMA would recommend considering similar language to H.R. 3377 which this Committee passed to the House floor last year.

Public Assistance Bottom-up Review

NEMA remains optimistic in FEMA's bottom-up review of the PA program. After an original review, FEMA restarted the process. According to the Administration, the goal is to reduce the administrative burden and overall cost of the PA program. To date, NEMA has provided informal comments to FEMA which were discussed in the through the National Advisory Council process. We believe FEMA is currently conducting a Phase II review of the process.

The PA Program remains a vital tool to the emergency management process, and we remain encouraged by FEMA's commitment to this process. As Phase II ends and we begin moving into Phase III, NEMA hopes to continue seeing some options, additional issues, and clarifications. Such feedback from FEMA will help NEMA work with our federal partners to continue developing this program into the most effective means by which to provide assistance to severely damaged regions.

Functional Needs Support Services

The Functional Needs Support Services (FNSS) represents another recovery issue which could stand to see some clarification. Issued in November 2010, the FNSS guidance laid out how general population shelters much accommodate those with functional needs. NEMA and the states were concerned the requirements could involve costly changes to general population shelters which would ultimately reduce the number of available shelters. In today's economic climate, most state and local government simply cannot afford major and costly alterations to existing shelters.

FEMA and the Department of Justice briefed NEMA members on the status of FNSS implementation, but the agencies provided conflicting information. NEMA has requested clarification and has been told FEMA General Counsel and the DOJ Disability Section continues working toward a solution.

As is the case with many roadblocks, the states can often stand as a test-bed for possible solutions to challenges. For example, recent agreements with Virginia and Kansas seem to indicate the guidance can be met through planning efforts. Regardless of this development, NEMA has been informed that FNSS guidance clarification is a priority and will be done before the heart of hurricane season.

This stands as an issue we would encourage the Committee to take an active interest. An amicable solution must be found in order to facilitate the effective sheltering of millions of Americans without threat of a lawsuit afterward.

Full Spectrum Recovery and Restoration

All of the programs mentioned above are key components to a viable and effective recovery structure within FEMA but integrating the diverse programs into the long-term recovery plan can difficult. While FEMA has begun to address this issue by putting together the Long-Term Disaster Recovery Working Group which facilitated the development of the National Disaster Recovery Framework, there remains

much unfinished work. The Framework has yet to be released and NEMA looks forward to seeing the final product but the next steps will be crucial in order to pull the various frameworks to allow us to plan in ways which are both comprehensive and operational.

While every disaster is unique, it would be extremely helpful for state and local officials to know in advance the types of assistance available to them for long-term recovery. In addition, a federal counterpart available to help access and leverage the various federal programs for recovery would be helpful. FEMA is ideally suited to act as this counterpart, but cannot act alone. All federal agencies with resources able to be applied to disaster response and recovery must actively participate in the process and do a better job of providing information about their programs and making them more accessible.

NEMA would recommend the development of a "full-spectrum disaster recovery and restoration capability." Initial steps for the development of such a system may include:

- Initiate the public policy debate on the appropriate responsibilities of each level of government, elected officials, the private sector, and the public in risk management and community restoration. Engage discussion on the appropriate use of taxpayer dollars for restoration including land-use decisions.
- Encourage collaboration between state and federal partners to conduct an analysis of capabilities, gaps, and shortfalls in long-term recovery.
- Define long-term recovery versus community restoration and where the responsibilities of emergency management begin and end.
- Identify laws and authorities requiring amendment to support full spectrum disaster response and restoration or establish new laws and authorities as well as funding streams.
- Continue to work with FEMA to refine and implement the National Recovery Framework.

Another issue to consider is the determination of when a community has sufficiently recovered to the point federal resources are no longer warranted. Full recovery for a community is not only economic, but also societal and any long-term recovery plan must fully incorporate individuals and communities into the process from the very beginning.

Conclusion

We need not be confined to outdated systems and approaches to disaster response and recovery, particularly for large scale events. Outcomes must be defined, built, and appropriately resourced so an event can be properly managed. Many programs with FEMA provide critical support before, during, and after a disaster. Some of the programs outlined throughout this testimony need reauthorization while some may just require inquiries by Congress. Hearings such as this represent vital steps toward building a more effective recovery system.

As demonstrated during the recent storms throughout the Southern United States, recovery begins immediately and support from the federal government must easily fit into the plans and processes on the state and local level to ensure effectiveness. FEMA programs support, but do not supplant, state and local efforts and this seamless cooperation is critical if we are to maintain a viable emergency management system in this country.

Thank you for the opportunity to testify today and thank you for your continued support of emergency management. Your attention and leadership in this matter are greatly appreciated and NEMA remains a ready resource for the Committee as you tackle the tough issue of recovery from disasters.

Testimony of Phyllis Little

Director of Emergency Management

Cullman County, Alabama

And Member

U.S. Council of the International Association of Emergency Managers (IAEM-USA)

Before the

Subcommittee on Economic Development, Public Buildings and Emergency Management

Committee on Transportation and Infrastructure

U.S. House of Representatives

July 14, 2011

On

FEMA Reauthorization and Cutting the Red Tape in Recovery

Chairman Denham, Ranking Member Norton, and distinguished members of the Subcommittee. I would like to thank you for allowing me the opportunity to provide testimony on this important topic.

I am Phyllis Little, Director of Emergency Management for Cullman County, Alabama. I have served as a county government emergency manager for 16 years. I am also a member of the U.S. Council of the International Association of Emergency Managers (IAEM-USA) and am providing this statement on their behalf.

IAEM-USA is our nation's largest association of emergency management professionals, with 5,000 members including emergency managers at the state and local government levels, tribal nations, the military, colleges and universities, private business and the nonprofit sector. Most of our members are U.S. city and county emergency managers who perform the crucial function of coordinating and integrating the efforts at the local level to prepare for, mitigate the effects of, respond to, and recover from all types of disasters including terrorist attacks.

We deeply appreciate the continuing support this Subcommittee has provided to the emergency management community, particularly your strong support for the Emergency Management Performance Grant Program (EMPG), the Emergency Management Institute (EMI), and for strengthening FEMA.

As emergency management director for Cullman County, I am responsible for planning, training, exercising, coordination of response activities, coordination of initial recovery activities, and mitigation activities for the County and its eleven municipalities. Together our key stakeholders including law enforcement, public works agencies, paid and Volunteer Fire Departments, Emergency Medical Services, hospitals, the American Red Cross, faith based organizations, and private industry develop emergency response plans for the county. We also work closely with our mutual aid partners and the state emergency management agency to be sure our plans mesh well with those around us. These plans are exercised as discussion based table top exercises up to full scale simulations in the field to make sure they are adequate for our needs.

I also have the responsibility to share information with newly elected local officials about their responsibilities and where they fit in during the response to a disaster. We have also trained nearly 300 volunteers in the Community Emergency Response Team (CERT) training. In addition, my office coordinates the training for emergency responders on the Incident Command System (ICS) and offers training as necessary for elected officials on their disaster-related responsibilities and Continuity of Operations.

Besides weather issues, I am the point of contact and county liaison to the Alabama Department of Homeland Security. I have additional responsibilities in the coordination of outside resources providing assistance and support in the search for missing persons, and to coordinate response resources for hazardous materials incidents.

Cullman County was one of the original parties to the creation of the Northern Alabama Mutual Aid Association. This association was created in the 1970s because resources were not available equally in all counties and through this we could pool all of our resources and offer assistance across County lines. When an emergency or disaster happens – whether it reaches the level of a Presidential declaration or not – my office is responsible for coordination of emergency response and any outside resources needed. It is widely recognized that all disasters are local. Without strong local emergency management offices to begin the response and move into recovery, it would cost much more at both the state and federal level. The problems have to be recognized and addressed as early as possible.

Since 2005, Cullman County has received five Presidential declarations for tornadoes, flooding and for hosting evacuees from Hurricanes Katrina and Gustav.

I would like to continue our discussion by describing our recent experience with tornadoes – talking about our preparations in advance of the storm, its impact on our community and the immediate and short term recovery issues in the aftermath. I would then like to address some of the challenges we faced through this process. I'd also like to describe some of the areas where the Federal Emergency Management Agency (FEMA) has shown improvement. We are far enough into the recovery phase of our disaster to begin thinking about mitigation issues, and I would like to address them as well.

Our Tornado Experience

Cullman County has a rich German heritage and a population of 80,406 residents. The County is located in rural central north Alabama between the large cities of Birmingham to the south and Huntsville to the north. Interstate 65 and the CSX Railroad bisect the county. The primary businesses in the area are agriculture based: row crop farming, poultry, and cattle. Our largest employer is a Wal-Mart Distribution Center located in the City of Cullman. The county is serviced by 25 volunteer fire departments and 2 municipal fire departments. The Emergency Operations Center is located in the City of Cullman and has been activated 31 separate times since January 1 for severe weather.

I would like to describe some of the events in our county related to the tornado outbreak on April 27, 2011. The cities of Hanceville and Cullman, the largest of our eleven municipalities suffered catastrophic damage due to tornado touchdowns.

The city of Hanceville was struck at approximately 6:00 a.m. and the city of Cullman at approximately 3:00 p.m. Over a 12 hour period, we were under a total of 13 tornado warnings. The National Weather Service mapped 5 tornado touchdowns; two being rated as EF-4s with wind speeds of up to 200 miles per hour. Approximately 500 homes and 100 businesses were damaged or destroyed. To add insult to injury, electrical power was lost to most of north Alabama for 5-7 days. Not only were we faced with the devastation from the tornadoes, now we were faced with an energy crisis as well. North Alabama is served by the Tennessee Valley Authority (TVA). A large section of their major transmission line system was destroyed. Large generators had to be brought in to keep water systems and other critical infrastructure from failing. County–wide curfews were initiated to stem looting and to keep citizens safely away from the damaged areas.

Residents could not purchase basic necessities because pharmacies, grocery stores and gasoline stations had no electricity to operate. A few were able to open within 72 hours with limited generator power and supplies could be purchased with cash. Funds could not be accessed through banks, credit or debit cards because these required electrical power and functional communications to operate. Many areas of Cullman County were

without power for up to two weeks due to damage to the electrical distribution infrastructure.

Emergency response in Cullman County went well. One reason for this was that we started briefings about the potential for severe weather 3 days in advance of the tornadoes with information supplied by the National Weather Service (NWS). We conducted our initial briefing for our emergency responders and elected officials on Friday, April 22, and every day up until the 27th. We activated our Emergency Operations Center (EOC) at 2:30 a.m. on April 27 following the issuance of a Tornado Watch. As we received information about how serious this outbreak was expected to be, we were in constant contact with our key emergency stakeholders – including our local school officials. As a result of this information sharing, school officials were able to make the decision to postpone the opening of school that day and delay the school bus routes. Other emergency responders – like Cullman County Emergency Medical Services – were able to preposition their assets in multiple locations to enable quicker emergency responses as well as protect critical assets that would be needed following the storm. Updates were provided throughout the day by the Huntsville NWS and communicated to all stakeholders. Had we not been able to provide this vital information to school officials, emergency responders, and the public, I am positive we would have suffered more than the 2 fatalities we did experience. One clear example of this is that the school busses would have been beginning their routes in Hanceville at the time the tornado struck there.

Why did we do as well as we did in the response? While no one can say with absolute certainty, I believe a large portion of the credit goes to the strong local emergency management system we have in the county, which has brought together key stakeholders to make sure plans are in place, trained on and exercised in advance of an actual emergency or disaster. The majority of the credit for this belongs to funding supporting emergency management activities from the Emergency Management Performance Grant (EMPG). Cullman County received approximately $49,000 in EMPG funds for FY2010. This funding (24% of our operational budget) allowed us to keep a 2 person office operational, in addition to maintaining 22 of our 42 outdoor warning sirens. EMPG is truly the life blood of our EMA and others across the country. EMPG is different than the Homeland Security grants, in that it demonstrates a true partnership between local, state, and federal government and requires a 50 percent cost share.

County-to-County mutual aid was effective and activated almost immediately. Alabama Emergency Management began to provide assistance and FEMA was on the ground by the fourth day. Recovery is underway at this time and the community is beginning to rebuild.

Our partnership with private enterprise – the Wal-Mart Distribution Center – also provided assistance after we were struck by the tornado. Their employees volunteered to help the community recover. Their facility has contributed to the resilience of our community by being pre-wired for back-up generators. Generators can be brought in to quickly restore power to the facility and get it back in operation.

Cullman County was fortunate that only three public buildings were destroyed. These included the Cullman County Economic Development Agency, Emergency Medical Services, and a volunteer fire station. However, major damage to the roof of the county courthouse has had an impact on the operation of our District Court. Because the temporary roof repairs have experienced some failures as the result of subsequent storms in our area, water damage continues to occur in our courtrooms, making a decision necessary almost daily as to whether the courts will operate or not. Permanent repairs have been delayed due to the time necessary for insurance settlements. Several schools have minor to moderate damage, with one having major damage to the gymnasium. At this time, all schools in the county are set to open on time for the fall session. Statewide, many schools were completely destroyed and officials are unsure of the status for the fall session which begins just after the first of August.

Johnson Crossing Volunteer Fire Department facility was destroyed – only the fire apparatus was left standing after the storm. FEMA has provided a temporary facility to house the Engine until a permanent structure can be rebuilt.

Challenges

Many challenges have come to light during the interim. Perhaps the two greatest challenges for local government to overcome have been debris removal and unexpected financial outlays. Let's discuss debris removal first.

Debris removal is a life-safety, health and economic development issue. We have to have roads open to get emergency response vehicles into damaged areas in order to complete search and rescue operations and to provide emergency services to those who need them. We have to be able to get utility vehicles in to shut off gas and electricity to prevent further damage and loss of life. After that, we still have life-safety issues with the debris as folks are trying to recover or check on property or trying to start repairs. "Leaners and hangers" (broken tree branches) are an issue. While they might not have been broken sufficiently by the original event to fall completely to the ground, they may do so in the afternoon thunderstorms Alabama experiences this time of year. This could lead to additional injuries. Debris has to be removed from the community to begin the process of bringing it back to life. This is essential to the local economy. In addition, the debris is also a fire issue in congested areas where there is structural damage and vegetative debris

on top. This is also the time of year for rats and snakes. When you have debris and food items in damaged structures you have rats and snakes and other critters. In this area we have several indigenous poisonous snakes–rattlesnakes, copperheads, and cotton mouth water moccasins.

FEMA, using the U.S. Army Corps of Engineers (Corps), has initiated a pilot program called Operation Clean Sweep in Alabama. The purpose of the program is to enable property owners in communities with or immediately adjacent to areas of catastrophic or extensive destruction to apply for assistance to remove debris from their private property to help them get back in their home or get the site ready to rebuild their home. They must submit a right of entry from to the Corps. Given the extensive amount of debris, it is a great concept. However, the pilot program has not been without its problems. Many of these challenges can be attributed to inconsistencies in the interpretation of the program concepts and information provided to local officials who are responsible for the program implementation. Guidelines were not fully available when the program was introduced and much of the information presented at the local level was more speculation than fact. The use of satellites to assess areas with qualified damage has proved to be inconsistent and extremely slow. Afternoon thunderstorms prevent satellites from seeing damage due to cloud cover. As a result confusion and disappointment has been rampant at the local level. Better coordination along with clearly defined policies, definitions of debris, and areas of operations provided up front would be extremely beneficial. Ground assessments by teams that include local personnel with knowledge of the areas affected would be more accurate. Delays in initiating the program have resulted in communities being unable to experience the full benefits. Although the program was approved early in the disaster, due to the delays, the actual program to assist residents with debris removal did not begin in Cullman County until 10 days ago. At midnight July 11, the cost share jumped from a 90/10 to 75/25 rate. The increased cost for local government will likely be the deciding issue as to whether the county continues to offer that assistance to residents. We applaud this effort by FEMA to speed recovery, but urge they continue to work with state and local stakeholders to identify and correct the challenges with this potentially great and much needed program.

Spanning the gap between debris removal and finances is the issue of Cullman County's choice to use the Corps for debris removal – primarily because of the magnitude of damage from the tornadoes. Overall approximately 450,000 cubic yards of debris has been removed in Cullman County and the areas less affected have been totally cleared. Statewide approximately 500 million cubic yards of debris have been removed. Local elected officials across the State of Alabama have been inquiring about the average cost per cubic yard for debris clearance done by the Corps. They need this information to make informed decisions before entering into contracts. This information has proved to

be near impossible to capture. The question was pushed forward in Cullman County prior to May 15 when debris removal began and no cost figure was provided until near the end of June. Providing a "working figure" at the beginning of a mission would allow elected officials to make better informed decisions when entering into contracts eliminating much of the apprehension and indecision at the local level. This in turn will speed up the recovery process. In addition, this is a standard piece of information furnished by private contractors engaged in the debris cleanup business and is typically required before entering into a contract with a unit of local government.

In a time when the poor economic situation had already required budget cuts for several years, a disaster of the magnitude that occurred on April 27th has had a devastating financial effect. Financial outlay for the extended overtime, as well as fuel and other unexpected expenses has drained local coffers. A clear illustration of this can be found in the annual overtime budget for my office – which totals $1,800.00. Overtime expenses from April 27 thru May 20 exceeded $12,000.00 for two employees – or a 666.67% budget overrun. This data reflects only one department in my County government. Local law enforcement agencies were required to provide security for business, including pharmacies and banking institutions on a 24-hour basis due to the massive power outages. This required extended overtime for all employees. Because of the tremendous drain on the finances of local governments, perhaps this committee will consider the possibility of a block-type grant based on the estimated cost or a portion of the estimated cost of the declared disaster. This "early" availability of funds could be provided up front to assist jurisdictions jump start their recovery. Some of these funds could be used to pay eligible overtime costs and those unexpected but eligible expenses that occur during a response of this type. The amount of that assistance "advanced" could then be deducted from the final reimbursement to the local jurisdiction. Keeping government services operating has a positive effect on the local economy.

Delays in insurance settlements have affected both local governments and residents.

FEMA Individual Assistance, including housing assistance to residents, has been delayed due to "red tape" and the confusion caused by the FEMA denial letters received by residents. Many do not understand the process or find it so cumbersome that it discourages them from seeking further assistance. A revamping of the denial letter sent to applicants to clarify the process for seeking further assistance and the importance of returning the SBA applications is long overdue. A streamlining of the overall process is needed to provide the assistance required by residents. FEMA has recognized this issue and is holding workshops to assist residents with the complicated process, but perhaps simplifying the process in the future would have a more positive effect. The Individual Assistance programs are an important part of the recovery process. Alabama residents are not asking for a "hand out" just a "hand up." Working together federal, state, and

local officials can insure that the citizens receive that "hand up." As a result communities will be stronger and more resilient when the next disaster strikes.

Improvements

There are a number of things we think FEMA should be commended for in their actions related to our tornadoes. The practice of assigning a FEMA liaison directly to each County has been extremely beneficial. This has greatly enhanced the flow of information and coordination. We recommend this as a "best practice."

Another improvement in FEMA's response has to do with locating the Joint Field Office (JFO) closer to where the disaster occurs. In our case, it was set up in Birmingham. In addition, divisions were created throughout the state, and representatives were put in each. This has been very helpful. If division can't fix an issue, then it goes to the JFO. The division covering our County is located in Huntsville. There are Alabama EMA personnel, FEMA personnel and Corps personnel all working from there. This has made it easier to get clarifications on issues that have generated questions or need an interpretation.

FEMA has also been helpful in getting expedited project worksheets for Emergency Protective Measures in our two hardest hit municipalities. This was greatly needed and very much appreciated.

Our County Commissioners will be meeting with FEMA to discuss available options including possible assistance under the Community Disaster Assistance loan program. . Local officials are also meeting with the FEMA long term community recovery staff. We will be appreciative of any initiatives that FEMA can offer.

Mitigation

As our community continues to move toward recovery, we have a number of ideas and projects to pursue.

Our Cullman County Emergency Medical Services is planning to build a new permanent facility. We are discussing the value of submitting an application to fund the construction of a safe room as a part of this facility. One reason this is important is that the dispatcher for EMS remained at her station broadcasting calls for help even as the building was falling down around her. She continued to remain at her station until the communications tower with the EMS antenna on it was destroyed and she could no longer broadcast calls.

The facility occupied by the Cullman County Economic Development Agency was also destroyed in the tornado. Plans are underway to construct a new permanent structure for this agency – and we are also considering including a safe room in this facility as well.

In addition to the regular responsibilities associated with economic development, this agency has become a valued part of the emergency management system in our county because they have the staff to assist people in making applications for individual safe rooms as they begin to rebuild.

In the last five years or so, we have had a very positive experience with safe rooms – particularly in a community setting. The town of Garden City installed a community shelter / safe room containing five pods connected by tunnels. This facility has the ability to provide shelter for the entire town.

One opportunity for improvement in mitigation is making at least a portion of the post disaster mitigation funding available as early in the process as possible. People are beginning to make decisions now about rebuilding. They want to know whether they can qualify for funding to build safe rooms in their homes and other facilities. If they go ahead and start construction now, they will be ineligible for the grants when they become available.

Our newspaper indicated on July 8 that the Economic Development Agency has received applications from over 200 residents interested in building safe rooms as a part of their homes. It seems easily possible that these residents could lose interest in such a project if it takes 6 to 18 months to find out if money is available. And, that wait would also delay the recovery of our community.

Authorization

In addition, I would like to add that IAEM-USA supports the authorization of the Emergency Management Assistance Compact (EMAC) and the FEMA Urban Search and Rescue program. The Emergency Management Assistance Compact (EMAC) is the agreement between all fifty states ratified by Congress that provides form and structure to interstate mutual aid. EMAC works well to get the right resources to the right place in time to conduct emergency rescue and response in the impacted area. Alabama's counties were able to provide resources to other Gulf States through EMAC within 48 hours. However, some states have had problems with the reimbursement process. For example, Cullman County opened a shelter under EMAC to house evacuees from Hurricane Gustav in August 2008. The last reimbursement claim for approximately $40,000 for shelter security was not paid until January 2011. That may not seem like much money to some people, but to a small sheriff's office it was a budget buster.

Conclusion

In closing, the damage from tornadoes in our community has been severe, although not as bad as some of the other areas of Alabama. Nonetheless, this experience has provided some challenges to us, not the least of which is debris removal and economic impact on governmental budget issues. FEMA has made a number of improvements in their response to the tornadoes, including providing forward placement of JFOs and the assignment of FEMA liaison officers to impacted counties. A joint venture between FEMA and the Corps called Operation Clean Sweep could have great impact on speeding recovery of our communities, but FEMA needs to continue to work with its key State and local stakeholders on the challenges communities are facing.

Thank you for this opportunity to provide testimony, and I stand ready to answer any questions you may have.

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Introduction

The Build Strong Coalition thanks Chairman Denham, Ranking Member Norton and the Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings, and Emergency Management for holding this hearing to focus on streamlining the recovery process following local disasters.

The coalition shares the subcommittee's goal of helping communities recover from major natural disasters while saving all taxpayers money at the same time. Our thoughts and prayers go out to the victims of recent tragedies caused by natural disasters – events which compel us to advance vital legislation to help mitigate future devastation.

According to the Insurance Information Institute and Munich Re, severe natural catastrophes have already made 2011 the highest loss year for global catastrophes on record. Approximately $265 billion in economic losses have accumulated through June, easily exceeding the total figure for 2005, previously the costliest year to date with $220 billion for the year as a whole. Most of the 2011 losses were caused by the earthquake in Japan on March 11. The insured losses, around $60 billion, were also nearly five times greater than the average since 2001.

In the United States, where insurance penetration is relatively higher than other parts of the world, 100 events in the first half of 2011 produced $27 billion in overall losses and $17.3 billion in insured losses, which is well above the 10-year averages of $11.8 billion and $6.6 billion, respectively. A very active thunderstorm and tornado season resulted in insured losses exceeding $16 billion, far above the 2001 to 2010 January to June average thunderstorm loss of $6.4 billion (in 2010 dollars). It was also the deadliest thunderstorm season in over 50 years. The National Oceanographic and Atmospheric Administration currently predicts 16 named storms for the current hurricane season, much higher than the 9.6 annual average.

For its part, more than $5.2 billion has been obligated by FEMA for Major Disasters, including more than $18 million for Emergency Declarations; and more than $26 million Fire Management Assistance Grants (FMAGs).[1]

Building Codes Save Lives, Property and Taxpayer Money

Overwhelming evidence exists to demonstrate the adoption and enforcement of statewide building codes saves lives and greatly reduces property damage and the need for federal assistance resulting from disasters. The Louisiana State University Hurricane Center estimated that stronger building codes would have reduced wind damage from Katrina by 80%, saving $8 billion.

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[1] FEMA Office of Public Affairs, as of July 13, 2011. *Note:* These amounts are subject to change; and include obligations for open disasters (i.e., including disasters from past years for which grant funding continues to be processed and obligated) as well as obligations for declarations that have occurred during FY 2011.

In 2005, FEMA commissioned a study by the National Institute of Building Sciences' Multihazard Mitigation Council. The goal of the study, based on the work of more than 50 national experts, was to "assess the future savings from hazard mitigation activities." According to the study, every $1 dollar spent on hazard mitigation (actions to reduce disaster losses) provides the nation with about $4 in future benefits.

A study done for the Insurance Institute for Business & Home Safety (IBHS) found that losses from Hurricane Andrew, which struck south Florida in 1992 and caused more than $20 billion (in today's dollars) in insured damage, would have been reduced by 50 percent for residential property and by 40 percent for commercial property if those structures were built in accordance with Florida's 2004 statewide building code. Another IBHS study following Hurricane Charley in 2004 found that modern building codes reduced the severity of property losses by 42 percent and the frequency of losses by 60 percent.

More valuable research is currently being conducted by the IBHS at their brand new lab in Richburg, South Carolina. This research already has clearly demonstrated how the human and financial costs of natural disasters can be greatly reduced by building stronger homes. With relatively simple upgrades in construction such as strapping to create a continuous load path from the roof, through the walls, and into the foundation, thicker roof decking, and textured, rather than smooth nails, test homes were built to withstand 110 mile-per-hour winds with little damage, while test homes with the same floor plan that were not upgraded, were completely destroyed at wind speeds of only 95 mph to 100 mph. Taking steps to prepare in these ways before a disaster has a real effect.

Despite this correlation, most states have not enacted statewide building codes and related inspection and enforcement measures. State standards for construction, code-related inspection, and enforcement vary widely across the country. Where statewide codes exist, it is not uncommon to allow individual jurisdictions (e.g., cities of a particular class, or counties) to deviate from the state standards, occasionally resulting in a weakening of the model minimum standards.

Model building codes govern all aspects of construction and help to protect homes and buildings from the devastating effects of natural catastrophes. Uniform, statewide adoption and enforcement of model building codes by states helps to eliminate long-term risks affecting people, property, the environment, and ultimately the economy. The model codes, developed nationally in the U.S. by a consensus process involving construction experts and local building officials working together, are adopted and enforced at the state level to mitigate effects of natural disaster perils inherent to each state.

FEMA and the Stafford Act

Billions of dollars are routinely paid by the federal government and the private sector for disaster relief and rebuilding communities. FEMA's stated mission of leading "America to prepare for, prevent, respond to and recover from disasters" is well embodied in the pre and post mitigation

programs available to states under the Stafford Act and the Disaster Mitigation Act of 2000. These programs help states assess how to alleviate or eliminate long-term risks affecting people, property, the environment, and ultimately the economy. Under the Hazard Mitigation Grant Program (HMGP), states are required to submit a Standard Mitigation Plan for approval by FEMA as a condition of receiving monetary disaster assistance. According to the HMGP, one of the permissible uses of funding includes projects associated with "Post-disaster building code related activities that support building code officials during the reconstruction process."

Further, a state may elect to prepare a more comprehensive plan (Enhanced Mitigation Plan) which would qualify the state for additional funding up to 20 percent of the estimated aggregate amount of grants to be awarded. One example of projects a state could consider to demonstrate its commitment to implementing a strong mitigation program is as follows: "To the extent allowed by State law, the State requires or encourages local governments to use a current version of a nationally applicable model building code or standard that addresses natural hazards as a basis for design and construction of State sponsored mitigation projects."

Requiring states to enact a statewide building code and provide mechanisms for active enforcement as an added criterion would serve as an appropriate federal incentive to qualify for greater amounts of funding. This would allow FEMA to work within its statutory authority without seeking additional appropriations for the program. And, this could be accomplished through rulemaking instead of enactment of legislation.

The Safe Building Code Incentive Act

The Build Strong Coalition therefore urges support for *H.R. 2069, The Safe Building Code Incentive Act*, legislation providing states with additional disaster relief funding if they enact modern building codes.

The Safe Building Code Incentive Act would create a financial incentive for states that have adopted and enforce statewide building codes. Under the proposed law, states that adopt and enforce nationally recognized model building codes for residential and commercial structures would qualify for an additional 4-percent of funding available for post-disaster grants. The program would be administered by the Federal Emergency Management Agency.

Sixteen states currently enforce building codes that would already qualify for the additional 4-percent funding. Another fifteen states would qualify with minor changes to current laws and regulations. (Table 1 attached)

As stated prior, this legislation will not require any additional appropriation to FEMA since it draws funds from the existing Disaster Relief Fund. In addition, the nature of the incentive does not mandate the adoption of statewide building codes on any states that wish to maintain their current patchwork structure.

The evidence supporting mitigation benefits proves this incentive to be a fiscally responsible method of enabling FEMA to assist in natural disaster recovery while working to prevent future damage.

While mitigation will not prevent natural catastrophes, stronger homes and businesses will save private property, federal funds, environmental damage and insurance claims paid. Most importantly, stronger homes and businesses save lives. The Safe Building Code Incentive Act is a forward-thinking, mitigation-focused legislative proposal that will display Congress's leadership in the midst of a heightened natural catastrophe year.

The Build Strong Coalition thanks the bill sponsors for their leadership and urges the Transportation and Infrastructure Committee to expeditiously pass *H.R. 2069, The Safe Building Code Incentive Act.*

BUILDSTRONG COALITION

Table 1: Safe Building Code Incentive Act – States Qualifying for Incentive

Current Qualifying States*

California	New Jersey
District of Columbia	New Mexico
Florida	New York
Louisiana	Pennsylvania
Maine	South Carolina
Michigan	Utah
Minnesota	Virginia
New Hampshire	Washington

*Qualification based on legislative requirement for statewide adoption and enforcement of structural model building codes for residential and commercial construction without weakening amendments.

States That Could Qualify with Minor Legislative Modifications (varies by state)

Connecticut	North Carolina
Delaware	Oregon
Indiana	Rhode Island
Maryland	Wisconsin
Massachusetts	

States That Have Adopted Statewide Codes, but Lack Enforcement Authorization

Arkansas	Ohio
Georgia	Tennessee
Kentucky	West Virginia

Table 2: Build Strong Coalition Membership

Allstate Insurance Company
The American Institute of Architects
American Insurance Association (AIA)
Council of Insurance Agents and Brokers (CIAB)
Farmers Insurance Group of Companies
Federal Alliance for Safe Homes (FLASH)
Financial Services Roundtable (FSR)
Insurance Institute for Business and Home Safety (IBHS)
Independent Insurance Agents and Brokers of America (IIABA)
International Code Council
Liberty Mutual Insurance
MetLife
National Association of Mutual Insurance Companies (NAMIC)
National Fire Protection Association
National Institute of Building Sciences
National Ready Mixed Concrete Association
Nationwide Insurance
NeighborWorks America
Professional Insurance Agents (PIA)
Property Casualty Insurers Association of America (PCIAA)
Reinsurance Association of America
Simpson Strong-Tie Co
Solutia
Travelers
State Farm Insurance Companies
The Hartford
USAA

U.S. TRAVEL
ASSOCIATION

Statement for the Record of the

U.S. TRAVEL ASSOCIATION

For the House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings and Emergency Management

Hearing on:

"Streamlining the Recovery Process Following Local Disasters"

July 14, 2011

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I would like to thank Chairman Denham, Ranking Member Norton, and Members of the Subcommittee on Economic Development, Public Buildings, and Emergency Management for holding this important hearing on examining ways to better manage disaster recovery programs and help communities rebuild after a major disaster.

As the Subcommittee considers the views of various stakeholders in emergency preparedness and recovery, I encourage Members to closely examine the needs of the travel and tourism industry following a major disaster and explore ways that the travel and tourism industry can assist in economic recovery efforts.

History shows that when a disaster strikes, the travel community experiences significant economic losses. According to 2010 research report by Oxford Economics conducted in the midst of the BP oil spill, the economic damages experienced by the travel industry are often predictable, long-lasting and reach far beyond the immediate physical impact of a disaster area. For example, using 25 previous disasters as a guide, the Oxford Economics study shows that following a major disaster the travel industry experiences steep declines in traveler levels for an average of 17 months. In extreme cases, like Hurricane Katrina, impacts can be felt upwards of five years.

It is also important to recognize that business and leisure travelers can serve as a stimulus for economic recovery. Attracting travelers to an area that has experienced a crisis is one of the most effective means of spreading new dollars throughout an economy. In fact, maintaining visitation to a given area can prevent the full force of economic damage a disaster is capable of inflicting.

Last year the U.S. Travel Association developed a *Roadmap to Recovery* that provides policy tools to mitigate crisis-related damage and utilize travel as a driver of economic recovery. The report relies upon lessons learned from more than two dozen recent disasters and is applicable to situations we are likely to confront in the future.

Three Areas of Focus

Utilizing travel to stimulate local economies and speed recovery from disasters requires the federal government to focus in three areas:

1) Inform Public Perceptions: Travel is a perception business where, in the wake of a disaster, facts often take a backseat to fears and rumors. Informing public perceptions is the single most important thing government can do in the wake of a crisis situation.

Natural or manmade disasters are regularly followed by intense media coverage and state or federal emergency declarations that play a powerful role in shaping public perceptions elsewhere. Oftentimes, exaggerated or prolonged coverage can influence consumer behavior and drive travel elsewhere, exacerbating the losses to local businesses and workers. If a region experiences prolonged declines in travel resulting from consumer misperceptions, economic hardship and job loss can ripple throughout a local economy.

The federal government can mitigate these economic losses by taking an active role in providing credible and accurate information. One example is to provide consumers with up-to-the-minute information about which areas are safe and open for travel and business.

The federal government should also consider establishing an Open for Business Fund to assist affected local communities in promoting and marketing their region following a disaster.

Following the Deepwater Horizon oil spill, BP used a similar strategy by providing states and tourist destinations with marketing grants designed to help inform traveler perceptions and provide reassurance that it was safe to visit the Gulf region. The BP marketing grants are frequently cited as a leading driver of economic recovery for the Gulf coast travel and tourism industry.

We also urge that Congress and appropriate federal officials reconsider the terminology used when distributing relief money to states following a disaster. Following a disaster, state and federal governments will often make official "state of emergency" or "disaster" declarations. However, these declarations often are issued as a pro forma measure to unlock government disaster relief funds – rather than in cases where there is a threat to human life, natural resources, personal property or general public safety. In some cases, "state of emergency" or "disaster" declarations are made several months after the event took place could potentially create a misleading and negative perception that it is not safe to travel to that destination.

In a recent survey of 1,000 travelers, 85 percent of respondents said that they are likely to postpone or cancel a leisure trip to a destination if they are aware of a "disaster" declaration. Seventy-four percent said they would likely postpone or cancel their leisure trip to a destination if they are aware of a "state of emergency."

Federal and state governments should implement a tiered system of declarations that accurately reflects the danger posed to human life, natural resources, personal property, regional infrastructure and general public safety. If a declaration is being made as a formality to simply transfer money to a state or local community weeks after the event, a more benign term should be considered.

2) Incentivize Travel: As demonstrated by the Oxford Economics study, traveler levels can remain low for many years following a major disaster. Yet, travel can serve as a vehicle to spur economic growth in disaster impacted areas.

The federal government should consider a range of incentives to business and leisure travelers that will help rebuild travel economies in affected areas. One example is providing an increased business meal tax deduction in a disaster-affected area to give business travelers added incentive to travel to and do business in that region.

3) Make Businesses Whole: Following any disaster, certain levels of property damage, revenue loss, increased unemployment and declines in travel are unavoidable. In order for the local travel industry to remain intact and weather a crisis, the federal government must intervene to provide increased access to capital, low interest loans and tax incentives that allow businesses to remain open and retain employees. In the event that a disaster is caused by a liable party, those responsible must provide proper compensation to make businesses whole.

Travel and tourism is a key private industry in every state and Congressional district in this country. It is an integral part of virtually every local economy and should be considered a top priority in helping disaster-impacted communities recover as quickly as possible.

Thank you for the opportunity to share these comments.

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