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HURRICANE KATRINA: RECOMMENDATIONS FOR REFORM

HEARING

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

MARCH 8, 2006

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HURRICANE KATRINA: RECOMMENDATIONS FOR REFORM

WEDNESDAY, MARCH 8, 2006

U.S. SENATE,
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 9:35 a.m., in room SD–342, Dirksen Senate Office Building, the Hon. Susan M. Collins, Chairman of the Committee, presiding.

Present: Senators Collins, Coleman, Lieberman, Levin, Carper, and Lautenberg.

OPENING STATEMENT OF CHAIRMAN COLLINS

Chairman COLLINS. The Committee will come to order.

Today, the Committee holds its 21st hearing on Hurricane Katrina. As this is our final hearing on Katrina, I would like to take this opportunity to thank all of my Committee colleagues, particularly my Ranking Member, Senator Lieberman, for their outstanding commitment to a matter of such importance to our Nation.

I truly believe that this has been a model of a bipartisan investigation, and I am very grateful to Senator Lieberman for his leadership and cooperation.

I would also like to express my deep appreciation to the Committee staff for their extraordinary efforts during this exhaustive and, at times, exhausting investigation.

Eighty witnesses will have testified at our hearings. In addition, our staff has conducted more than 300 interviews and reviewed some 820,000 pages of documents.

At our first hearing on Katrina, now nearly 6 months ago, I stated that it was this Committee's intention to conduct a thorough, deliberate, and fair review of the preparation for and response to this disaster at all levels of government, and we have done just that.

I also pledged that we would ask the hard questions in order to learn why local, State, and Federal authorities did not work together as one cohesive and effective unit. A structure crafted with great investments of time, energy, and money after the attacks of September 11 failed its first major test. We now have a far better understanding of why the system failed the people of the Gulf region.

The excuse that we have heard from some government officials throughout this investigation has been that Katrina was an unfore-

seeable ultra-catastrophe. While Katrina was, indeed, the worst natural disaster in our country in modern times, it had been anticipated for years and was specifically forecast for days.

That justification also misses the point that we need to be ready for the worst that nature or evil men can throw at us. Powerful though it was, the most extraordinary thing about Hurricane Katrina was our lack of preparedness for a disaster so long predicted.

Our 20 hearings to date have taken us from the front lines of search and rescue to the top of the Department of Homeland Security. They have provided us with a tremendous body of knowledge about the emergency preparation and response tactics that worked and those that did not.

Now it is time to turn this tactical knowledge into a new strategy. Thus, today, we turn our attention to the recommendations for reform. This is not the first time that the devastation of a natural disaster brought about demands for a better, more coordinated government response. In fact, this process truly began after a series of natural disasters in the 1960s and into the 1970s.

One of those disasters was Hurricane Betsy, which hit New Orleans in 1965. The similarities between Betsy and Katrina are striking: Levees were overtopped and breached, severe flooding, communities destroyed, thousands rescued from rooftops by helicopters, thousands more by boat, and far too many lives lost.

In a report published in 1993, a year after Hurricane Andrew hit Florida, the GAO wrote, "The response to Hurricane Andrew raised doubts about whether FEMA is capable of responding to catastrophic disasters and whether it had learned any lessons" from previous disasters.

One could simply substitute Katrina for Andrew, and unfortunately, the same conclusions would be valid today. And that is very disturbing.

Indeed, during the last half century, the Federal Government has experimented with eight different emergency management structures from the Housing and Home Finance Administration of the 1950s to the latest incarnation of FEMA within the Department of Homeland Security. Katrina has revealed that this kaleidoscope of reorganizations, unfortunately, has not improved our disaster management capability during these critical years.

Our purpose and our obligation now is to move forward to create a structure that brings immediate improvement and continual progress. This will not be done by simply renaming agencies or drawing new organizational charts. We are not here to rearrange the deck chairs on a ship that, while perhaps not sinking, is certainly adrift.

This new structure must be based on a clear understanding of the roles and capabilities of all emergency management agencies. It must establish a strong chain of command that encourages, empowers, and trusts front-line decisionmaking. It must replace ponderous, rigid bureaucracy with discipline, agility, cooperation, and collaboration.

It must build a stronger partnership among all levels of government, with the responsibilities of each partner clearly defined, and

it must hold them accountable when those responsibilities are not met.

We know our goal. I look forward to the views our witnesses will offer today on how to achieve it. I have a number of questions that I am going to be raising. I am going to insert them in the record in the interest of time.

I am particularly pleased that we are going to hear today from our distinguished colleague, Senator Mikulski of Maryland. She is a dedicated advocate for reform of our emergency response system. Due to her work on the Appropriations Committee, she brings a great deal of knowledge to this issue.

We are also fortunate that our other witnesses today will provide a wide range of experience and expertise that will help us craft a national emergency management system that will better serve the American people during disasters, whether they are acts of nature or acts of men.

The hearings that the Committee has conducted form a solid foundation for the work that lies ahead. As we proceed, we would do well not just to bear in mind what we have learned in this room, but also to take to heart what many of us have seen in the ruins of the Gulf Coast of Mississippi and in the devastated neighborhoods of New Orleans.

The suffering in those places is great, but the determination of the people there to rebuild their lives is even greater. Our determination to build a truly effective national emergency management system must be just as strong.

[The prepared statement of Senator Collins follows:]

PREPARED OPENING STATEMENT OF SENATOR COLLINS

Today, the Committee holds its 21st hearing on Hurricane Katrina. As this is our final hearing, I would like to take this opportunity to thank my Committee colleagues, particularly the Ranking Member, Senator Lieberman, for their outstanding commitment to a matter of such importance to our Nation.

I also would like to express my deep appreciation to Committee staff for their extraordinary efforts during this exhaustive (and at times exhausting) investigation.

Eighty witnesses will have testified at our hearings. In addition, our staff has conducted more than 300 interviews and reviewed some 820,000 pages of documents. At our first hearing on Katrina, now nearly 6 months ago, I stated that it was the Committee's intention to conduct a thorough, deliberate, and fair review of the preparation for and response to this disaster at all levels of government. We have done that.

I also pledged that we would ask the hard questions in order to learn why local, State, and Federal authorities did not work together as one cohesive and effective unit. A structure crafted with great investments of time, energy, and money after the attacks of 9/11 failed its first major test. We now have a far better understanding of why the system failed the people of the Gulf Region.

The excuse that we have heard from some government officials throughout this investigation has been that Katrina was an unforeseeable ultra-catastrophe. While Katrina was the worst natural disaster in our country in modern times, it had been anticipated for years and was specifically forecast for days. That justification misses the point that we need to be ready for the worst that nature or evil men can throw at us. Powerful though it was, the most extraordinary thing about Katrina was our lack of preparedness for a disaster so long predicted.

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In a report published in 1993, a year after Hurricane Andrew hit Florida, the GAO wrote that, and I quote, "the response to Hurricane Andrew raised doubts about whether FEMA is capable of responding to catastrophic disasters and whether it had learned any lessons" from previous disasters. One could simply substitute "Katrina" for "Andrew," and, unfortunately, it would be valid today.

Indeed, during the last half-century, the Federal Government has experimented with eight different emergency management structures, from the Housing and Home Finance Administration of the 1950s to the latest incarnation of FEMA within the Department of Homeland Security. Katrina revealed that this kaleidoscope of reorganizations has not improved our disaster management capability during these critical years.

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We know our goal. I look forward to the views our witnesses will offer today on how to achieve it. To that end, it is essential that we hear their views on such questions as:

How do we design a comprehensive emergency management structure that is focused on all-hazards mitigation, preparation, response, and recovery?

What role should the Federal Government play in ensuring that State and local governments are prepared to respond to disasters?

What is the best use of the Federal Government's resources when a disaster strikes?

What is the appropriate role for the Department of Defense in a domestic disaster?

What changes might be needed to the Stafford Act so that there are no statutory impediments to carrying out the preparedness and response functions, so that Federal actions can start well before State and local resources are overwhelmed?

What will be required to make the FEMA Director's position one that will be sought by experienced professional emergency managers?

And, central to the Committee's oversight responsibilities, what changes are needed so that DHS will become more effective in all stages of emergency management—prevention, preparedness, response, and recovery?

I am especially pleased to welcome our distinguished colleague, Senator Mikulski, to the Committee. Senator Mikulski is a dedicated advocate for reform of our emergency response system. Our other witnesses today also provide a wide range of expertise and experience that will help us craft a national emergency management system that will better serve the American people during disasters, whether acts of nature or terrorist attacks.

The hearings that the Committee has conducted form a solid foundation for the work that lies ahead. As we proceed, we would do well not just to bear in mind what we have heard in this room, but also to take to heart what many of us have seen in the ruins of the Gulf Coast of Mississippi or in the devastated neighborhoods of New Orleans. The suffering in those places is great, but the determination of the people there to rebuild is even greater. Our determination to build a truly effective national emergency management system must be just as strong.

Chairman COLLINS. Senator Lieberman.

OPENING STATEMENT OF SENATOR LIEBERMAN

Senator LIEBERMAN. Thanks very much, Madam Chairman. I join you in welcoming our dear friend, distinguished colleague Senator Mikulski, and the other witnesses.

After 21 hearings over the past 2 months and after hundreds of interviews conducted by our staffs and hundreds of thousands of documents, we are nearing the end of our investigation into one of the worst natural disasters in American history. A disaster whose effects and echoes will carry far into the future, making our work today that much more important.

I want to join in the thanks that you expressed at the beginning of your remarks, and I begin with you. This has been actually an extraordinary experience in my 18 years now in the Congress.

It has been a first-rate investigation. It has been nonpartisan. It has been professional. It has been thorough. And that all starts with the tone and substance that you have set as the Chairman of the Committee, and I can't thank you enough for that and the good working relationship that we have had. And I know that we are going to stick together to finish this work and make the soundest, most constructive recommendations that we possibly can.

I join you in thanking the other Members of the Committee, who have gone on this long march with us and contributed greatly, Members of both parties, to our work, and the staff. And I have to really say staff in the singular. One of the good aspects of this Committee is that we don't have a Democratic staff and a Republican staff. We have, in this investigation, a staff working together to find out the truth and to help us learn from it.

I thank them. Their work, like ours, is not done. As a matter of fact, they have a lot of work to do in putting together the enormous amount of information that this investigation has gathered and in helping us to express it in an informative and compelling way to our colleagues in the Senate and to people in the public generally.

So we are concentrating on writing that report to try to explain to the American people what went wrong in the run-up to Hurricane Katrina and to its aftermath. And our hope, of course, is that in telling that story with as unwavering a commitment to the truth as we can marshal, we will help people learn lessons—those in power and those who are not—so that from knowledge and information will come change.

It already has begun to happen in the Federal Government and the State and local as well. But just as importantly, we have a responsibility ourselves, having gone through this experience, to try to put forth our best ideas on what needs to be done to make sure that the next time—and there surely will be a next time—our government is better prepared to protect the American people.

Today, we are going to hear from Senator Mikulski and other witnesses who have been working to improve our Nation's preparedness for disasters, whether caused by terrorists or acts of nature, and they can help us enormously.

The fact is that the failures of government associated with Hurricane Katrina were overwhelming, and they occurred at all levels. That is clear from our investigation and I know is self-evident at this point to the American people. Government's response to Katrina was a national disgrace, and it has shaken the confidence

of the American people in their leaders' ability to protect them when they most need that protection.

However, out of this catastrophe, which has been followed, I am afraid, by a painfully slow and flawed recovery, we have a chance together to show the way to the creation of a new system of disaster preparedness, response, and recovery that learns from those agencies that worked very well, like the Weather Service and the Coast Guard, while reforming those that did not, like FEMA. That is our charge.

I thank the witnesses. I hope that they will be bold in the recommendations that they make to us because the consequences, as we have seen in Katrina, of a lack of adequate preparation are severe to literally hundreds of thousands of people and to a great region of our country and one of the great cities of our country.

And if we are not prepared to think boldly about how we can do better the next time, shame on us. So it is with that sense of high expectations that I look forward to this final, but very important, hearing in our Katrina investigation.

And again, Madam Chairman, I thank you for your leadership.

Chairman COLLINS. Thank you.

Senator Mikulski, we are delighted to have you with us today, and I would ask that you proceed with your statement.

TESTIMONY OF HON. BARBARA A. MIKULSKI,[1] A U.S. SENATOR FROM THE STATE OF MARYLAND

Senator MIKULSKI. Thank you very much, Chairman Collins and Ranking Member Lieberman. Thanks so much for inviting me to testify, and my kudos to the Committee.

First of all, wherever the word "reform" rings out within the Congress, it seems to come to Government Ops to do the jobs. And you have been leading the way, both you, Senator Collins, and your colleagues, whether it was intel reform. And then after that, I thought you were going to get a breather this summer. Then, of course, now the Katrina reform and lobbying reform.

This is obviously the reform committee and why I wanted to come and testify. You should be congratulated for the reputation the Committee has gained for its fairness, its thoroughness, its pragmatism, and also its collegiality and civility. Maybe if we all worked like this together, we would achieve reform.

So I contacted the Committee after Katrina in September to see if I could offer my services to the Committee because in the 1990s, early 1990s, I was the Chair of the VA/HUD and Independent Agencies Appropriations Subcommittee that funded FEMA. And to offer what we did in terms of reform because of Hurricanes Hugo and Andrew, to see what were the lessons learned, why did FEMA lose its way, and some observations.

In 1989, I became the Chairperson of the VA/HUD Subcommittee. FEMA was in the jurisdiction. Senator Garn, my wonderful colleague, was my ranking member. Well, what we found was that FEMA was a Cold War relic, and we went to work on a bipartisan basis, transforming it from a relic of the Cold War into a professional, prepared, all-hazards agency.

[1] The prepared statement of Senator Mikulski appears in the Appendix on page 59.

Coming back to Katrina, sure, Katrina was the storm we all feared. In the hours and days after Hurricane Katrina, like all of you, I watched in disbelief and absolute frustration. Why? At the Federal Government's befuddled and boondoggled response, blowing it.

The people of the Gulf Coast were doubly victimized—first, by the hurricane; second, by the slow and sluggish response of our government. And I thought, how like Hugo, how like Andrew. I didn't know about Betsy. So this, of course, has prompted reform.

Well, back in 1989, when we took a look at this, what did I see? What I found out, as I took over the chairmanship of that subcommittee was that FEMA was a Cold War agency. It focused only on worrying about if we were hit by a nuclear attack.

It was out of date. It was out of touch. It was riddled with political hacks. If you had to give somebody a favor job, whether it was at the Federal level or the State level, put them in civil defense. It was called "civil defense."

And many of us of my generation remember where we used to practice by hiding under those desks if war came. Well, that is the way the bureaucrats were. Any time there was a question, they hid under their desks. So we set about reform.

They were focused on something called "continuity of government." It was incompetent leadership, and they had ridiculous ideas. In the event of a nuclear war, stop first at the post office and leave your forwarding address to these three shelters. Oh, right. Absolutely. So you get a sense of what it was like.

But Senator Garn and I looked at it, and then what happened was Hurricane Hugo hit the Carolinas, particularly South Carolina. FEMA's response was very poor. The military had to come in to get the power back up in Charleston. The people went over a week without basic functions. Sound familiar?

Our former colleague Senator Hollings had to call the President's chief of staff, John Sununu, to get help and called the head of Joint Chiefs, then General Colin Powell, just to get generators from the Army.

And it was like the Keystone cops. "Are you in charge?" "No, I am not in charge." "Do you have the generators?" But they didn't ask. It was all of that. In the meantime, there was no water. There was no utilities in Charleston.

We began then to examine what steps we should take in reform. Along the way, we were hit by Andrew. Andrew was, again, the worst disaster. FEMA's response was so bad, and they were so inept, that President Bush sent in Andy Card, then his Secretary of Transportation, to take over.

I remember seeing a woman named Katie Hale saying, "Where in the hell is the cavalry? We need food. We need water. We need people."

So, having said all of that, it was very clear to Senator Garn and me that our job was to protect lives, protect people, and now, of course, protect the homeland. Working with Senator Garn, then with Senator Bond, we worked to change it. We commissioned three studies, and I would ask you to go take a look at them.

One was a GAO study. The other was the National Academy of Public Administration, and then FEMA's own IG—they do a spec-

tacular job, and I know you are going to hear from IG Skinner later. So we looked at all of this, and we wanted to be able to prevent, do what we could for prevention, and to do what we could to respond.

Our goals then, and they continue now, are these. And they will go to reform. We said, first of all, FEMA had to be professionalized. You need a professional director and a professional staff. That whoever runs FEMA has to have a background in crisis management, either to come from emergency response at the State level, the way James Lee Witt and Joe Allbaugh did, or to come from the military or the private sector, where they have done crisis management and know how to organize large numbers of people.

But not only professionalize Washington, but to insist that there be professionals at each State level. And I would emphasize reform must be also directed at the States because no matter how good James Lee was, no matter how dedicated Joe Allbaugh was, that if they didn't have the States functioning well, it wouldn't work.

And as we know, the genius of our system is that each State will have a different type of threat. The terrain is different. The threat is different. And they need to be ready. So the professionalization.

And the way was that each State submit a plan, and if you don't do the right plan and do tabletops, you are not going to get the money. And I think you have to have a muscular way of having State plans that are in place with professional people and where there are benchmarks for measurement and then use the ultimate withholding.

That is tough. But let me tell you, it worked. So that is why we go for the professionalization of FEMA.

The second was we focused on it being a risk-based agency. That means to be prepared for any risk that Americans are most likely to face. Because we thought then that the threat of the Cold War was coming to an end. The wall was coming down in Berlin, but the wall wasn't coming down in the Federal bureaucracy.

So we said what are the risks? Well, threats were natural disasters. In our State, and we are coastal senators—I share a coastline with my colleague from Delaware—we are threatened by hurricanes. As soon as June comes, we are on our hurricane readiness thing.

So regardless of what the threat is, and now it is even more important because whether it is an earthquake in California, a tornado in the Midwest, or, of course, the terrorist attack.

Third, to be ready for all hazards. And again, it is the States that we get ready, with Washington offering command and control and the ultimate back-up of send in the cavalry should the States collapse. All hazards means to be prepared, like when we had a fire in the Baltimore tunnel that we didn't know was predatory or not. A hazardous chemical spill. A hurricane. A tornado. Or even a dirty bomb.

If we practice the three Rs of readiness, meaning that if we are ready, and we are ready at the State level, then we can respond where the threat occurs, and then you have the infrastructure ready for recovery.

We were able to put the State plans, professionalize the agency, in place. What was never really ultimately addressed, though, was

the Federal back-up if there is a complete collapse. That is something that I believe needs to be very carefully examined because of two things.

First, I recall Governor Chiles of Florida when Andrew hit. He said, "We need NASA satellites to tell me what my coastline looks like. We can't even call the first responders. The firehouses are under water." And you know all of the great tragedies that you heard.

There does come a time when there is only the Federal Government that can bring in under some kind of doctrine of mutual aid, really come in, and provide the resources necessary. We lost cities. We had never lost an entire city, except back to Betsy. That has to be dealt with.

The other was the role of the Vice President, and our earlier recommendation was that the Vice President always backed the President up. But when a big disaster, like "the big one's hit," that the Vice President move to the Situation Room and really take charge to be ensured that the governors can handle the job, that the governors next to the States affected can provide mutual aid, and so on.

Because it also is an appropriate role for the Vice President. Should the President be out of the country, the Vice President would be prepared. And also should the Vice President ever have to take over for any reason, the Vice President would know the complete working of the FEMA disaster plans and how it should work.

There are those other questions, too, of legal authority, when the government takes over. So our three Rs have to be readiness, response, and recovery. To do that, we have to have professionalization, risk based, all hazards.

Hurricanes are predictable. Terrorist attacks are not. And we have to be ready. And Madam Chairman and colleagues, I am concerned that whether it is avian flu, whether it is another hurricane—getting ready for the season—or something else, we don't know the question "who is in charge?" That question has never been answered. Who manages the disaster? And most of all, who manages the panic around that, and who speaks?

Your HELP Committee members have just done a tabletop on bioterrorism. It is the same. So I believe, first, maybe FEMA ought to be an independent agency. Take a look at that. Second, maybe we need a disaster response agency which handles this. But I also think that we need to take a look at what would be our response and how we would handle these others.

Like avian flu, are we going to call FEMA in? Is FEMA going to be avian flu? I don't know, if we have to respond. I don't think so. I would hope not.

But should we have a new framework for that? What are the legal authorities? Can a President supersede a governor, if necessary? These are the big questions. But I believe we can create the right infrastructure. We can be ready for the natural disasters and so on.

I am going to conclude by saying when we work together—I don't mean just us—it really works. We know how we have worked with Delaware.

Just the other night, there was a terrible accident in a factory in West Virginia. The closest search and rescue team with helicopters was Maryland with our State police. But because they had worked together, because they had trained together, because they knew each other, they talked to each other, trusted each other, my wonderful Maryland State troopers were able to go fly that 90 miles.

The Coast Guard was too far away. This is up near our Appalachian region. And in pitch blackness, with power lines around them when they couldn't see, they went down and were able to rescue two. And for the third, they weren't sure whether he was going to get into the little basket that they have. But they stayed to make sure they were going to leave no one behind.

Our State troopers did it, but they did it because they were professional. They were trained. They had worked together. They had trusted. That is what they did.

That terrible night in West Virginia 48 hours ago should be a model of what we need. Let us work together, train together, and trust each other.

Thank you very much. And I hope this has been useful.

Chairman COLLINS. Thank you very much for your excellent testimony. It was, indeed, very useful, and we very much appreciate your sharing your experiences with us.

I know you are on a tight schedule. So I am happy to dispense with any questions, unless any of my colleagues have a question?

OPENING STATEMENT OF SENATOR LAUTENBERG

Senator LAUTENBERG. Just a quick statement. How refreshing it is to hear from someone who is not afraid to call a spade a shovel and whatever other language is suitable for the moment.

But Senator Mikulski and I have served together for almost 20 years, and she is always there in a leadership mode describing reality of what has to be done. She is more than "woe unto us," and I thank Senator Mikulski for the respect that she brings to the Senate and for the affection in which we all hold her because of her thoughts and her words. Thank you.

Senator MIKULSKI. Thank you, Senator Lautenberg.

I am in this for the long haul. So as you look at your reform, through our conversations together, please count on me to be available for discussion, conversation, and to move a reform package.

Thank you very much, and good luck with your work.

Chairman COLLINS. Thank you.

I would now like to welcome our second panel of witnesses. David Walker began his 15-year term as Comptroller General of the United States in 1998. As Comptroller General, Mr. Walker is the Nation's chief accountability officer and the head of the U.S. Government Accountability Office.

Richard Skinner is the Inspector General of the Department of Homeland Security and has been with the DHS IG office since it was established in 2003. Previously, and this is very helpful to our deliberations, he served in the FEMA IG office from 1991 to 2003.

Because we are doing an ongoing investigation, we are swearing in our witnesses. So I will ask that you please rise.

Do you swear that the testimony you are about to give to the Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

The WITNESSES. I do.

Chairman COLLINS. Thank you. Mr. Walker, we will begin with you.

TESTIMONY OF THE HON. DAVID M. WALKER,[1] COMPTROLLER GENERAL OF THE UNITED STATES, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. WALKER. Chairman Collins, Senator Lieberman, other Senators, it is a pleasure to be back before you this time to speak on GAO's preliminary observations regarding preparedness, response, and recovery issues dealing with Hurricane Katrina.

As has been mentioned by the Chairman, GAO has been in this business for many years. Unfortunately, as Yogi Berra said, it's "Deja vu all over again," in certain regards.

It is important to note that we have done a tremendous amount of past work. We also have over 40 engagements under way right now. We have interviewed numerous people and looked at thousands of documents. I, myself, have had the opportunity not only to go to the region, but also to speak with all of the governors, with Mayor Nagin, and with the key responsible Federal officials in order to try to help provide you some of our insights as to what we have found to date.

At the outset, as the Chairman mentioned, Katrina was of unprecedented size, scope, and magnitude, at least with regard to recent history for natural disasters in the United States. I might also note that a year ago, I had the opportunity to go to Indonesia and to view firsthand the devastation in Banda Aceh due to the tsunami, and Southern Mississippi looked very much like Banda Aceh. But for the twice flooding of New Orleans, I think the headlines would be about Southern Mississippi. Nonetheless, we are where we are.

It is clear that due to the size, scope, and magnitude of Hurricane Katrina, that Federal, State, and local capabilities were overwhelmed. At the same point in time, we should have done better, and we should have learned from lessons past. Unfortunately, many of the recommendations the GAO made back in 1993 in the aftermath of Hurricane Andrew had not been adopted at the time that Hurricane Katrina hit.

We found that there are four key lessons at this stage that need to be learned. I would respectfully request, Madam Chairman, that we include my full statement in the record. There are numerous observations and recommendations contained therein, and I will move to summarize them.

First, leadership. Who is in charge? Who is responsible for what? There is a clear need to better define and communicate key leadership roles along with the related responsibilities and authorities, especially in connection with catastrophic events. I would respectfully suggest that putting aside the acronyms that proliferate in

[1] The prepared statement of Mr. Walker appears in the Appendix on page 62.

Washington, that there are at least three key roles that must exist when you are dealing with a catastrophic event.

First, you need at least one Level 1, or Cabinet level, official, possibly even the Vice President, who would be designated by the President of the United States to be his or her point person. This person would look from the strategic perspective and coordinate the overall Federal response. This person would work with Cabinet-level officials here in Washington, along with governors, mayors, and other key officials to make sure that the Federal Government did its part in connection with catastrophic events.

If they are not at least Level 1, I would respectfully suggest they are not in a position to be successful. Because no matter how capable the person might be, level matters in this town, unfortunately, especially with regard to certain departments and agencies like the Department of Defense. Hierarchy is real.

There needs to be a person who has overall responsibility and is deployed on the front line in the region to coordinate the overall operational activities of the Federal Government across geopolitical subdivisions, which, in this particular case, there were two States that were primarily affected, and four total States that were directly affected by the disaster. Many others were also affected later in dealing with those individuals who were displaced.

Finally, we obviously need contracting officials in each of the respective geopolitical subdivisions to coordinate Federal contracting activities. So leadership is key.

Second, the National Response Plan must be clarified. Inconsistencies must be addressed. And common sense must be applied. In particular with regard to the Catastrophic Annex, the idea that we would be less proactive in dealing with a known natural disaster just defies common sense. We must be proactive as soon as we can be, and therefore, it is important that situations like known Category 4 and 5 hurricanes be handled quickly and in advance of the actual catastrophic event taking place.

I, myself, have been through a Category 4 hurricane. So I know what they are all about. The National Weather Service, in this particular case, did their job and provided adequate warning. Unfortunately, the government didn't act quickly enough to respond to those warnings.

Third, there must be additional planning and robust training and exercise programs involving the total force. The total force is Federal, State, local, military, and civilian as well as not-for-profit and, in some case, private sector for-profit entities because, let's faceit, they have resources and capabilities that, in some cases, were mobilized in Katrina and could be mobilized to a greater extent in the future. Logistical capabilities and other types of assets that are needed in the aftermath of an event.

Finally, we must strengthen our response and recovery capabilities. We must be more adequately resourced. We should consider pre-contracting arrangements negotiated not when we face an imminent crisis and have to buy things, but we should pre-contract and issue task orders in the event a catastrophe occurs.

We should also employ pre-positioning strategies to a greater extent than we did in this case. If the military can do it to deal with military contingencies around the world, why can't we do it to deal

with natural disasters domestically? We should be pre-positioning to a greater extent than we have.

We also must move beyond business as usual, bureaucratic approaches in the aftermath of a disaster. There were too many circumstances that I saw where people were trying to, "Well, this regulation says you have got to do this" before you can enter this building or before you can end up positioning something in a particular location.

When we have a catastrophe, this is not a business as usual approach. Some of these changes may require legislation in order to allow agencies to otherwise override established regulations on a temporary basis in situations where certain provisions may make imminent good sense under normal circumstances. In the event of a catastrophe, we need to do things differently.

A few sum-up comments. Risk management is of critical importance. We must employ a threat and risk-based approach to our actions and better target the limited resources that the government has. This government ran a $760 billion deficit on an accrual basis last year, an all-time record in the history of the United States. We need to employ more threat and risk-based approaches to our resource allocation decisions in order to get the most return on investment with whatever resources we have.

There is some controversy about whether or not FEMA should continue to be in DHS or whether it should be spun out. There are pros and cons to that. But I would respectfully suggest that the quality and capabilities of FEMA's leadership—and that is more than one person, I might add—as well as the adequacy of FEMA's resources will probably have more to do with their ultimate success than whether or not they are in the Department of Homeland Security.

Let us keep in mind that the Coast Guard is part of the Department of Homeland Security. Therefore, merely because one is or is not in the Department of Homeland Security is not, in and of itself, dispositive.

Last, the rebuilding efforts are going to take a long time, and we are off to a slow start. But the State and local governments have the primary responsibility for pulling together a plan. At the same point in time, the Federal Government clearly has a vested interest because we know that the Federal taxpayers are going to be asked to contribute significantly to this overall effort.

In that regard, it is very important that the State and local governments work together to develop a comprehensive and integrated plan that can be presented to the Federal Government to determine its appropriate role. It is important that we start talking about what should be rebuilt, where, when, and based upon what standards? Who is going to pay for what and based on what conditions? What type of oversight will be in place in order to make sure that the taxpayers get value for money and to minimize the possibility of fraud, waste, abuse, and mismanagement?

These are just a few of the key issues that are contained in my fairly extensive written statement, and I really do appreciate the opportunity to be here. I would like to commend this Committee for the work that you have done. There is not enough oversight and

investigation being done, but this Committee is clearly leading by example, and I would like to commend all of you for that.

Thank you.

Chairman COLLINS. Thank you. Mr. Skinner.

TESTIMONY OF RICHARD L. SKINNER,[1] INSPECTOR GENERAL, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. SKINNER. Madam Chairman, Ranking Member Lieberman, Members of the Committee, thank you for having me back here again today.

It is my hope that lessons learned from the response to Hurricane Katrina will form the foundation for critical improvements necessary for the Nation to prepare for and respond to any disaster, natural or man-made.

As far back as 1992, when Hurricane Andrew devastated Southern Florida, my office has completed a number of reviews related to FEMA preparedness and response operations. These reviews identified serious deficiencies in FEMA's disaster preparedness and response programs. Yet today, many of these weaknesses still have not been adequately addressed, which, in my opinion, contributed to many of the problems that we experienced after Hurricane Katrina.

Today, I would like to focus my remarks on five of these problems where I believe improvements are needed immediately. First, the Department needs to clarify, better define, train, and exercise disaster responders at all levels of government on protocols and operational use of the National Incident Management System (NIMS) and the National Response Plan.

Both NIMS and the National Response Plan are watershed planning concepts that restructure how Federal, State, and local emergency responders conduct disaster response and recovery activities. They had been exercised only once when Katrina struck, and the flaws that had been identified during that exercise were still unresolved.

For example, with regard to the National Response Plan, the use of incident designations, the role of the principal Federal official, and responsibilities of emergency support coordinators were not always well understood, causing confusion on the ground, which, in turn, impeded FEMA's initial response efforts.

Under NIMS, the response demonstrated some positive features of the incident command structure, particularly in Alabama and Mississippi. Louisiana, on the other hand, had difficulty fully implementing an incident command structure with Federal, State, and local officials. Needless to say, the limited incident command structure in Louisiana significantly undercut response efforts at all levels of government.

Many of the command and control problems that existed during Hurricane Andrew more than 13 years ago were the result of inadequate pre-disaster planning, training, and exercising of large-scale catastrophic type disasters. Unfortunately, the same could be said of Hurricane Katrina.

[1] The prepared statement of Mr. Skinner appears in the Appendix on page 110.

Second, top officials of other Federal agencies need to be more actively involved in the planning, training, and exercises of their respective agency's disaster response plans. And DHS needs to do a better job of partnering with their Federal counterparts to ensure the efficient and effective delivery of disaster aid. We should not be creating protocols for NIMS or taking crash courses on the contents of the National Response Plan in the heat of the battle.

The Department's most recent TOPOFF exercise, conducted in April 2005, highlighted a fundamental lack of understanding at all levels of government regarding the principles and protocols set forth in the National Response Plan and NIMS. Guidance and procedures defining how each function interrelates with one another were absent.

DHS needs to develop operating procedures under both NIMS and the National Response Plan, and it needs to offer training on those procedures to all levels of government, including DOD.

DOD participation is essential so that it may solidify its role and responsibilities under the National Response Plan to facilitate an enhanced understanding among the Federal, State, local, and nonprofit organizations that participate after a disaster. They must have a clear understanding what DOD's role is.

It is imperative that every Federal agency, not just DHS and FEMA, maintain a readiness posture consistent with their responsibilities under the National Response Plan. That does not exist today.

Furthermore, to effectively address disaster response, recovery, and oversight, Federal interagency data sharing and collaboration are a must. However, data sharing arrangements between FEMA and other Federal agencies to safeguard against fraud and promote the delivery of disaster assistance are not in place.

Critical tasks, from locating missing children and registered sex offenders to detecting duplicate payments and fraudulent applications, have all been hindered because mechanisms and agreements to foster interagency collaboration do not exist.

For example, we believe that pre-existing data sharing requirements or arrangements with the Social Security Administration to verify an applicant's Social Security number or the Postal Service to verify an applicant's address or residence, especially if the data can be shared in real time or on a real-time basis, would not only facilitate the delivery of assistance to disaster victims, but also it would be a major factor in preventing fraud, waste, and abuse in FEMA's disaster relief programs.

Third, to effectively support requests for assistance and carry out its logistics mission, FEMA needs to incorporate asset visibility, automation, and standardization into its resource ordering process. FEMA is responsible for supplying commodities, equipment, personnel, and other resources to support emergency or disaster response efforts of affected States or localities. Therefore, FEMA's ability to track resources is key to fulfilling its mission.

In response to Hurricane Katrina, Federal, State, and local officials continually expressed frustration with the lack of asset visibility in the logistics process.

Officials indicated that they had ordered water, ice, and meals-ready-to-eat in quantities far greater than what was actually deliv-

ered. Yet when they attempted to determine where additional quantities were in the delivery process, they were told the commodities were simply in the pipeline.

According to FEMA field officials, on average, Mississippi received less than 50 percent of the commodities that it had requested between August 27 and September 5, 2005.

Similarly, during the 2004 hurricane season, when four hurricanes struck the State of Florida, when asked about the delivery status of requested ice and water, Federal logistics personnel told us they could only tell State officials and local officials that commodities were en route. In essence, they had no idea where the commodities were or when they would be delivered, only that they had been ordered.

In a recent OIG report dated September 2005, we point out that FEMA's inventory management system provides no means to track essential commodities, such as ice and water. As a result, FEMA cannot readily determine its effectiveness in achieving specific disaster response goals and whether or not there is a need to improve.

Fourth, FEMA needs to establish a common information management system to collect, consolidate, and publish disaster-related facts that can be used to ensure that critical needs are identified and met. Because it did not have a common information management system, FEMA had difficulty obtaining, verifying, and reporting basic disaster information during Hurricane Katrina, such as the levees breaches, the spontaneous sheltering of victims in the New Orleans Convention Center, the status of commodity deliveries, and the number of victims in shelters.

Unreliable information and conflicting reports directly impacted the speed of the response and constrained the information that could be provided to disaster victims, the public, and the media. This problem is similar to the one that FEMA's OIG made in January 1993, just after Hurricane Andrew, when it recommended that FEMA develop an online information system to consolidate disaster information.

Also, in April 2005, during the TOPOFF 3 exercise, DHS had difficulties in compiling and analyzing disaster information. And again, we recommended that DHS develop such a system. Information management is a recurring problem that requires long-term solutions.

Another widely reported communication problem during Hurricane Katrina was the operability of telecommunications equipment. Others have testified before this Committee about the effects that Hurricane Katrina had on telecommunications lines, towers, antennas, and call centers.

We support the recommendations by the White House task force to improve the planning and strategy for communication restoration and to develop a deployable communication capability within DHS. We also support strengthening FEMA's mobile emergency response support teams to surge for catastrophic disasters.

However, when we look at communications operability, we need also to remember the issue of communications interoperability. During Hurricane Katrina, the need for interoperable communications equipment was overshadowed by basic operability. There just was no communications. All lines were down.

Nevertheless, the lack of interoperability also hindered disaster response efforts, particularly with regard to search and rescue and law enforcement missions. As we learned after the September 11 terrorist attacks, the inability of first responders to communicate across disciplines and jurisdictions can lead to the tragic loss of life.

Fifth, FEMA needs to do a better job of engaging or partnering with the national media in getting critical and potentially life-saving and life-sustaining information to victims in the affected area and to victims dispersed across the country. FEMA must work aggressively in partnership with the media to provide accurate and timely information to the public about the status of the disaster relief operations.

A combination of problems—poor communications systems, conflicting situation reports, inadequate staffing, organizational confusion between the role of FEMA's Office of External Affairs, in the Department's Office of Public Affairs and a lack of coordination with Louisiana—all created a situation where FEMA's media affairs efforts were not as effective as it could have been. This, in turn, inhibited FEMA's ability to be proactive in its messaging, undermined public confidence in FEMA's operations, and diverted media attention from FEMA's victim assistance programs.

Finally, I would like to comment briefly on the recommendations made in the White House report on Hurricane Katrina. The report identifies deficiencies in the Federal Government's response and presents lessons learned and recommendations for corrective action. All in all, we agree with and endorse the 17 critical challenges in the report.

However, we have serious reservations with two of the report's recommendations affecting human services and housing. According to the report, the Department of Health and Human Services would take the lead for developing and coordinating a system to deliver human services and the Department of Housing and Urban Development would take the lead for the provision of temporary and long-term housing of evacuees.

In my opinion, these recommendations, as proposed, may create a greater bifurcation in the timely and consistent provision of assistance to victims of disasters than currently exist. I believe that FEMA is best positioned to coordinate with Federal, State, and local governments, as well with nongovernmental organizations, to assist victims as they seek disaster assistance in transition from shelters to more temporary and longer term housing.

FEMA has long-standing and established relationships, well over 30 years, with other Federal agencies, States and locals, and voluntary organizations to provide disaster assistance. Transferring these responsibilities to other Federal entities with little or no experience in coordinating government-wide disaster relief operations could hinder rather than help victims with their post disaster needs.

Rather than redefining FEMA's role as only responsible for mass care and sheltering, I believe more attention and resources need to be focused on FEMA's coordination with its emergency management partners and its case management activities to facilitate and expedite disaster victims' recovery.

I would like to make one last point before I close. The many recent reports and deliberations dealing with Hurricane Katrina have not included discussions about the importance of and need for improved disaster mitigation efforts. This element is critical as reconstruction efforts begin in the Gulf region.

Mitigation eliminates or lessens the likelihood that a disaster can cause loss of life or serious property damage. Elevating homes in flood plains, building structures that can withstand hurricane-force winds, and restricting construction along the coastline are just a few examples of mitigation activities. Mitigation was a top priority for FEMA in the 1990s and resulted in measurable savings.

As we implement the recommendations for improving the Nation's disaster preparedness, response, and recovery capability, we must not overlook the importance that sound mitigation projects and strategies can have on our national emergency management system.

Madam Chairman, that concludes my remarks. I would be happy to answer any questions you or the Committee may have.

Chairman COLLINS. Thank you both very much for your excellent testimony.

Mr. Walker, I think you hit upon an absolutely key point in your testimony. Our investigation has clearly demonstrated that Katrina is all about a failure of leadership. A failure of leadership at all levels of government.

And I think those who believe that the answer to the problems of Katrina is to simply transfer FEMA out of the Department of Homeland Security have missed the point that if you still have poor leadership and inadequate resources, you are going to have the same results.

And I think your suggestions for a Level 1 official, for a person with overall responsibility to be deployed to the front line, hits on problems that occurred that would not be remedied by simply moving FEMA out of the Department.

Mr. Skinner, you have been in an unusual situation because you have been with FEMA when it was a separate agency, and you are now IG of the overall Department containing FEMA. So I want to get your thoughts on this issue as well.

One of my concerns is that if we move FEMA out of the Department of Homeland Security, we will be getting away from an all-hazards approach and that DHS will end up having to duplicate within the Department many of the same capabilities that FEMA would be providing for natural disasters outside of the Department. But could you give the Committee your assessment of this issue?

Mr. SKINNER. Yes, you are absolutely right. What we would be doing, in essence, is stovepiping our preparedness capability.

There is a certain synergy that the Department brings to a disaster by having FEMA, Preparedness, CBP, ICE, and other functions within the Department, that is, all of these functions can be brought to bear under the leadership of the Department of Homeland Security. By taking FEMA out, we would lose a lot of that synergy that the Department can bring to bear.

One point I would like to make, my experience when I was with FEMA: The problems that we experienced in Katrina are the same

problems that we experienced when it was a standalone agency. They have been magnified now, only because of the magnitude of Katrina.

Transferring FEMA out of the Department, in my opinion, would be a major mistake. We are simply transferring the problem. We need to address the problems that put us in this position where we failed in our response after Katrina.

We definitely need, as Mr. Walker said, leadership. Over half of the leadership positions in FEMA right now are vacant, are being filled with acting positions. Over the years—and FEMA knew this—in the 1990s, there was a tremendous attrition, a loss of personnel, of key assets because of retirements that occurred between 1995 and 2005.

We never prepared ourselves to replace that expertise. So, whether FEMA is outside of the Department or inside of the Department, that is still going to be a challenge that we need to deal with.

The issue of preparedness is something else I would like to comment on. After Hurricane Katrina, we did a tremendous job of improving our capabilities through our preparedness activities. We developed a Federal Response Plan. We developed a property management system. We developed a disaster information management system. But they all had their individual flaws. We never did perfect them.

Chairman COLLINS. You didn't mean after Katrina, I don't think?

Mr. SKINNER. I am sorry. After Andrew in 2003.

Chairman COLLINS. Thank you.

Mr. SKINNER. We made tremendous progress. Then in the late 1990s, we started to focus on mitigation so that we can prevent disasters from having a major impact. With regard to preparedness for a catastrophic disaster, that is something we never did do.

Our bar was set at the Andrew level. It was never set for anything higher than that. I would suggest that if Katrina hit 7 years ago, 8 years ago, when FEMA was a standalone agency, we would have failed just as miserably as we did today. We simply were not prepared at that level. We have not invested in catastrophic preparedness with the resources, the finances, the training, and the exercises.

And to compound matters, we changed our Federal Response Plan to a National Response Plan, and we changed our incident command structure to the National Incident Management System, which had never been fully exercised. Also, we never trained our State and local partners or our Federal partners. This compounded the issue.

Chairman COLLINS. That is a great segue to an issue that I want to ask Mr. Walker about. One of the issues that I think emergency managers at all levels of government are struggling with is how to define the Federal role versus the State role versus the local role? And what do we do when there is a mega disaster such as Katrina?

As you know and as Mr. Skinner just said, the Department of Homeland Security never completed its planning for a catastrophe that overwhelmed State and local governments. How do we better define the roles of the players at all levels of government, and what specifically should we do differently to accelerate Federal assist-

ance when there is a catastrophe that overwhelms the State and local level?

Mr. WALKER. Madam Chairman, a vast majority of natural disasters don't fall into the catastrophic category. Therefore, in most circumstances, I think you will find that agencies, whether they be State, local, or Federal, will not be overwhelmed. However, we have to be prepared for these catastrophic events.

Based upon our work and based upon my personal conversations with the governors and the other officials, I think there is a clear feeling that State and local officials should be primarily responsible for dealing with natural disasters. However, with regard to large, especially catastrophic events such as Katrina, the Federal Government must be prepared in advance, not after the fact, to provide support and capabilities necessary to supplement what State and local agencies might otherwise have available to them.

I think one of the other things that we need to do is that when we are learning the lessons of Katrina, and we are finalizing and revising the National Response Plan and other types of operational documents to try to make that a reality, we need to provide more clarity as to who is going to be responsible and accountable for what.

We also need to link resource allocations to whether or not people actually have done what they need to do in accordance with the overall plan. One of the things that we can leverage to a greater extent is that if the Federal Government is going to provide assistance through grants or whatever, we make sure that certain conditions are met as a condition of receiving those funds.

I will give you one example that deals with the recovery that is timely. State and local officials need to take the lead on determining what is going to be rebuilt, based on what standards in what locations. They are, however, looking for assistance from the Federal Government.

But before significant funds flow, there needs to be a plan that the Federal Government can buy into. We should also condition some of our support based upon having that plan in place to provide incentives for people to do what otherwise needs to be done and appropriate accountability if they don't.

Chairman COLLINS. Thank you. Senator Lieberman.

Senator LIEBERMAN. Thanks very much, Madam Chairman.

Thanks, Mr. Walker and Mr. Skinner, for very helpful testimony.

I said in my opening statement that the government's response to Katrina was a national disgrace. But it is one that, hopefully, we can learn from. And it seems to me in your testimony and the exchange you have had with Senator Collins encourages me to believe that, generally speaking, we might explain the disgrace, the failures, in four categories.

One was the enormity of the storm, of Katrina. The second was a failure of leadership. The third was a failure of organization on its various forms. And then the fourth was an inadequacy of resources. There may be others. And of course, a failure to prepare can come under all of those, inadequate organization, bad leadership, etc.

On the first, I just want to say, which is the enormity of Hurricane Katrina, it was beyond what might be called the normal dis-

aster. It was a catastrophe. We hope and believe that natural disasters of that immensity will not happen too frequently.

But the sad and painful and real fact is that we live in an age of terrorism, and there are many terrorist attack scenarios on the United States that are catastrophic. And of course, the difference is that in most cases, particularly if our intelligence does not discover the plans in any sense before they are carried out, there is no warning.

We had the National Weather Service warning us clearly here. History warned about this particular catastrophe. So we said here in this Committee room, in one of the earlier hearings, somebody said if terrorists had planted bombs at the levees around New Orleans and they had blown up the levees, the effects would have been relatively comparable.

So we are living in an age, I want to say first, where we have to be ready to respond to catastrophes, and that generally means the Federal Government. You are absolutely right. But I want to set that aside and come back to it.

If we are talking about a failure of leadership, a failure of organization, a failure of resources, as you have looked at it, I suppose we would all say there were failures in all three of those areas that caused the disgrace that was the government's response to Katrina. But if you had to prioritize it, what would you say was the most consequential cause of the disastrous response to this disaster—bad leadership, bad organization, or inadequate resources?

And I ask that question because it may help us to shape our response to what we should do to make sure that the next time there is not such a disgrace. Mr. Walker, do you want to try that one first?

Mr. WALKER. It is tough to say which was the most significant. Let me say this. The thing that was the most shocking to me was the fact that for a type of natural disaster where we had advance warning, such as a Category 4 or 5 hurricane, that we were somehow saying that since that was a known potential catastrophic event, that we would not be leaning forward and being as proactive as otherwise we might be in some other circumstance.

Senator LIEBERMAN. We agree. I mean, as the testimony we heard went on and on, that was probably the point of greatest frustration to anger because the warnings were clear and explicit.

Mr. WALKER. So my view is that was probably No. 1. The fact that we had a situation that we knew. It wasn't a matter of if it was going to hit, it was only a matter of where and when it was going to it. And yet we were not nearly as proactive as we should have been.

Senator LIEBERMAN. If I may put that into my categories, you correct me if you think I am wrong, that sounds to me like a failure of leadership?

Mr. WALKER. It clearly has to do with leadership, I agree. But it also has to do with the National Response Plan, which was my second category. The National Response Plan, this was the first time it had ever been tested.

The Catastrophic Annex, there are still people debating whether or not the Catastrophic Annex was supposed to cover this type of

event. I would argue whether it was supposed to or not, it should have.

Senator LIEBERMAN. Right.

Mr. WALKER. Common sense says that when you have more advance notice, you should be doing more sooner than otherwise you would do if you didn't have advance notice. So I would say leadership is an issue, but also the fact that we need to be leaning forward with regard to these types of activities to much greater extent.

With regard to leadership, I would reinforce that different types and levels of leadership are necessary. In this particular case, in my view, based upon what I have seen, we did not have the Level 1 or higher strategic leadership that needed to be in place here.

What happened was when the President called the Department of Homeland Security and designated the Secretary, the Secretary then delegated that responsibility to the FEMA director. The difficulty with that is it probably would have overwhelmed anybody in this circumstance. But the strategic type of activities need to be done by no lower than a Level 1 official.

Senator LIEBERMAN. So, in this case, it should have been Secretary Chertoff?

Mr. WALKER. Presumably, it would have been Secretary Chertoff.

Senator LIEBERMAN. Designated by the President under executive order and implicitly by the Homeland Security Act as the key official to coordinate the Federal response to a disaster?

Mr. WALKER. Especially when dealing with agencies like the Department of Defense.

Senator LIEBERMAN. Right.

Mr. WALKER. You need to have a Level 1 official dealing with their peers in providing a strategic and integrated approach to meet the needs on the ground in the affected areas.

Senator LIEBERMAN. Let me go to Mr. Skinner because I have just got a couple of minutes. In addition to answering that question, let me pose one other to you.

The need for the Federal Government to respond to a catastrophe is a very difficult need to organize to meet, and I want to ask you to talk about that a little bit. In other words, it requires a lot of standby. You can't, on one model, be staffed up fully in FEMA or DHS to deal with a catastrophe because, thank God, catastrophes don't come that often.

And I wanted to ask you if you have any thoughts about how we should handle that. Is it just a question of preparing, training, exercising to bring a lot of different Federal resources, not ones that are directly in FEMA, but DOD, National Guard, Coast Guard, all of DHS, into the field at a moment of a catastrophe?

Is there some other—for instance, somebody suggested to me the other day that maybe we would want to create a kind of "homeland security guard" that trains on weekends and is ready to be summoned to a catastrophe. Maybe the National Guard should have a division that would be focused just on that.

What thoughts do you have both about the first question and then about the one I have just asked?

Mr. SKINNER. That is the beauty of the NIMS, the National Incident Management System and the National Response Plan. It is

very flexible in that we can grow it or we could shrink it, depending on what our requirements are.

The important thing that we need to do is to be able to identify what all of our assets are. What can we bring to bear, depending on the nature of the event, whether it is a terrorist event, whether it is Katrina, or whether it is simply a flooding event in West Virginia. What resources can we tap into?

They don't all have to be Federal resources. We could have prepresribed contracts.

Senator LIEBERMAN. Right.

Mr. SKINNER. What I refer to as "call contracts." There is no liability to the government until we make the phone call and order something. Those should be in place. We need to define what types of contracts we need, what types of resources we will need from those contractors, and what type of commodities they can make available to us.

Right now, we do not have a complete inventory in the Federal Government or in the private sector as to what resources we can bring to bear to different situations. That is very important.

Exercising is very important. Training is very important. And it is just not exercising and training at the local level or at the lowest level possible. We need to get top officials within the Federal Government involed. When Secretary Chertoff makes a phone call to Secretary Rumsfeld, he has to understand and his chain of command has to understand how they can bring DOD assets to bear.

Or if we contact the Department of Transportation, they should not be learning on the job. A lot of that has happened during Katrina. We also experienced that also in our TOPOFF exercises, that is, top officials, those that can make decisions, were not full, active partners or participants in those exercises. So, therefore, they were learning the ropes in the heat of battle.

Senator LIEBERMAN. OK. That is a very important and helpful answer that there ought to be a lot of pre-catastrophe arrangements with other agencies of the Federal Government to spring into action and contracts with private sector service providers to also spring into action.

Incidentally, one change that in organization that has been talked about in response to Katrina is to move FEMA out of DHS. I agree with Chairman Collins and, I gather, the two of you that this makes no sense at all. There is a synergy in DHS. Why would you want to take FEMA away from the Coast Guard and all of the other agencies that can be helpful under the leadership of the Secretary in responding to a disaster, natural or terrorist?

So I appreciate your statements, and I agree with them. Thank you.

Mr. WALKER. If I may, Madam Chairman?

Chairman COLLINS. Yes.

Mr. WALKER. With regard to leadership and FEMA, I think one of the things that needs to be considered—not just for FEMA, but for selected other positions in government—is depending upon the nature of the position and depending upon the mission of the agency, we may want to have a PAS appointee in the position, but we may want to have statutory——

Senator LIEBERMAN. Define PAS for us.

Mr. WALKER. Presidential appointee with Senate confirmation. I apologize. I said don't use acronyms, and I used one. I apologize.

You may want to have a PAS person heading FEMA, but you may want to consider statutory qualification requirements that an individual might have to meet. Second, you may want to consider a term appointment such that you have a pro who is going to be there as long as they do a good job for a reasonable period of time.

I think this is a concept that we ought to be considering in government to a greater extent for positions that we want professionals to do who are politically acceptable, but who are first a professional rather than a politico.

Chairman COLLINS. Thank you.

Mr. WALKER. I am not talking about any particular individual. I don't want to personalize any of this.

Senator LIEBERMAN. We all agree that this model has worked in the case of the comptroller general. [Laughter.]

Mr. WALKER. Thank you, Senator. I appreciate that endorsement.

Chairman COLLINS. Senator Coleman.

OPENING STATEMENT OF SENATOR COLEMAN

Senator COLEMAN. Thank you, Madam Chair.

It has been fabulous testimony. My only comment to the last comment of Mr. Walker is that I think you have got to be careful. Rudy Giuliani may not have passed the qualifications test, but what about his leadership? And so, sometimes we channel ourselves in ways that say we want clearly at some level the folks in there who have the specific background. We have got to be very careful. There was a failure of leadership.

And as I said, I use the mayor as an example. He did a heck of a job in responding to crisis. Didn't have a lot of emergency management background, but he had good leadership. I think we have to be careful about that.

Mr. Skinner, you talked about things in the pipeline, en route. And one of the things that frustrates me a little bit is we, as consumers, when we buy something—I bought a pair of shoes at a store at the airport the other day, and I wanted to find out where they were, and it took me one phone call.

FedEx can tell you exactly where things are. UPS can tell you where things are. Well, the Federal Government has greater resources than FedEx and UPS, and our consumer experience tells us that there is an expectation that, in 2006, we shouldn't have a situation where somebody can't tell you where something is en route.

So is it a cost issue? It is certainly not a technology issue. Why isn't the Federal Government in a position to do what most American businesses can do today and tell you where something is when it is in the pipeline or it is en route?

Mr. SKINNER. Yes, I absolutely agree. I mean, FEMA is in an analog world or have analog systems, and we are in a digital society. They are, in fact, right now piloting a program that will allow us to be able to track our trucks and our commodities. As a matter of fact, FEMA experimented, I understand, with a little of that in Katrina. But it just did not go far enough, and we have a long way to go.

There are a couple of issues I think that may be slowing us down: One, it may be financial, budgeting constraints; and, two, it may also be human resource constraints, that is, having people dedicated to updating our system so that they are in the 21st Century.

Senator COLEMAN. Well, I would hope that FEMA would sit down with, again, I use FedEx, UPS. We have had those folks talk to us.

Mr. SKINNER. I can say that Secretary Chertoff has made this one of his top priorities. He recognizes this issue and has already publicly announced that he is going to fix this. Hopefully, we can have this fixed before the next hurricane season.

Senator COLEMAN. It is pretty basic technology in 2006.

Mr. SKINNER. It sure is.

Senator COLEMAN. Mr. Walker.

Mr. WALKER. Senator Coleman, you make a good point. Let me just note that FEMA is not the only agency with this problem. The Defense Department has had a long-standing similar problem, and many times it is multiple legacy, non-integrated information systems. Everybody has their own independent system that they want rather than moving to a modern and integrated information system.

Part of our challenge is not just financial and human resources, it is dealing with cultural barriers, and it is forcing people to move to a unified solution. In some cases, that might mean denying resources to wants and focusing resources to needs.

Senator COLEMAN. I hope we move beyond that. I mean, to me, I just find it so stunning. A couple of weeks ago, I was at the border. I was at an Arizona military base and watched a UAV flying at 5 miles up in the air, 15,000 feet, shine a laser beam on an individual on the ground. To our agents, they were like lit up in a spotlight, and we can't track where ice is. And it just doesn't make sense to me.

If I can, Mr. Walker, one of the things that you talked about and the point has to be made is in talking about the response, you talked about the total force, public sector, clearly at every level of government—State, Federal, local, county, and municipal. You talked about the nonprofit community.

I was a former mayor, and I can tell you that in the last case with the private sector, when I was mayor, I talked about the three legs that kind of held us there were the public sector, the private sector, and the nonprofit. And my question is can you talk a little bit, very practically, about your vision of training?

My concern is that are we going to set up some federally directed courses in which we are going to try—it would be very hard to go into St. Paul, Minnesota, with somebody from FEMA and pull together the critical players in the private sector, the public sector, and the nonprofit sector. They wouldn't know who they are. You may not get a response.

Because I would like to see this happen, can you tell me your vision of how we make this actually work?

Mr. WALKER. I think if we look at what actually happened in Katrina, we will see that there were examples of Federal, State, local, private sector, and not-for-profit sector people working to-

gether to try to meet the needs of people. But in many cases, it wasn't pre-planned. In many cases, it was just people trying to do the right thing.

My point is that there are capabilities that exist in the not-for-profit sector. There are capabilities that exist in the private sector such as logistical resources, etc., that we ought to integrate into an overall plan and that we ought to have lead players in each of the major areas who are going to spring into action in the event of a catastrophic event.

This doesn't necessarily mean the Federal Government is going to be the lead. This could be part of the State and local emergency plans that they develop in coordination with the Federal Government. But I do think that there needs to be some exercising based upon the total force concept at some point.

Keep in mind that some of the players who are involved here would not work in certain areas of the city and would not work at night. That is a gap that we need to understand up front and to be able to fill as appropriate in order to meet total needs.

Senator COLEMAN. My concern then, my admonition here—and again, the vision is the right vision. But as we move forward that we don't make the mistake of saying we are going to have in place a requirement to bring together the private sector and nonprofit all together, but we don't do it in a way that is not very effective.

That, in the end, we get the resource out to the folks at the local level, who have the capacity to do this, who know who the players are, who know how to make this work. And so, great concept. I just hope in implementation that we don't end up missing the opportunity.

Mr. WALKER. I think local government needs to be the lead. They are the closest to knowing who the key players are.

Senator COLEMAN. I share that perspective. Thank you.

And I do want to associate myself with the comments of the Chairman and the Ranking Member regarding this issue of FEMA and leadership. Michael Brown came before us and said when FEMA was placed in Homeland Security, it was doomed to failure. Yet we heard the Coast Guard, which is part of Homeland Security, and they didn't fail. And they pre-positioned, and they exercised leadership.

And I think we need to be very careful about a rush to judgment about whether it is a structural problem here or the leadership problems and that we don't change things for the sake of making change. Thank you, Madam Chairman.

Chairman COLLINS. Senator Lautenberg.

Senator LAUTENBERG. Thanks very much, Madam Chairman.

We started this hearing at 9:30. I was the first one here. And it is now an hour and a half later, and I appreciated hearing all of my colleagues and their questions and their reviews, but I think it is important to watch the time as it is used because all of us have many other things to do.

And I appreciate the testimony of the witnesses and the review by Senator Mikulski, which was succinct and to the point in describing what the problems are.

And I ask you, according to a summary of the House Republican report earlier that presidential intervention could have sped up the

response because the President is the one that has the capacity to cut through the red tape, if we can do it in fairly short fashion, what might the President have done, if we can think of a couple of things, at an earlier moment?

Not to castigate the President, but to learn from this tragic experience that we have had. What do you think, Mr. Walker?

Mr. WALKER. First, on Sunday afternoon before the hurricane hit, there was a designation by the President of Secretary Chertoff to take the lead in this area. My view is, it should have happened earlier.

I mean, we are talking about a circumstance here where the National Weather Service, in general, and Max Mayfield, in particular, was on the telephone—not just with regard to key Federal officials, but also State and local officials—saying that this is going to be a major catastrophic event. I think that we could have and we should have acted quicker than we did.

Senator LAUTENBERG. Let me ask you a question that I think relates very directly. There are two things I have in mind here. No. 1 is the Federal Government encourages building by either its absence from participation in terms of what State and locals do because Federal Government picks up the bill. So if someone builds in vulnerable places, and we see it all across the country. I don't think any States are exempt. And then we know whether it is below sea level or whether a hurricane or some other disaster could take over, aren't we positioning ourselves in a way that says we are going to have disasters?

And no matter how much money and how much thought, a disaster is an unanticipated event. You said "catastrophe" might not be the word to use in all of these. What defines a catastrophe? And should the Federal Government say, OK, we are going to supply the flood insurance and just build where you want, knowing darned well that some day there is going to be a problem there?

Mr. WALKER. First, Senator, I would say you have natural disasters, which come in different sizes, scopes, and magnitudes, most of which are not catastrophes. Some of which, like Katrina, are a catastrophe because of those factors.

You raise a good point. I have testified once before the Senate, and I am going to be testifying again in the near future, on the National Flood Insurance Program, which is now $23 billion in the hole, largely because of Katrina and Rita. It is probably going to be added to our high-risk list in the very near future.

One of the things we have to look at is what are we doing with regard to redrawing the new flood plain maps? What are we doing with regard in certain situations to potentially creating perverse incentives for people to build in areas where there is a very high likelihood that there is going to be devastation and that, ultimately, the cost may have to be borne by the National Flood Insurance Program?

Now, for many years, the National Flood Insurance Program has been self-sustaining. But now it is $23 billion in the hole. Therefore, ultimately, the taxpayers are at risk for a potential bailout for programs like that.

Senator LAUTENBERG. And I am not suggesting that we eliminate flood insurance. I am saying that where we have permitted it,

where we have encouraged it, that is our responsibility. But in terms of future planning, I think that there has to be a look at what the vulnerabilities are for these places.

Otherwise, another question is how about evacuation? We had a train sitting there, an Amtrak train sitting there, couldn't find enough people to fill it up for whatever reason.

Don't we run a significant risk of compounding the danger from a disaster, be it a natural disaster or an attack by a terrorist group, by eliminating the fact that some of these rail lines are under terrific pressure and that we could accommodate a lot more of our post disaster need if we had facilities like that as part of a national security scheme?

Mr. WALKER. First, I would say that with regard to Katrina, clearly, there were major problems with the evacuation in the New Orleans area. Not just with regard to the poor, but also with regard to the special needs population. I am talking about hospitals and nursing homes in particular. Clearly, additional steps need to be taken to deal with that.

But I also would respectfully suggest that we need to look at multiple modes of transportation, and not just modes of transportation that are owned by the government—Federal, State, or local—but also modes of transportation that may be available to the private sector, whether it is trucks, buses, or other types of transportation.

This needs to be part of a more comprehensive and integrated strategic plan for dealing with catastrophes. I am familiar with your situation where there were certain resources available, but yet governments didn't get the people to the resources. Therefore, they were under utilized.

Senator LAUTENBERG. A lack of training, a lack of leadership was quite apparent.

What would you say, either of you, in terms of what kind of skills do we bring to the management of an agency like FEMA? How would you define it? Should it be military leadership, or what kind of people should we bring in there?

Mr. SKINNER. When we were most successful, our leaders were emergency management specialists, the people that had made emergency management a career, and it was a passion. It was something that they have done all of their lives.

We are seeing that now beginning to degrade through attrition because people are now leaving the Federal Government and retiring. We have not adequately trained and brought up those behind them to make sure that as leaders leave, they can be replaced. So it certainly is someone with emergency management.

Senator LAUTENBERG. But Mr. Skinner, how about those that we bring in? Have we generally seen the kind of skills that we like to see at the top of an agency like that, this crisis management agency?

Mr. SKINNER. Such as FEMA?

Senator LAUTENBERG. Yes.

Mr. SKINNER. I would suggest that leadership can be defined many different ways, and you don't want to pigeonhole an individual, saying because you have never worked a disaster, therefore,

you are not qualified to lead FEMA. And I think we would be leaving a lot of potential leaders out.

Senator LAUTENBERG. Yes, but they could have been trained.

Mr. SKINNER. Yes. Clearly, the people directly below them, and I suggest that includes all of our regional directors who are now political, that these people could be or should be career emergency management types.

Senator LAUTENBERG. I have a last question here.

Chairman COLLINS. I would be happy to give the Senator additional time to do another question even though he is over his time. Please go ahead and proceed.

Senator LAUTENBERG. Well, Madam Chairman, our Ranking Member ran 4 minutes over, and there was no regard for the clock.

Chairman COLLINS. There was.

Senator LAUTENBERG. So I don't want to be rude, but Mr. Walker, has GAO encountered any problems in obtaining access to the documents and the people in the Executive Branch that it needs to speak with in its investigation?

Mr. WALKER. We have gotten most of what we have asked for, but not all, Senator. I think part of that is because there are multiple investigations that have been going on at once and that DHS is somewhat overwhelmed.

But I can assure you that I will let you and the Chairman and the Ranking Member know if we experience a problem that we don't believe will be satisfactorily resolved.

Senator LAUTENBERG. I would appreciate that. Thank you.

Chairman COLLINS. Senator Levin.

OPENING STATEMENT OF SENATOR LEVIN

Senator LEVIN. Thank you, Madam Chairman. Thank you again, and the Ranking Member, for your leadership in holding these hearings. It has been absolutely superb and really critically important to the future well-being of our country.

Mr. Walker, you stated a little bit earlier that you thought that the presidential designation of the point person should have come earlier. You also testified, I guess, to the House that, as you had recommended in 1993, you continue to believe that a single individual directly responsible and accountable to the President must be designated to act as the central focal point to lead and coordinate the overall Federal response in the event of a major catastrophe.

I thought that when we passed the Homeland Security Department bill that we actually did that designation so that it is in law. Whether the President was late or not late and whether or not there was any formal designation at all, the Title 1 of the Department of Homeland Security Act specifies that this is the primary mission of the Department, to act as—actually, using the same words that you used—a focal point regarding natural and man-made crises and emergency planning.

And that is what the presidential directive also says in the Homeland Security Presidential Directive, HSPD–5. It says the Secretary of Homeland Security is the principal Federal official for domestic incident management. Now why should there need to even be a wait for a designation? Why isn't that automatic?

Mr. WALKER. I am familiar with that provision, Senator, and I think you make a good point. That, in theory, has already been done.

From a practical standpoint, Senator, what I would respectfully suggest is while that is hard-coded in the law and in theory should not require any special action by any individual, I would respectfully suggest that by the President, whomever that person might be, getting involved at the outset, making it clear that this is the case, such that this individual—be it the Secretary of DHS or whomever it might be—has got the affirmative backing of the President at that time and that communication not only goes to the Secretary of DHS in the circumstances, but all other Cabinet-level officials, so that they understand that this person is operating on behalf of the President.

I will tell you this, Senator, it is very clear to me in some of the conversations that I have had and the documents that I have seen that there were expectation gaps and miscommunications that took place between State and Federal officials with regard to resource requests.

Senator LEVIN. Was that because of any doubt as to who it was that was the federally designated focal point for management of this disaster?

Mr. WALKER. Yes.

Senator LEVIN. There was doubt in people's minds, despite the fact that there is a law?

Mr. WALKER. Well, the State officials, of course, wouldn't necessarily be as familiar with a Federal law. I am talking about State officials in communicating with Federal officials.

Senator LEVIN. So there is a purpose to be served by the President making public what is already in the law in terms of everyone understanding what they should know, but which, apparently, there is some doubt about. But in terms of both his designation on Sunday or Saturday, whenever that was, and the law, there is no doubt where the responsibility focal point lay in this case. Is that right?

Mr. WALKER. Under the current law, under the Homeland Security Act, it is my understanding it is the Secretary of the Department of Homeland Security.

Senator LEVIN. So that when we talk in abstract about "failure of leadership," the ultimate point for leadership under law and under the reminder of the President on Saturday or Sunday, whenever that was, is the leadership had to come from the head of the Department of Homeland Security?

Mr. WALKER. I think there is a shared responsibility for absence of leadership, but you are correct. That is what the law says, Senator.

Senator LEVIN. OK. Now in terms of the coordination of the National Guard and active duty forces, and this is an area which all of us are on the Armed Service Committee, so we have a particular interest in this. There is a lot of uncertainty and confusion in Katrina as to the role of the National Guard, both in terms of who would be in charge of the National Guard in Louisiana and from other States, what their status was, whether it was going to be coordinated, who would command them, and so forth.

The National Response Plan says that "National Guard forces are providing support to the governor of their State and are not part of Federal military response efforts." Now I assume that applies to the National Guard forces from any State that come in to a State under the agreement which the governors have reached.

So we have in our National Response Plan a statement that our Guard forces are not part of the Federal military response efforts, but they are providing support to the governor. It seems to me, and I wonder if you would react, that the National Guard response was poorly integrated here. There was no coordination. Unclear command for a length of time. And that it is essential that they be integrated in the plan or that a pathway be clear and automatically triggered for our National Guard forces to be integrated with the active duty response to comprise an overall Federal military response.

I would like it if both of you or either one of you would comment on that?

Mr. SKINNER. You are absolutely right. That did create problems, particularly in Louisiana. The National Guard is an asset of the State, 99.9 percent of the time that is not ever going to be a problem because we don't bring in the military, or the Department of Defense.

In this case, we did bring them in. However, we do not have guidelines. We do not have procedures. Nor had we exercised the two together so that they would know in advance what their individual roles would be.

Yes, there were duplication of effort. Yes, they were bumping into each other occasionally. Yes, there was no clear lines of communication. And yes, there was no communications interoperability, that is, their systems could not even communicate.

Senator LEVIN. And the Northern Command was not integrated into this process because, ultimately, there were active duty forces which were deployed.

OK. Mr. Walker, I wonder if you would quickly comment?

Mr. WALKER. I will quickly comment. First, the National Guard is an integral part of the total force. With regard to the four States that were affected by Katrina and Rita, it is my understanding that only Louisiana requested and, therefore, received active duty support. All four States used National Guard troops not just from their State, but in some cases, because of the interstate compact, they also received troops from other States.

I will tell you that the governors unanimously felt, the four that I spoke with, that they are in charge of the National Guard. That to the extent that the National Guard cannot handle it, then the active duty should be a supplement to the National Guard, not a substitute for the National Guard. But I agree that we need to have clearer definition and more effective integration as a result of learning from this experience.

Senator LEVIN. Well, to say point blank that they are not part of a Federal military response effort, it seems to me, is an overstatement under certain circumstances.

Mr. WALKER. I think what that is intended to mean, Senator, is that the National Guard works for the governor.

Senator LEVIN. Well, that is clear.

Mr. WALKER. Right. Therefore, not that they won't be part of it, but they won't be deemed to be Federal.

Senator LEVIN. I understand that. But to say they are not part of something when they have to be coordinated and at some point may become part of—as a matter of fact, under certain circumstances, they will be part of if they are federalized.

But, in any event, my time is up. I would only make a request, because my time is up, for the record that you tell us how we can do——

Chairman COLLINS. Feel free if you would like to proceed.

Senator LEVIN. Your good nature, I appreciate that. But I really have been troubled by the fact we have had so many missing children and missing adults not accounted for. We have had 158 unresolved cases of children missing, 2,800 unresolved cases of adults missing. We have got to do better in terms of just keeping track of people.

This tragedy is immense for all kinds of reasons. But the idea that we still have people that are unaccounted for in these numbers is totally unacceptable. A lot of those people, I think, hopefully, all of them, but a lot of them are alive somewhere, but unaccounted for.

And any suggestions that you have for the record, if you haven't looked into this, if you would. There is a major missing link here, at least one. The process in place for law enforcement to obtain information from FEMA's disaster assistance files is inadequate according to, I believe, your report, Mr. Skinner?

Mr. SKINNER. That is correct.

Senator LEVIN. Because of FEMA's rigorous guidelines. There is something in those guidelines which make it difficult for us to track missing people. And if you would make some suggestions for the record as to how those guidelines might be amended so we don't run into this ever again, it would be appreciated.

Mr. SKINNER. Yes. We have a review under way, and you will be receiving a report shortly.

Senator LEVIN. Thank you. I appreciate that.

Thank you, Madam Chairman.

Chairman COLLINS. Thank you.

I want to thank our witnesses from this panel for their excellent testimony. We all have so many other questions we would like to ask you, and I am sure some will be submitted for the record, and we will continue to have discussions with you. But since we have a vote at 11:30, I am going to proceed to the next panel. Thank you so much.

I would now like to welcome today's second panel of witnesses. Bruce Baughman is the President of the National Emergency Management Association and the Director of the Alabama State Emergency Management Agency. Mr. Baughman served as Director of the Office of National Preparedness from 2001 to 2003 and, prior to that, was FEMA's Director of Operations for a number of years.

I would note for the record that Mr. Baughman visited me with Maine's emergency management director, and I was so impressed with his background and his insight that I asked my staff to be sure to invite him for this hearing. We are very pleased to have him here today.

I am also very pleased to welcome our other two distinguished witnesses. Frank Cilluffo is the Associate Vice President for Homeland Security at the George Washington University and is Director of the Homeland Security Policy Institute at the university. He joined G.W. from the White House, where he served as special assistant to the President for homeland security.

And finally, we are very pleased to have with us Dr. Herman Leonard, who is the George F. Baker, Jr., Professor of Public Management at the Kennedy School of Government at Harvard University and Professor of Business Administration at the Harvard Business School. His current research concentrates on crisis management, corporate social responsibility, and performance management.

As I have indicated, we are swearing in all of our witnesses throughout this investigation. So I would ask that you all stand and raise your right hand.

Do you swear that the testimony you are about to give to the Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

The WITNESSES. I do.

Chairman COLLINS. Thank you. Mr. Baughman, we are going to begin with you.

TESTIMONY OF BRUCE P. BAUGHMAN,[1] PRESIDENT, NATIONAL EMERGENCY MANAGEMENT ASSOCIATION, DIRECTOR, ALABAMA STATE EMERGENCY MANAGEMENT AGENCY

Mr. BAUGHMAN. Thank you, Madam Chairman, Members of the Committee, and Ranking Member Lieberman.

I appreciate having the opportunity to testify before the Committee on these important issues. As the Chairman mentioned, I am Bruce Baughman. I am Director of the Alabama Emergency Management Agency. I am also the President of the National Emergency Management Association (NEMA), which represents emergency managers throughout the country, District of Columbia, and the territories. So I will be speaking from a NEMA perspective.

I do want to mention that prior to my appointment in Alabama, I did serve, as the Chairman mentioned, as director of the Office of National Preparedness within FEMA and the director of operations within FEMA. In that position, I was responsible for over 100 disasters to include the World Trade Center, Oklahoma City bombing, the Pentagon, and numerous hurricanes.

I was also responsible for and primary author of the Federal Response Plan, which is the precursor to the National Response Plan, which, in fact, was the operative plan in FEMA up until 3 years ago, when it was superseded by the National Response Plan. All in all, I bring over 32 years of experience in emergency management to the table.

In the last few months, we have seen all the finger-pointing relative to who was responsible for Katrina. At this point in time, what I would like to see is an effort to move the country forward to resolve some of the problems immediately. My concern is we are about 80 days out from the advent of hurricane season, and we

[1] The prepared statement of Mr. Baughman appears in the Appendix on page 132.

don't have any of the fixes in place yet. So what I am looking for is to get some fixes in place.

To do this, however, we need to include all the members of the team—Federal, State, and local. I think we have heard time and time again that there were failures at all levels of government. However, this collaboration can't become hamstrung by unfunded mandates and unnecessary Federal strings tied to funding aimed at State and local emergency management's preparedness efforts.

It is interesting, every couple of decades we have a disaster like Hurricane Andrew a few years ago, and we see the same recommendations coming up over and over again, as Senator Mikulski mentioned this morning and others. Sometimes I question our ability to step forward with a national plan to resolve those and to have some consistent Federal policies and funding in that area.

Emergency management is almost like the military was up until the Gulf War. In between wars, we kind of let it atrophy. And then when we need it, we try to throttle it up. Emergency management can't work that way. The main player in this is FEMA. Unfortunately, in the last couple of years, we have stood by and watched FEMA become a shell of its former self.

At this point, we are at the same point as we were after Hurricane Andrew in 1992, questioning organizational structures, leaderships, role of Federal, State, and local government, and the role of DOD. When FEMA was included in DHS, the agency was not protected by the firewall similar to those that protected the Coast Guard and Secret Service.

Somebody mentioned today the Coast Guard performed well. I think Senator Coleman did. However, their basic structure, the basic structure of Secret Service was not messed around with prior to Katrina. Preparedness was, in fact, pulled out of FEMA.

Several things that I think resulted in this was the FEMA director lost his direct coordinating relationship with the President. Preparedness and preparedness grant programs, such as the emergency management performance grants and the fire grants, were pulled out of FEMA. The agency experienced Department-wide hiring freezes, which did not allow them to hire in key critical positions at a time that they needed to. There has been a reprogramming of FEMA dollars for homeland security that has had a major impact on FEMA's budget.

As a matter of fact, today, we are talking about an agency that is fulfilling its post-September 11 mission with $63 million less than what it had in 2000 in its 2006 budget. Yet no agency is more statutorily qualified and structurally qualified than FEMA to help our Nation respond. FEMA had the direct-line relationships with State and local governments through its preparedness grant programs, which the Stafford Act authorizes.

FEMA is the only agency authorized under the Stafford Act. Reorganization Plan No. 3 issued in 1978 gave FEMA the responsibility for all functions of emergency management and response. FEMA is and should be the agency of choice to coordinate the functions of the Federal Government in response to disasters, regardless of cause.

FEMA currently has the ability to tap into the first responder community to build relationships in training and exercises. They

also have the ability to tap into the expertise and the assets of other Federal agencies. They were given that. That has been practiced and should have happened during Hurricane Katrina.

However, these areas need to be strengthened. There needs to be a greater focus on all-hazards response and one for catastrophic disasters. FEMA recognized this 10 years ago and started moving in that direction. However, funding was not provided to get catastrophic plans in place to deal with this.

As Senator Mikulski said this morning, the time to stop the endless reorganization should be over. We need to have a systematic process in place to improve the agency's and the Nation's ability to respond to all kinds of disasters. We look forward to working with Congress in coming up with a structure that will meet that requirement.

In any organization, leadership is a critical ingredient. However, when we were talking about FEMA, several reforms need to be made to ensure the FEMA director is successful. Regardless of where FEMA is located, NEMA has recommended that the FEMA director has a direct reporting relationship to the President.

Now this relationship could be structured like the Chairman of the Joint Chiefs. During times of war, even though the Chairman of the Joint Chiefs is under the Department of Defense, during times of war, he reports directly to the President. We suggest that there might be a similar relationship in reporting to the President by the director of FEMA during times of crisis.

Other things that we recommend is that the director of FEMA have emergency service or emergency management or similar related experience. Senator Coleman mentioned this morning that Mayor Giuliani wouldn't qualify meeting that criteria. I dare say that Mayor Giuliani responded to dozens of disasters before he actually responded to September 11 and gained a lot of experience through that.

The candidate for the job ought to have executive-level management experience, governmental administration and budgeting, an understanding of legislative process, and most importantly, demonstrated leadership. More congressional consideration and scrutiny should be given to the nomination process to ensure that the nominee meets established criteria. And a fixed term of appointment of not less than 5 years should be considered, similar to the model for the FBI director.

Finally, a vetting process should be established that includes a role for input by emergency management constituent organizations similar to the American Bar Association does in looking at judicial nominations.

Further, I personally believe that the true all-hazards grant program should be established within FEMA. That gives it a direct relationship with State and local government. Currently, FEMA does not have that. That has been pulled out and put over in the Preparedness Directorate.

Let me talk a little bit about the role of DOD in disasters since I came up this morning. NEMA does not support an increased role for active duty military in disaster response. The Nation's governors have direct and legal authority for the protection and safety

of their citizens. The appropriate role for active duty military is to provide assistance and support to civilian authorities.

The National Response Plan identifies DOD as a support agency. NEMA's position is in line with the National Governors Association policy. The same issue was raised following Hurricane Andrew, and the 1993 National Academy of Public Administration report that Senator Mikulski mentioned this morning that was completed for Congress did not recommend an increased role for DOD.

Let me talk about the relationships of State and local government. The Federal Government should never become the first responder. It should remain focused on providing a stronger funding for preparedness, emergency response, maintaining capability, and coordinating Federal resources that can be drawn upon in a catastrophic event.

The Federal role is in support and coordination function and assists with resources, expertise, and response capabilities that assist State and local governments when they are overwhelmed. It is not their duty to become the first responder.

Federal efforts should be directed at augmenting State and local operations, never superseding the governor's responsibility. The most important and critical component for reform is funding. And I would like to use my State as an example.

Funding for a natural disaster is just not there. In my State alone, we get $28 million to prepare our State, six counties in our State, for a chemical stockpile incident. We get $4.5 million to prepare our State for a nuclear power plant incident. I get $26 million to prepare the State to respond to a terrorist event. I get less than $3 million to prepare the State for natural disasters. Yet our State has been hit 31 times with presidential disaster declarations in the last 10 years.

EMPG is, in fact, the most important and the only program right now in the Federal arsenal that deals with all-hazards planning. It is the only one that allows State and local emergency management to deal with natural disaster preparedness. Right now, this year, the Administration in their budget proposes slashing that by $13 million, which means that it will be funded at $170 million.

We have spent $3.5 billion in the last 2 years dealing with responding to a terrorist event, and so we are only spending $170 million for all 56 States and territories to deal with natural disaster preparedness. Something is wrong.

National Response Plan. I recently sent the Chairman and Ranking Member a letter regarding the need for changes to the National Response Plan. Some of our suggestions we hope you will consider in your upcoming report.

Let me just cut to the chase and get to a couple of things that I think are important with the National Response Plan. First off, the Federal coordinating officer, which is spelled out in the National Response Plan, must have the authority on the ground to carry out the responsibilities of the position.

The FCO's authorities and responsibilities are clearly delineated in the Stafford Act. The statute outlines the functions and the appointment of the FCO. The NRP needs to follow the Stafford Act. These authorities empower the FCO to serve on behalf of the President in the declared area.

And I might mention that during the 1990s, what we did, we talk about having a Level 1 Cabinet position, James Lee Witt as director of FEMA was, in fact, Cabinet status. In the field, the Federal coordinating officer on a large disaster like Hurricane Katrina was an experienced senior executive out of FEMA headquarters with a trained team. It wasn't a pick-up team like FEMA did during Katrina.

I headed up one of those teams. We had three of them with 125 personnel that were trained, that knew where to go to get the assets from the other Federal agencies and knew what they were doing.

The role of the principal Federal official needs to be made clear. If it is maintained, we need to delineate between what the role of the principal Federal official is and the FCO. Basically, in Louisiana, we had two people in charge. We had the principal Federal official, and we had the Federal coordinating officer. And it wasn't real clear what the roles and responsibilities of each were.

The NRP should maintain the ESF structure. The ESF structure has been there since 1994. It is reflected in the National Response Plan. There is some talk, my understanding, within DHS about doing away with the emergency support functions within the plan itself. We are opposed to that. The emergency support functions clearly delineate within the plan what the responsibilities are of the various agencies that FEMA can tap into.

And last, it is unclear as to what a declaration of national significance gets you. There is presidential disaster declaration. I am not sure legally when the Secretary declares an incident of national significance what that does, what more that brings to the table. So that needs to be clarified.

In conclusion, I think the Congress needs to look for innovative ways to address emergency management needs in this post-September 11 environment. We must immediately influx the system with resources and innovation in order to face the challenges of the day.

I leave you with a statement from the 1993 NAPA report. "Without bold action, America's frustration with the timeliness and quality of governmental response to natural disasters will very likely continue."

Federal, State, and local governments must have adequate funding for baseline emergency preparedness so that exercises and training can ensure that plans and systems are effective before a disaster. And again, you don't want to exchange business cards in the middle of a disaster.

I thank you for this opportunity to testify and look forward to taking any questions.

Chairman COLLINS. Well said. Thank you for your testimony.

We are more than half way through the period for a roll call vote. So we are going to have to recess the hearing for 15 minutes. We will return in 15 minutes to resume with Mr. Cilluffo's testimony.

Thank you.

[Recess.]

Chairman COLLINS. The Committee will come to order.

Again, I apologize to our witnesses. Unfortunately, we can't control the floor activity today, and ironically, it is on a bill, the lob-

bying reform bill, that came out of our Committee. So we are really pulled in two directions today.

Mr. Cilluffo, we will now proceed with your statement.

TESTIMONY OF FRANK J. CILLUFFO,[1] ASSOCIATE VICE PRESIDENT FOR HOMELAND SECURITY, DIRECTOR, HOMELAND SECURITY POLICY INSTITUTE, THE GEORGE WASHINGTON UNIVERSITY

Mr. CILLUFFO. Thank you, Madam Chairman. Thank you for the opportunity to appear before you today.

Let me echo everyone's sentiments in that the Committee is to be commended for its comprehensive and bipartisan hearings into the public and private sector responses to Hurricane Katrina. These hearings, I think, are truly vital to further developing the Nation's preparedness and response policies.

Once again, we find ourselves evaluating and debating national preparedness policies through the lens of the most recent catastrophe. The pendulum has swung from a post-September 11 focus on terrorist attacks back to natural disasters.

Katrina's impact was devastating, and our natural reaction is to focus on preventing a repeat of events. And we must. The fulcrum has shifted, and what was primarily a focus on preventing and preparing for terrorism following September 11 has given way to an equally intense focus on catastrophic natural disasters.

While perfectly understandable, we need to rebalance the scales and foster a culture of preparedness that is truly all hazards and risk based in nature. Preparedness is not an either/or proposition. We can't focus on one to the exclusion of the other. We need to plan for and prepare for all hazards and build our capabilities to respond to the widest possible threats.

We need to ask ourselves two fundamental questions. What are the end-state capabilities and capacities needed to meet the needs of our customers? And how is success measured, and how is it defined?

The need for a scalable and agile response is a given. When the President or a governor turns to the cupboard in time of crisis, he or she must not find it bare. Response is response is response is response. At the end of the day, we are talking about execution and enabling those on the front lines to respond effectively. What matters is saving lives, not the color of uniform of the men and women doing so.

Let me take a moment to address the issue of where FEMA needs to fit into this effort. Outside of this hearing room, as you eloquently laid out, Madam Chairman, the ongoing debate has been where FEMA sits and fits on the Federal organizational chart. While well intended, I believe that stripping FEMA from DHS is a politically expedient "quick fix" that does not advance our national preparedness and response and, in fact, obscures the real issues.

In my opinion, to re-create FEMA as an independent agency further obfuscates and bifurcates an already too complex system-of-systems approach. To have State and local governments—and we

[1] The prepared statement of Mr. Cilluffo appears in the Appendix on page 140.

need to look at it from the back end—to have State and local governments, and first responders plug into one system to respond to bad weather and another system to respond to bad people is unrealistic. There is no reason to have competing systems in an environment of limited resources.

The problem is not really one of organizational design. The requisite policy and law exist. The challenge is one of management and leadership. FEMA supports a system of systems. It is part of an all-hazard preparedness team. Therefore, the debate should not center on FEMA. It should be focused on what is needed from the customer's perspective, those on the front lines charged with the awesome responsibility of turning victims into patients and survivors.

There are numerous customers with different needs. Disaster victims, first responders, State, and local governments, NGOs, and the private sector. What they have in common is the need to receive the right thing—be it service, piece of equipment, or support personnel—at the right time and in the right place.

This requires inter- and intra-agency coordination among all levels of government and the private sector. Therefore, form must follow function. Over the longer term, the Committee may want to consider integrating the response and recovery missions into the newly established Preparedness Directorate.

For this morning's discussion, I would like to offer three recommendations. First, our national preparedness and response system must be based on end-state capabilities and outcomes to support State, local, nongovernmental, and private sector customers. And the system must be requirements driven.

As General Dwight Eisenhower once said, "In preparation for battle, I have often found plans to be useless, but planning to be indispensable." This is not to say that there shouldn't be plans. The challenge is to turn the NRP, the national preparedness goal, and State plans into living, breathing documents.

Only through unified planning, training, and exercising can the requisite capabilities and capacities be identified and developed. The NRP must be scalable as well as flexible and agile, able to morph and adapt to new technologies, new threats, and new scenarios.

We need to empower those on the front lines, State and local government officials and first responders, and translate the strategy from where it is now at the 10,000-foot level all the way down to the ground, down to the muddy boots.

To pick up on one of Senator Lieberman's comments earlier, I think you are absolutely right. We can't look at this as break glass when something bad happens. What we really need to be able to do is ramp up from the ordinary to the extraordinary. If you are not dealing with it every day, you are not going to be able to deal with it in a time of crisis.

Everyone involved in supporting our response efforts must be fluent in the language of NIMS. The bottom line is understanding who has authority, where, when, and to what extent. And there are technical challenges. We must have robust, redundant, and reliable communications infrastructure. Before we have interoperability, we

need operability. We need a dial-tone, if you will, and I think that is absolutely crucial.

This Committee has also recognized the importance of integrating the private sector and its sophisticated supply chains and extensive resources into preparedness and response. As we saw following Katrina, we need to do a better job of this. The Business Roundtables' innovative Partnership for Disaster Relief is off to a promising start, matching corporate donations of personnel, equipment, and funding to domestic and international relief efforts.

Hurricane Katrina also highlighted the need for government agencies and NGOs to take a page from the private sector playbook—FedEx, UPS, Wal–Mart, and DHL. As Senator Coleman raised, when it comes to nimble, timely, and effective supply chains, I think it is fair to say that FedEx ran circles around the Feds, and that is, in large part, due to its supply chain infrastructures.

Similarly, the military model offers us a number of applicable operating principles. Underlying the capability outcomes approach, there needs to be a requirements system based on identifying the need rather than specifying the request. For example, instead of asking for 30,000 MREs to feed 10,000 people three meals a day, a requirement-based system would state the need to feed 10,000 people for a day and achieve that in whatever means possible.

Also, as Senator Lieberman mentioned, the Coast Guard was a stellar performer during Katrina. The reason why is that it functions on a daily basis as a true interagency joint asset. The Coast Guard thinks purple every day of the year. They have been part of the military. They have had to deploy and be part of mass mobilizations, and they couldn't compete with the other services. So they always found ways to add value within the military structure.

And the challenge of successfully executing interagency coordination, as we know, is age old. Although we shouldn't transpose, and I agree with Mr. Baughman, a military model into the civilian context wholesale, there is merit in looking to the military context in this case.

The Goldwater-Nichols Act in particular of 1986, which reorganized DOD and institutionalized the concept of jointness. The structure was streamlined, unified, and budgets were ultimately realigned accordingly. It seems to me that we need a Goldwater-Nichols equivalent for the homeland context. And not only at the Federal level, but also between and among States themselves.

Second, I recommend that DHS be regionalized, an issue I did not hear discussed this morning, for the dual purposes of empowering those on the front lines to act and clarifying the role of the Federal Government. Effective response cannot, cannot, cannot be micro managed from Washington.

As a practical matter, the vast majority of the disasters are responded to by State and local governments, with the Federal Government stepping in to provide support in limited circumstances. It only makes sense to push decisions closer to the action, where situational awareness is most acute and local knowledge is greatest. This is most significant in the fog of war and in the fog of disaster.

Only by marrying up situational awareness with the authority to act do we create a solid foundation for a truly effective and inte-

grated national system of response. As Mr. Baughman said, we should not be exchanging business cards on game day. This structure needs to be in place now. This is spring training. So that working relationships have been forged and plans have been exercised, tested, and revised. And most importantly, trust can be built and expectations gauged.

A regional approach best serves these needs. In fact, regionalizing our national preparedness system is the very linchpin that connects all of the elements of our preparedness and response. Involvement of State and local officials and entities in the regionalization process engages them as true partners, not simply outsiders trying to access the system when something bad happens.

Robust regionalization works in the best interest of the States and their governors by providing them with one-stop shopping. Not only does it offer States an all-purpose Federal access point closer to home, that Federal point of contact is also steeped and, therefore, versed in the specifics and particularities of the relevant area.

A Federal leader in the field with authority to access Federal interagency resources to support preparedness and response capacities at the State and local levels provides distinct advantages. First, this individual would be a known quantity to State and local officials. He or she could provide the DHS secretary with important feedback and insight into progress being made, performance measures, to advance preparedness efforts.

They would be able to draw not only upon DHS-wide assets during a heightened alert or response, but also Federal Government-wide resources. Additionally, this pool of key officials would provide knowledgeable and experienced candidates to serve as the principal Federal official during future crises.

Regions need to link to DOD and HHS assets. Consideration should be given to co-locating field components of DOD with the regional components of DHS. Let me be clear. I am not suggesting that the DHS regional office control DOD assets, but that they forge strong partnerships at the regional level before disaster strikes.

Given DOD's planning, logistical, and transportation experience, there is much that DHS and State and local governments can learn and incorporate from the DOD culture. Also, co-locating with HHS regional assets can have significant benefits with regard to the management and deployment of the strategic national stockpile and the National Disaster Medical System.

To operationalize a muscular regionalized system, we need a comprehensive inventory of assets at all levels of government as well as regionally. Without that, we will never achieve liftoff. All capacities must be accounted for, including equipment and personnel.

Interstate agreements must be in place ahead of time to ensure access to these assets, as we have for wild fires, for example. Such a framework institutionalizes and has embedded in it the sound logic and practice that States and regional assets be marshaled and mobilized efficiently, at least to the extent possible in a given scenario, before drawing down upon Federal stock.

In the larger context, regions provide us with the ability to prioritize funding across multiple jurisdictions. Not every jurisdic-

tion is going to require the same needs, the same hardware. This requires a mind-set of cooperation and coherence rather than competition among jurisdictions.

Undoubtedly, tough choices will arise as we try to put our money where our mouth is, but we cannot allow parochialism to trump here.

Finally, we must build a culture of preparedness that starts with individuals and communities. Time and again, research has confirmed that only a fraction of the American public has taken the basic steps to prepare themselves and their families in the event that outside help is not available for the first few days following a disaster or attack.

Empowering people to know how to care for themselves and their families lessens the burdens upon the first response community and the 911 system. Along with this effort, government officials at all levels need to recalibrate and manage public expectations about what can realistically be expected in terms of services and support.

And I do not necessarily agree with the findings that we need to have a one-size-fits-all national preparedness campaign, combining all of our preparedness efforts. I actually think all research will show you that you need a trusted messenger, not only message, to deliver that message. And those messengers are going to be different, depending upon the circumstances.

Let me conclude with the reminder that policy and strategy without resources is rhetoric. The process of building capabilities and capacities at all levels will require sustained funding, leadership, and political will. Congress needs to act, in my eyes, to make regions a reality by amending the Homeland Security Act of 2002.

Even with resolve, we cannot accomplish everything overnight. We will have to prioritize our objectives over the shorter and longer term, bearing in mind the nature and probability of the threats at hand using an all-hazards, risk-based approach. And we need to define how we measure success. What gets measured gets done, but we need to make sure that we are measuring what really matters.

In closing, I would like to recognize the Committee and staff for their professionalism, and my colleagues and I at the Homeland Security Policy Institute stand ready to help in any way we can.

Thank you. And I would be pleased to try to answer any questions you may have.

Chairman COLLINS. Thank you. Mr. Leonard.

TESTIMONY OF HERMAN B. LEONARD, Ph.D.,[1] PROFESSOR OF PUBLIC MANAGEMENT, JOHN F. KENNEDY SCHOOL OF GOVERNMENT, PROFESSOR OF BUSINESS ADMINISTRATION, HARVARD BUSINESS SCHOOL, HARVARD UNIVERSITY

Mr. LEONARD. Thank you, Madam Chairman and Ranking Member Lieberman.

It is a great pleasure to be before you today and to have this opportunity. Thank you for coming back. [Laughter.]

I want to say that my research work in recent years has been focused on crisis management issues, and the research has been

[1] The prepared statement and supplemental testimony of Mr. Leonard with an attachment appears in the Appendix on pages 148 and 166 respectively.

done jointly with my colleague Arn Howitt from the Taubman Center of Government at the Kennedy School. We have looked both at private sector and public sector crisis management.

I am very pleased to have the opportunity to appear before a committee which is conducting an objective and nonpartisan, fact-based and especially forward-looking analysis of the past so that we can build a better future.

I have a very simple message. The message has been repeated here earlier today: We weren't ready in August 2005, and we are not ready today.

We have most of the capabilities that we need to be ready. But we do not have in place the systems and processes that we need. We do not have in place the trained and experienced and selected cadre of expert response leaders and professionals. And finally, we don't have the needed apparatus and structure of coordination that would enable us and a whole variety of different kinds of organizations to come together in the event of a catastrophe of the size of Katrina.

Hurricane Katrina, as has been said repeatedly here and elsewhere, was the biggest disaster the United States has faced. That is certainly true. I refer to it as a "Katrina-class" event. It defines a new category for us.

Many have also said that it was the worst-case scenario, and that is not quite true. New Orleans, in particular, got lucky right at the end when the storm moved a little bit to the east. If New Orleans looked the way Biloxi and Gulfport looked, we would have been in even worse shape. We literally could have lost tens of thousands of people overnight in New Orleans.

Now that tells us we are on notice that there can be very significant catastrophic events and that we are not ready for them. Katrina showed us failures at every level and on every time scale. For centuries, we have put too much value in intrinsically vulnerable places. For decades, we have failed to produce adequate protections for those values that we have put in harm's way.

For years, we have failed to build large enough and nimble enough response systems to be able to deal with a catastrophe of this size. In days before Katrina, we didn't react fast enough to get things moving, and in days after, we didn't move very effectively. So at every time scale and at every level, we have work to do and much to address.

Now much has been said about failures of leadership, and there were plenty of failures of leadership. But I want to ask us to think about when exactly those leadership failures took place.

In the days immediately before Katrina came ashore, did we adequately mobilize? No. There was more we could have done. In the days immediately after, did we move fast enough? Did we get the systems that we had going? No, we can do much to improve that.

But I don't think you should start on Monday, August 29, and I don't think you should even start on Friday, August 26. I think you should start at least on September 12, 2001. Because, as of that terrible morning after, anybody who was paying attention was on notice that significant catastrophic events could befall the United States, whether man-made or natural, and that we did not have systems that were adequate to the task.

Now we all knew at that point that we might have to, in the case of a natural disaster where we had some warning, pre-deploy rescue and situational awareness and other assets into a disaster area. Or if we didn't have warning, in the case of a terrorist event, that we would have to surge security apparatus, situational awareness apparatus, assets through which we could form a common operational picture and begin, as quickly as possible, picking up the pieces.

We had at least 4 years to begin to develop those systems and to put them in place. In fact, we had many years before that, if you want to pay attention to the historic record of hurricanes. Hurricane Andrew in 1992 put us on notice about this. It wasn't a Katrina-class event, but it was close enough to let us know that we had much more work to do.

Let me give an example of what I have in mind when I say that we weren't ready. The White House report has some interesting passages in it. It is generally good and has a lot of good recommendations. On page 47, there is a passage about the coordination of Federal law enforcement efforts in the immediate aftermath of Katrina. It says this.

"The formation of Federal coordination entities also improved law enforcement operations. On September 6," I emphasize the date. "On September 6, the two senior Federal law enforcement officials, each representing the Department of Justice and Department of Homeland Security, respectively, established a law enforcement coordination center in New Orleans to help coordinate law enforcement personnel in the city and surrounding parishes."

"For the first time during the hurricane response, New Orleans now had a unified command for law enforcement comprised of the New Orleans Police Department, the Louisiana State police, the National Guard, and all Federal law enforcement personnel."

This event, for sure, began at the latest on August 29—August 30, August 31, September 1 to September 6. [Witness holds up 8 fingers.] September 6 was 8 days after Katrina came ashore. It should not take 8 days to know that we need, nor to assemble, a law enforcement collaboration across all the different law enforcement organizations that were responding. That is far, far too slow.

Maybe that was the fastest they could do it, given the apparatus that existed. But that tells us something about the apparatus that we need to create in advance. The right day for doing this was about day minus 2. So we were 10 days late in being able to assemble. And that is a very basic, but I think very poignant, example.

What would being ready actually look like? First of all, it would look like fewer people and less property in intrinsically vulnerable and hazardous places. Second, it would look like better building codes, stronger buildings, and stronger levees. Third, it would mean much more effective capacity to actually mobilize an evacuation if you actually need to do so.

We have never really tried to evacuate an entire major city before. And we learned that it was only partially successful. Eighty percent is actually pretty good for the first round, but what does that tell us? It tells us there is another 20 percent to go, which is going to be much harder, take much more planning, take much more resources.

Additionally, being ready would mean that we would have had pre-positioned assets for security and for the immediate re-establishment of situational awareness. In the immediate aftermath of any high-intensity event, we know that we are going to be blind, deaf, and mute.

We are not going to be able to see very well into the area that was affected. We are not going to be able to hear from the people who were in that area. And we are not going to be able to say very much to them, unless we act in advance to put in place hardened communication assets through which we can see and through which we will be able to communicate both into and out of the area. We need to have the capacity to pre-position.

And finally, we need an infrastructure of coordination. We need the ability to bring together many different kinds of agencies to be able to work smoothly and effectively together.

It has been emphasized this morning, but I want to say it again. We don't want to be exchanging business cards in the aftermath. You want that apparatus of agreements and the contractual arrangements and understandings of how we will work together formed long in advance.

Now what does this mean that we need to do before the next Katrina-class event takes place? I am going to say four things. First, we need to implement, truly implement, the National Response Plan and the National Incident Management System. We have currently a plan. We can argue about details in the plan. It is not perfect. There are some things that we can improve about it.

Having a plan is a good start. But just having a plan doesn't get the job done. It is only the framework within which people would be able to do things if we had practiced, if we had the right folks, if we were really ready to go. So the first thing we need to do is to implement the plan by building that serious capacity.

What does that mean? It means four essential elements. First, capabilities. I think we have most of the capabilities. There are some specific ones we can argue about. But most of the general capabilities exist. We are a very big country, have lots of resources. If we were able to organize and deploy those resources, we would have the capabilities.

What we don't have is the second element: The structures and systems, a scalable process. We have a name for it, the National Incident Management System. But we don't have the practice in actually deploying it. So we need the structures and systems.

Third, we need people who are trained professionals, who have exercised, who have practiced, who have been selected for their capacity to operate in this kind of environment. Now we have that in some areas. We have it in firefighting, for example. We don't have it across the board in an all-hazard sense for disaster response.

Two important things happen when you begin to put people in a systematic process of building training and experience to build professionals. The first is that the people get better. They learn stuff individually. But the second and probably more important thing is we figure out which ones of them are really good at it, and

we promote them. So we don't, at the last minute, wind up with people who don't actually know what they are doing.

I think Thad Allen is a very good example of this. He has accumulated over a lifetime of experience a set of capabilities and attributes as an individual. He is a terrific leader in this kind of circumstance. But he was also selected for that. We have had a chance to see Thad Allen before. And so, it wasn't a random event that Thad Allen was available at the time the Nation needed him.

The Nation needs, and it has been said before, but I want to emphasize it again, a cadre of trained, practiced, experienced professional command teams to operate in response situations.

The fourth element in building and truly implementing the National Incident Management System and the National Response Plan is building an apparatus of coordination. I want to say there are four forms of coordination we need to emphasize.

First, Federal to Federal. We need much better apparatus at the staff and professional level for being able to get Federal agencies to work together, aligned with the Incident Management System, aligned with each other, and able to coordinate.

Second, Federal to State and local. We need much better communication and pre-existing examples of practice and opportunities to work through exercises.

Third, State and local to State and local. State and local governments are not a paragon of capacity to coordinate with each other at this stage. They need to develop that capability. That is something the Federal Government may be able to help with.

Fourth, but also very important, is government to nongovernment coordination. We spend, I think, too much time when we look at the response of government thinking only about the things the government does. But part of what the government can do is to either obstruct or help to mobilize the enormous assets of the NGO community and of the private sector and of the faith-based community. So all of those elements of advanced coordination—building the infrastructure, the agreements, the arrangements, the practice, the relationships—all of that we need much more work on.

We also need to emphasize two different kinds of coordination. First, a technical coordination. The ability of these people to get together and actually deliver the details and make the trucks run on time and so on.

Second, we need political coordination. Political coordination means being able to get the political leaders who are involved in this to be able to have some shared understanding of what is going on, to be working from something like the same operational understanding, and to coordinate to some extent. This is not always possible to do because they will have different points of view. They are known for that. But we need to have at least some ability to coordinate their perspectives and what they are saying.

One key thing I want to emphasize is that when we say we want more leadership at the top and to have more political leaders having more responsibility, I want to be very clear that what you don't want to do is to elevate the technical command of response to the political level. The politicians are not selected for their capacity, and shouldn't be selected for their capacity, to operate this kind of system. You want trained professionals doing that.

So keep the politicians doing the politics, which is very important and which, in my view, is actually what Rudy Giuliani was doing in New York City on September 11, 12, 13, and 14. He wasn't running the technical apparatus. He had a well-practiced, trained technical apparatus, some of which had been destroyed, but the rest of which came forward, that was taking care of business.

And he was, meanwhile, standing up in front of the public of the world, modeling the capacity to deal with a traumatic event. That was an enormously important part of leadership in that moment, but it wasn't technical leadership. That was political and emotional leadership.

First, we need to build the National Incident Management System in a serious way, as I have just described. Second, we need to make sure we have an all-hazards agency. If we do this within DHS, which I think most people are suggesting to you we should, we need to have an organization that is looking across all possible hazards, all possible Katrina-class events.

We want to keep preparation and response closely aligned with each other, and we want to keep response to be "all hazards plus." When I say "all hazards plus," Katrina-scale events are more similar to each other than they are different from each other, but they each also have some specific features.

As a particular example, if we were to have an earthquake, that would have different effects on infrastructure than Katrina did. So we also need the specific response for specific hazards. We want the basic response to be an all-hazards response. We also want to be prepared for specific hazards. That is why I refer to it as "all hazards plus."

The third element of the model has to be coordination. We live in a society constitutionally constructed to have different structures of authority that don't all come to the same point. And absent declaring martial law in the entire country, we aren't going to have an integrated system, and I don't think any of us wants to try that approach for the first time and have to hope it is going to work either.

So we need to emphasize a model that includes coordination. It will have elements of command and control. That is very important. But we need unified commands across agencies, levels of government, and across different sectors rather than trying to get unitary command.

And finally, my last point, I want to make sure that we don't delegate upwards to politicians the task of trying to run the technical aspects of the response. We want to distinguish between political work and technical work, and we want a cadre of professionals that can do the technical work.

I hope that our political institutions can help us to prepare better for the next round than for the last one. Human beings are intrinsically a little myopic, and we hope our political institutions, like the ones represented so well here today, are going to be up to the task of having us be at our best and being forward looking.

Today, we are still making some of these same mistakes of planting value in harm's way and not having the systems built. We still have some time, but we don't know how much time. So I urge us to get going right away.

It is my pleasure to be with you. Thank you.

Chairman COLLINS. Thank you. Thank you all for excellent testimony.

Mr. Cilluffo, I want to go back to your issue about the need for a regionalized approach. One of the striking aspects of the response to Katrina that I have noticed is that FEMA deployed to the region people from New England, for example, who had no knowledge of the region, who didn't know the local players, who were literally exchanging business cards in the midst of the crisis.

These were hard-working, good people, but they lacked the understanding of the geography, of the people, of the culture. I think that made it much more difficult for them to perform effectively.

Secretary Ridge has met with me and talked to me about his plan for regional offices of the Department of Homeland Security, which unfortunately was put on the shelf and not implemented. And I think that was a mistake, but I think we need to go even further.

And what I am considering as a recommendation to share with my colleagues on this Committee, and Senator Lieberman and I have had some discussions about this, is whether we should have interdepartmental task forces based in the region who would exercise with State and local officials, with nonprofits, with the for-profits, but regionally based. So people know each other. They train together. They exercise together. But also so that the DOD person isn't meeting the FEMA person for the first time.

I think it needs to go beyond the Department of Homeland Security. So I would like to ask all three of you your reaction to establishing regional task forces, interdepartmental, that would work with State and local governments, but also with the private sector and nonprofit sector.

Mr. Cilluffo, we will start with you.

Mr. CILLUFFO. Madam Chairman, I agree 100 percent. I think that is absolutely necessary. And when I say DHS regions, I am saying at least make sure we can get across the full assets and make sure the whole is greater than the sum of its parts for the Department of Homeland Security itself.

I do think that synching that up with the Department of Defense and synching that up with HHS and synching that up with others and then making the big mistakes on the practice field, not Main Street USA when it matters, is absolutely crucial.

There is an old Marine adage, "Fight as you train. Train as you fight." There is another one that says, "Amateurs talk strategy. Professionals talk logistics." And I think it does come down to logistics, logistics, logistics. And I am not suggesting that we have a permanent—but you want to be able to draw upon the full assets not just of the Federal Government, but beyond.

You had many in the private sector, many in the NGO community that were trying to plug in and find the way to get in. But you can't do that unless you are preparing in advance and you are part of the system, not trying to find a way into the system. So I think that is a bold recommendation and one that I think is critical.

Chairman COLLINS. Mr. Baughman.

Mr. BAUGHMAN. Yes, I certainly agree with that. As a matter of fact, during the late 1990s, there were things called regional inter-

agency steering committees within each one of the FEMA regions, which were interagency in nature. And they formed the cadre of the emergency response team that went out and worked with those States.

So they were the folks that met with the States day in and day out—be it DOD, HHS, whatever the agency was—and worked through a lot of these issues. A lot of that has gone away now in FEMA.

Chairman COLLINS. Mr. Leonard.

Mr. LEONARD. I absolutely agree. I think it is important to notice that most of this is not rocket science. Most of what you need to do is pretty straightforward. You need to go at it in an organized way. Incident management is a good way to organize that.

What you need is to forward deploy in every region of the country the local capacity to do that. You need to back it up with additional resources, but you need to practice and train that in local areas.

So you could have had long-standing agreements. You could have had practice events where these different folks had worked with each other before. That would have made an enormous difference in the immediate aftermath of Katrina.

Chairman COLLINS. Thank you. I really think that would be such a good recommendation for us to make and would have the kind of practical effect that you have talked about.

And you made a good point, Dr. Leonard, that with the exception, I would argue, of in the communications area, it is not that we lack the capabilities, it is that we don't bring them together in a coordinated way. And that is why I keep looking. I think that is the true organizational issue before us, rather than where FEMA ought to be.

Mr. Baughman.

Mr. BAUGHMAN. Senator, I wanted to mention, it takes some resources to do that.

Chairman COLLINS. Absolutely.

Mr. BAUGHMAN. The wildland fire community has had 20 incident management teams that they use on major incidents, 18 of which are fire, two of which are all hazards. That is where we were going in the late 1990s with our emergency response team-nationals.

We picked out the best and brightest within FEMA and the interagency community, and they were the ones that——they weren't a pick-up team. These were people that trained together. The problem that we had is we did not have adequate money for training of those teams.

If you look at what the wildland fire community does, they spend an immense amount of time in training and exercising those teams.

Chairman COLLINS. Very good point. Mr. Cilluffo.

Mr. CILLUFFO. Madam Chairman, could I add one point as well? And I do so at great risk, suggesting what the members of this esteemed body could be looking at as well. But it is also making sure that our appropriations are aligned to the authorizers and making sure that the various committees in the interagency process see the common good, the common purple here.

And I would go one step further, and we need the war college equivalent. At the Department of Defense, you have a war college where people understand their promotion paths at the Army War College, and you have got the national war colleges. There, you want to expand that in the interagency process.

You want to make sure that there are career paths that people can know how they can be promoted. They can understand the other arms and legs of a big department, and the alphabet soup of Washington, and all the Federal agencies that have a role. So I think that is the linchpin to sustain that. I think the start is to regionalize, but I think there are some congressional challenges.

Chairman COLLINS. Mr. Leonard.

Mr. LEONARD. If I could just add one small note on this? This may sound like it is a resource-intensive idea, but I don't think it is. You have most of the resources available, as you said before, Madam Chairman.

Arranging collaboration is not an expensive thing to do. Arranging the ability for people to work together is not expensive. You will have to have some resources. You will have to have some training and so on, but that is what it means to be building a professional cadre of people who can actually do this. So that is exactly what you want to do, and in the regions is where you want to do it.

Chairman COLLINS. Let me turn quickly to another issue, and that is what functions FEMA ought to have.

Secretary Chertoff, as you know, has split off or proposed to split off the preparedness function from FEMA. And I have always felt that was a mistake because I have always felt that preparedness and response are two sides to the same coin and also that State and local officials who deal with preparedness also deal with response. So that is one issue I would like you all to comment on.

But the second issue is whether or not it was a mistake to take away from FEMA some of the grant-making process. It seems to me that you can more fully align what the State and local governments do with Federal funds if FEMA is controlling the grant process in that area.

But those are issues that we are going to need to address in our report. So I would like if each of you could discuss it.

Mr. BAUGHMAN. I would like to take that on because the National Emergency Management Association has an official position on that. To me, even when you look at the Incident Command System, planning is an integral part of incident management. You have got to have the people that are planning on that same team.

The preparedness that FEMA had was to prepare operational plans so that when it came time to execute, they were able to execute those plans. The Coast Guard has not given up its preparedness responsibilities to the Preparedness Directorate. Secret Service has not given up their preparedness to the Preparedness Directorate.

Frank mentioned earlier maybe response and recovery ought to go over there. Why not pull preparedness as it pertains to response and recovery to disasters back into FEMA? My opinion is that is where it belongs.

The problem that you have had is when you talk preparedness in the homeland security context, there are two elements. There are preparedness and protection of ports and things like that that clearly doesn't belong in FEMA's job jar. But the preparedness for response and recovery to disasters, all hazards, does belong I think within a single agency, be it FEMA or whatever else. But response and recovery, mitigation, and preparedness belong together.

Chairman COLLINS. And the grant issue?

Mr. BAUGHMAN. The grant issue. The grants provide the mechanism for FEMA to be involved in the development of the plans and the exercising of those plans. Otherwise, the only time we see the FEMA staff is when we have a disaster. They are not involved.

Chairman COLLINS. Mr. Cilluffo, those two issues?

Mr. CILLUFFO. Madam Chairman, I think those are excellent questions. And I am not so sure if it is a FEMA question or if FEMA ever fully embodied the DNA and the wherewithal and the full capacity of the Department of Homeland Security. I don't have a clear answer for you.

I think if you look at it from the outcome perspective, capability perspective, clearly you want to align those capacities and capabilities together. And in terms of grant making, again, policy without resources is rhetoric. You want to be able to put people's feet to the fire to be able to also get if you don't meet a certain standard, you have the potential of not drawing down on Federal funds.

There can't be a "thou shalt" from Washington, but that is one area where I think there is some authority that hasn't been fully exercised. And I think if you have the regions' perspective, that would happen in and of itself, irrespective of whether it is FEMA or preparedness and response component of the Department that is fully brought together.

Chairman COLLINS. Thank you. Dr. Leonard.

Mr. LEONARD. The most critical alignment for high performance in response is the alignment between the way you prepared to respond and your ability to execute that. So the idea that you want to separate those things seems to me to be organizationally very hard to understand. Why would you want to do that?

I think Bruce Baughman made the right point, which is that the word "preparedness" is a big tent, and there is a lot of different stuff under it. So if what you mean by preparedness is the prevention of terrorism, well, that is very different than preparing to respond to an event that has taken place.

So the preparedness for a response and response, you absolutely want to have aligned and integrated. If you want to hive off anything from that, you take the recovery part because that is the part you have time to think about. It is the response part you don't have time to think about. You have to have it ready to go, and you need that directly aligned with preparedness. So that would be my view on that.

In the grants area, I think FEMA was actually making progress in trying to get people to exercise together and emphasizing things on a regional basis. I think we need more of that, which was your earlier point.

And who exactly controls the grants to do that? I think it makes sense for there to be, whoever is doing that to understand the all-

hazards challenges and to make sure that we are practicing on a broad bandwidth of things that might take place that might threaten the security of Americans.

Chairman COLLINS. Thank you. Senator Lieberman.

Senator LIEBERMAN. Thank you. Thanks for your really excellent, helpful testimony.

A couple of insights along the way that I think describe exactly what we have seen. That Eisenhower quote about plans being useless, but planning being indispensable. And we had some great plans, which, Mr. Baughman, you had a lot to do with getting ready.

But at least as it transferred from the original Federal Response Plan to the National Response Plan, what came out is that there wasn't a lot of work done in implementing the plan so there was planning. And therefore, when disaster struck, we weren't ready. And so, that is part of leadership, too, to make sure that those plans occurred.

I thought, Dr. Leonard, your comment or conclusion that we have the capabilities, but we don't have the systems, processes, coordination, and leadership to deliver those capabilities. I think that is a very good point. And it is frustrating, but I suppose also, in some sense, optimistic because it says if we get our act together, it is well within our capacity to deal with these problems.

Mr. Baughman, in your testimony, you talked about the proposed cuts to the Emergency Management Performance Grant Program. When Secretary Chertoff was here, Senator Collins led a discussion with him about the program, and he really insisted that the cuts that the Administration has recommended were justified because they had a philosophical view, which was the term he used, that it is not a wise investment for the Federal Government to fund State and local personnel.

I wonder if you could respond to that from your experience in Alabama and whether you could give some example of how important those grants were to you?

Mr. BAUGHMAN. Yes, that is primarily because I don't think the Secretary fully understands the implication of the emergency management performance grants. While they can pay for personnel, they should be outcome based.

The intent is to get a plan, procedure, and exercises in place. If you have to hire personnel, you ought to allow people to do that. But instead, he is looking at it, you use it primarily to fund people.

I look at my grants with my local jurisdictions and in my State as outcome based. I ask them to do certain things for that amount of money, to produce a receipt and distribution plan for water and ice and things like that. Mutual aid teams, so that their teams are able to mobilize and deploy.

Those are the kinds of outcomes I look at in those grants. And if he wants to change it to that, that is fine. But those grants are needed to do that level of planning. And I think it is very important that those plans are in place because there is a Federal investment in that. Because if those plans are properly done, they will save hundreds of millions of dollars in Federal dollars on the disaster.

Two of my counties, I had one county that had a debris plan in place. It cost us $9.50 a yard for debris removal. Another county did not, hadn't done their work. Had the U.S. Army Corps of Engineers do it. Cost $18. Times 11 million cubic yards of debris. That is a lot of money.

Senator LIEBERMAN. A lot of money. That is a great example. Thank you.

Dr. Leonard, I want to give you a specific example and ask you a question based on Katrina. And that is the whole question of evacuations. Recognizing that pre-disaster evacuations typically have been the responsibility of State and local governments. Here we had a case where it was clear to everybody—Hurricane Pam, etc.—that there was going to be some significant percentage of the population that was not going to get out on its own.

In that kind of case, what should the Federal Government do? What is the appropriate Federal role in getting ready to evacuate those people?

Mr. LEONARD. This is a very delicate question, Senator, because the Federal Government at its peril supersedes local authority on issues in which the local authorities mainly have control and have vastly more local knowledge than the Federal Government officials that might be coming in.

Still, I think Katrina shows us a good example where it might be necessary to have some backstop capability to do something more. The critical thing that I think the only partially successful evacuation of New Orleans shows us is the very great heterogeneity of the population that will not be able to be addressed by the kind of "get yourself out if you can" part of an evacuation.

And it is not just that they are different from the folks who left. The folks that are left behind are different from the ones who left, and they are very different from each other. There are some who didn't want to go. There are some who wanted to stay because they wanted to pilfer their neighbors' houses. There are some who couldn't get out because they were in hospital beds. There were some who had no real connection to transportation systems, and there were some who hadn't heard about it.

These people are all different from each other. So it is a very complex undertaking. And I think, at an absolute minimum, we need much more effective planning for evacuation, which should involve a Federal presence. And conceivably, we need to develop a Federal capacity to backstop the local capacity and to mobilize when we see extreme danger and ineffectiveness at the local level for whatever reason.

Senator LIEBERMAN. So you would say that in a catastrophic situation or in preparing for a Federal Government role in catastrophes that it is probably safe to assume that the State and local at a catastrophe level are not going to be able to evacuate everybody, and there ought to be contingency Federal plans to be able to do that with that heterogeneous population.

I think Mr. Cilluffo and Mr. Baughman want to add something here?

Mr. CILLUFFO. Senator Lieberman, I think you address a very key set of issues. And if you looked at Hurricanes Rita and Wilma, you did have further military assets that were deployed for evacu-

ation. Obviously, that may be the exception, not necessarily the rule.

But we do, I think, need to focus on the vulnerable populations, including not only the lower income families, who don't have the wherewithal to plan for themselves, but also the disabled. And you are going to have some specific needs and requirements, and this was accentuated with the elderly in some of the nursing homes and some of the hospitals.

And integrating that into the process is absolutely crucial. But I have got to ask a question.

Senator LIEBERMAN. We ask the questions here. [Laughter.]

Oh, you meant rhetorically?

Mr. CILLUFFO. A rhetorical question. I am not sure how well even under the best of circumstances we can evacuate major metropolitan areas. And I think we need to start asking some hard questions, such as shelter in place, community shielding.

I haven't heard too much discussion on the long-term recovery efforts in the Gulf. Why aren't we designing a perfect community? Whether it is on quick sand is a different question. I am not going to answer that. But why are we designing a community that doesn't factor in shelter in place, that doesn't factor in community shielding, that doesn't factor in evacuation planning to the design itself, that doesn't factor in strategic national stockpile distribution, that doesn't factor in the PODs?

This is a great opportunity to at least build—and I am working with someone I believe you have worked with in the past, former congressman Richard Swett—to look at how we embed in the actual architecture itself some of these issues, and there is not a whole lot of discussion on that.

Senator LIEBERMAN. It is a very important point that, for instance, in the case of New Orleans, where everyone was worried about the big storm that would break the levees or overtop the levees, presumably the exercise of real aggressive preparation would have been to have some shelters in place on high ground. Where obviously in the other cases, unfortunately, I think you are speaking to a reality, the prospect of evacuating a major American city, particularly in the event of a terrorist attack without warning, is going to be very difficult.

So, in those cases, that is a major undertaking to start thinking about how do you create a shelter in which people can be protected, for instance, from chemical or biological?

Mr. BAUGHMAN. I would like to address that because we deal with three types of evacuation plans in my State—hurricanes, nuclear power plant evacuation, and around our chemical stockpile, a six-county area. And there are certain criteria that we have to meet to get Federal funds for those plans.

And so, funding is an incentive to get things done. I don't receive any funding for my hurricane evacuation plans. But one of the things the Federal Government did do is to provide me the scientific data to allow me to know what the coastal inundation area was, what the wind fields are likely to be on a Category 4, Category 5. That then establishes my clearance times for getting my population out of those counties.

So that is my responsibility. That is the governor's responsibility. But the Federal Government's role in that is to give us the scientific data to make those decisions. In our State, the governor retains the responsibility for mandatory evacuation. We actually did that twice without a single loss of life.

During Hurricane Ivan, 240,000 people evacuated our coastal counties, and during Hurricane Dennis, another close to 200,000 people evacuated the coastal counties. When Hurricane Katrina came along, we did not have to do a mandatory evacuation. Public education kicked in, and people moved out of the area real smartly.

Senator LIEBERMAN. That is a good point. Incidentally, in this regard, it may be that we will look back and decide that Tom Ridge wasn't so wrong when he urged people, at least as a first step, to go out and get some duct tape and food and water to put in the basement.

Mr. BAUGHMAN. And actually, some of those things are protective action. What Frank is talking about is if you have a no-notice release within a major metropolitan area caused by a terrorist event, how are you going to do that? In our chemical stockpile area, we actually have done that. So duct tape is an option in those particular cases.

Senator LIEBERMAN. I have a last question, which I may, if I may turn tables on you, give you as homework. Unless something really jumps to mind and you think we should know today.

And the question is, obviously, we are not the only Nation to deal with the question of how do you respond to disasters, catastrophes in this case. We are fortunate that we actually have more resources nationally than any other Nation. So my question is, is anything happening in any other country that ought to serve as a model, in part or in whole, for what we should be doing? Anybody got a quick thought?

Mr. BAUGHMAN. My experience is about 4 or 5 years old. I used to sit on a UN committee, so we had the opportunity to look at a lot of the other countries' disaster relief plans. Frankly, ours structurally, if you look at our plan, is far ahead of what the other countries' are. They, however, have got more executive interest in the plans——

Senator LIEBERMAN. Was it more from the political leadership?

Mr. BAUGHMAN. Political leadership is heavily involved. The Netherlands, Norway, Finland, those countries, political leadership is very involved in the execution of those plans.

My job in the last couple of years has been educating, getting my governor, and we have had a cabinet-level exercise. We go down. We don't meet with the emergency managers or the emergency service personnel because it is political leadership that have got to make things happen. We meet with the county commissioners and the mayors. They are the ones that I direct my education at.

Senator LIEBERMAN. Mr. Cilluffo.

Mr. CILLUFFO. I think that is an excellent point, and even though I am a big believer in learning from my own mistakes, I am even a bigger believer in learning from the mistakes of others. And I do think there is a lot——

Senator LIEBERMAN. The latter is more pleasant, too. [Laughter.]

Mr. CILLUFFO. But I just came back from Stockholm, and they have the equivalent of a 9/11 Commission looking at the tsunami response. It is actually generating attention at the highest levels of government and the general public, and I do think they are coming across many of the same sorts of insights we are addressing right now.

I do think the UK can serve, to some extent, as a model, most notably from a homeland security perspective, for terrorist response. And I do think there are a lot of things we just take for granted that they have in place that won't necessarily work in an event. But I think that that is an excellent way to craft this issue and often gets lost in the mix. We should learn from others.

Senator LIEBERMAN. Dr. Leonard.

Mr. LEONARD. It is an important question, but I do want to raise a caution about it as well. Our system of government is very different from that of most other countries. Wonderfully so, I think most of us think.

In our case, the States created the Federal Government and not the other way around. So, in other countries, you have a much greater capacity to have a unitary response, where the Federal Government in its authority role is unobstructed right down to the street level.

That is never going to be true here. And therefore, one of, I think, the great strengths of this country is the capacity we have in all kinds of different organizations—State and local organizations, nonprofit organizations, private sector organizations—and it is going to be our ability to pull those creatively together in the moment. That, I think, is what distinguishes our society in general, but also in disaster response.

And so, I think while it is important to learn lessons from how others have organized, I have studied some of the ways the British have organized around their terrorist events, how they behaved around their version, their July bombing events in the London Underground. It is a very different model. It is a cleaner model in some respects. But it is also probably not available to us, given our constitutional structure.

Senator LIEBERMAN. Thank you very much. You have been very helpful.

Chairman COLLINS. Thank you so much for your testimony. It has really been excellent. I think this panel has been a terrific way to end what is our final hearing, I hope, on the preparation for and response to Hurricane Katrina.

We are now in the midst of trying to compile recommendations for our report and make decisions on what should be included, and I hope the three of you will continue to work with us as we go forward because you have a wealth of experience and expertise here that will be very helpful in guiding our final recommendations.

The hearing record will remain open for 15 days, as we submit additional questions for the record and other materials. But again, I want to thank you for assisting us in what I think is a very important completion of our work.

And again, I also want to end by thanking our staffs, which have worked literally night and day for nearly 6 months now on what I think has been an extraordinary job.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Madam Chairman. Just to echo and second what you have said, thank our staffs. And they and we have a lot of work to do now in the weeks ahead to bring together all that we have learned in a coherent and compelling fashion that ultimately will be constructive.

And I guess I would end, finally, thank you again. And just to end on a note of nonpartisanship that characterizes our deliberations in this Committee, I agree with you that I hope this is our last hearing on Katrina. [Laughter.]

Chairman COLLINS. This hearing is now adjourned.

[Whereupon, at 1 p.m., the Committee was adjourned.]

APPENDIX

SENATOR BARBARA A. MIKULSKI
TESTIMONY BEFORE THE SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE

HURRICANE KATRINA: RECOMMENDATIONS FOR REFORM
MARCH 8, 2006

Introduction

Chairman Collins and Ranking Member Lieberman, thank you for giving me the opportunity to testify. I appreciate the rigorous work the Committee has done to investigate the government's response to Hurricane Katrina and your ongoing commitment to reform.

Now is the time to reform. I was asked to testify to discuss the great urgency for reform, the institutional history and my observations on lessons learned. From 1987 until last year, I was Chair or Ranking Member of the VA-HUD and Independent Agencies Appropriations Subcommittee – FEMA was in its jurisdiction. Working on a bipartisan basis, we reformed FEMA – transforming it from a relic of the Cold War into a professional, prepared, all hazards agency.

Hurricane Katrina

Hurricane Katrina was the storm we all feared. In the hours and days after Hurricane Katrina, I watched in disbelief and absolute frustration at the federal government's befuddled and boondoggled response. They blew it. The people in our Gulf Coast states were victimized twice – first by the hurricane, second by the slow and sluggish response of our government. This was similar, although on a much larger scale, to the incompetence of the federal government 15 years earlier during the government's response to Hurricanes Hugo and Andrew.

Personal History with FEMA

I became chair of the VA-HUD Subcommittee in 1989. I was very frustrated with FEMA: a cold war agency that was out of date, out of touch and riddled with political hacks. Sound familiar?

In 1989, the Wall was coming down in Berlin, but not in the FEMA bureaucracy. FEMA was run like a cold war agency, focused on continuity of operations of the federal government in the event of a nuclear attack. It was a joke. This philosophy was largely developed during the Reagan Administration when the focus was on the Soviet Union and the build-up of our defense in the 1980s.

Then, America was hit by a series of natural disasters. In 1989, Hurricane Hugo devastated large portions of the Carolinas. FEMA's response was very poor. The military had to intervene to get power back up in Charleston, South Carolina after people went for more than a week without basic functions. Senator Hollings had to call President Bush's Chief of Staff, John Sununu, who in turn had to get the Chairman of the Joint Chiefs, Colin Powell, just to get generators shipped in.

Then came Hurricane Andrew. Andrew, like Katrina, did not catch us by surprise. The National Hurricane Center began tracking the storm nearly a week before it made landfall. Yet FEMA's response was so bad that Andy Card, then Secretary of Transportation, told the White House that every political appointee at FEMA should be fired because they were not up to the task. Three days after Andrew made landfall, most of us will remember the director of Dade County's Office of Emergency Management, Kate Hale, asked whoever would listen: "Where the hell is the cavalry on this one? We need food. We need water. We need people. For God's sake, where are they?"

Reforming FEMA:

So the VA-HUD Subcommittee worked to reform FEMA. First, I worked with my Ranking Member – and treasured colleague – Senator Jake Garn. Later I worked with Senator Bond to change an agency that was focused on Cold War threats and was riddled with cronyism.

In 1993, we commissioned three organizations to help us do a top to bottom review of FEMA: the General Accounting Office, the National Academy of Public Administration and FEMA's own IG. Each reviewed FEMA's mission and effectiveness. Based on these reports, we began our reforms.

My goals for FEMA were:

1. A professional director and a professional staff: I pressed for FEMA to be run by emergency management professionals who had real world experience. That meant either a civilian involved in emergency management like James Lee Witt or retired military or someone with state experience like Joe Albaugh.

2. A risk-based agency: prepared for the risks Americans are most likely to face: the terrible natural disasters, a hurricane in the Gulf Coast or East Coast, tornados or flooding in the Midwest or an earthquake in California.

3. An all-hazards agency: prepared to respond to any hazard: a fire in a tunnel in Baltimore, a hazardous chemical spill, a hurricane and today, it also means a terrorist attack or other predatory action against our nation.

To achieve this – we emphasized the three Rs:

1. Readiness, meaning the preparation and training before a disaster

2. Response, or the surge capacity needed with proper logistical systems in place once a disaster hits

3. Recovery, or an organized effort to rebuild the communities devastated by disasters

It took time, money, and bipartisan cooperation but we accomplished real change.

In 2000, a tiptop FEMA was turned over to the Bush Two Administration. President Bush appointed Joe Allbaugh to head FEMA and he continued the legacy of reform. In 2002, in response to the terrorist attacks of September 11, 2001, FEMA was moved into the Department of Homeland Security. I voted for that change, but FEMA has lost its way.

My Recommendations:

First, FEMA must again become an independent agency to ensure accountability and a direct path to the President. Second, the President should name a professional Director of FEMA, not a temp. Third, I recommend you review the reports that we did in the 1990's for the lessons learned during our previous reforms.

Conclusion

Again, thank you for the opportunity to testify before you today. I look forward to working with you to reform FEMA. Let's get in the right leadership then let's work with the right resources. And let's do it in a spirit of cooperation. Let's make FEMA an independent agency, an all-hazards, professionally run, independent agency, responsible to the call of the Commander in Chief and to the American people.

United States Government Accountability Office

GAO

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HURRICANE KATRINA

GAO's Preliminary Observations Regarding Preparedness, Response, and Recovery

Statement of David M. Walker
Comptroller General of the United States

GAO-06-442T

March 8, 2006

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Accountability·Integrity·Reliability

Highlights

Highlights of GAO-06-442T, a testimony before the Senate Homeland Security and Governmental Affairs Committee

HURRICANE KATRINA:

GAO's Preliminary Observations Regarding Preparedness, Response, and Recovery

Why GAO Did This Study

The size and strength of Hurricane Katrina resulted in one of the largest natural disasters in our nation's history. Hurricane Katrina raised major questions about our nation's readiness and ability to respond to catastrophic disasters. Hurricane Rita increased demands on an already stressed response and recovery effort by all levels of government. The two hurricanes provided a sobering picture of the overwhelming strains on response and recovery if there are back-to-back catastrophic disasters in the same area. GAO has a large body of ongoing work on a range of issues relating to all phases of the preparation, response, recovery, and rebuilding efforts related to Hurricanes Katrina and Rita.

What GAO Recommends

Today, we are making several recommendations to help reform the nation's emergency preparedness, response, and recovery system. For example, these include clarifying the roles and responsibilities of key federal officials, clarifying various aspects of the National Response Plan, and strengthening planning and response capabilities.

www.gao.gov/cgi-bin/getrpt?GAO-06-442T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Norman J. Rabkin at (202) 512-8777 or rabkinn@gao.gov.

What GAO Found

Significant government and private resources were mobilized to respond to the hurricanes. However, these capabilities were clearly overwhelmed and there was widespread dissatisfaction with the results. Many of the lessons emerging from Hurricanes Katrina and Rita are similar to those we identified more than a decade ago, in the aftermath of Hurricane Andrew in 1992, which leveled much of South Florida. Four major issues have emerged from our preliminary work:

- The preparation and response to Hurricane Katrina are similar to lessons learned from past catastrophic disasters. These include the critical importance of (1) clearly defining and communicating leadership roles, responsibilities, and lines of authority for catastrophic response in advance of such events, (2) clarifying the procedures for activating the National Response Plan and applying them to emerging catastrophic disasters, (3) conducting strong advance planning and robust training and exercise programs, and (4) strengthening response and recovery capabilities for a catastrophic disaster.

- A risk management decision making approach is vital to develop the nation's capabilities and expertise to respond to a catastrophic disaster. Given the likely costs, Congress should consider using such an approach in deciding how best to invest in specific capabilities for a catastrophic disaster.

- Because of FEMA's mission performance during Hurricane Katrina, concerns have been raised regarding the agency's organizational placement, including whether it should be disbanded and functions moved to other agencies, remain within the Department of Homeland Security, or become an independent agency. However, other factors such as leadership and resources may be more important to FEMA's future success than organizational placement.

- Lastly, the federal government will be a major partner in the longer-term rebuilding of the Gulf Coast, supporting state and local efforts. The federal role in rebuilding will be particularly important for transportation and health infrastructures and federal facilities. In addition, federal programs will face financial difficulties and there is uncertainty about catastrophic losses affecting the availability and affordability of insurance. Long term rebuilding raises issues concerning the need for consensus on what rebuilding should be done, who will pay for what, and what oversight is needed to ensure federal funds are spent for their intended purposes.

Madame Chairman and Members of the Committee:

I appreciate the opportunity to participate in today's hearing to discuss our work stemming from the catastrophic hurricanes in the Gulf Coast last fall. GAO has a large body of ongoing work on a range of issues relating to all phases of the preparation, response, recovery, and rebuilding efforts related to Hurricanes Katrina and Rita. We currently have nearly 40 different engagements underway. Consequently, my remarks today are preliminary, but well grounded in the work we have done to-date as well as our completed work on prior disasters and catastrophes. We also recently provided to this committee a summary of the views of several groups regarding potential changes to the national emergency response system. In the coming months, we will provide Congress with more detailed findings, and a comprehensive summary of what went well and why, what did not go well and why, and what specific changes, if any, are called for in this nation's emergency preparedness, response, and recovery system. In addition, based on the work reflected in our recent testimony before the committee on fraud and abuse related to the Individuals and Households Program, we plan to issue recommendations to FEMA intended to strengthen fraud prevention controls over the process for applying for disaster benefits, including validating an individual's identity and damaged property address.[1]

Hurricane Katrina was one of the largest natural disasters in our nation's history; its size and strength will have long standing effects for years to come. It exacted terrible human costs with the loss of significant numbers of lives and resulted in billions of dollars in property damage. The fact that Hurricane Rita followed closely on the heels of Hurricane Katrina only added to the destruction and suffering. It also increased demands of an already stressed response and recovery effort by all levels of government, especially in Louisiana. Moreover, the two hurricanes provided a sobering picture of the overwhelming strains on disaster response and recovery if there are back-to-back catastrophic disasters in the same area.

Significant local, state, and federal resources were mobilized to respond to the Hurricane Katrina disaster, along with significant participation from charitable and private sector organizations. However, the capabilities of several federal, state, and local agencies were clearly overwhelmed,

[1]GAO, *Expedited Assistance for Victims of Hurricanes Katrina and Rita: FEMA's Control Weaknesses Exposed the Government to Significant Fraud and Abuse.* GAO-06-403T. (Washington: D.C.: February 13, 2006).

especially in Louisiana. Therefore, there was widespread dissatisfaction with the level of preparedness and the collective response. As events unfolded in the immediate aftermath and ensuing days after Hurricane Katrina's final landfall, responders at all levels of government—many victims themselves—encountered significant breakdowns in vital areas such as emergency communications as well as obtaining essential supplies and equipment.

The causes of these breakdowns must be well understood and addressed in order to strengthen the nation's ability to prepare for, respond to, and recover from major catastrophic events in the future—whether natural or man-made. Unfortunately, many of the lessons emerging from Hurricanes Katrina and Rita are similar to those we identified more than a decade ago, in the aftermath of Hurricane Andrew in 1992, which leveled much of South Florida. The experience of Hurricane Andrew raised questions about whether and how national disaster response efforts had incorporated lessons from experiences with Hurricane Hugo in 1989. All critical players must do much more to learn from past mistakes and actually implement recommendations that address prior deficiencies in preparing for and responding to catastrophic disasters. However, these actions will not be cost-free—posing a range of challenges in determining the priority of various action steps and how they will be funded.

GAO staff have visited areas most affected by Hurricanes Katrina and Rita—Alabama, Louisiana, Mississippi, and Texas. They have interviewed officials and analyzed information from the various involved federal agencies such as the Department of Homeland Security's Federal Emergency Management Agency (FEMA) and the Department of Defense (DOD); state and local organizations, including state emergency management agencies; state adjutant generals; local officials; and representatives from nongovernmental agencies. I have personally toured southern Mississippi, southern Louisiana, and the city of New Orleans. I also have had discussions with many governmental and other officials, including the governors of Alabama, Mississippi, Louisiana, and Texas; the mayor of New Orleans; the principal federal official on the scene; the joint task force commander of active duty forces, and the federal coordinator for federal support for the Gulf Coast's recovery and rebuilding. Additionally, we have closely followed the hearings conducted by this Committee, the House's Select Committee to Investigate the Preparation for and Response to Hurricane Katrina, and other Congressional committees on Hurricane Katrina issues. We have studied the House Select Committee report and are carefully reviewing the recently issued White House report on lessons learned from the federal response to

Hurricane Katrina. Finally, we discussed our preliminary observations with the Deputy Secretary of the Department of Homeland Security.

In addition, we have done a great deal of work on prior disasters. In 1993, we conducted several reviews examining the federal response to Hurricane Andrew. The reviews focused on the unique challenges involved in responding to "catastrophic disasters."[2] These reviews defined "catastrophic disasters" as a subset of other disasters requiring federal assistance. Unlike the bulk of the disasters requiring FEMA to respond, catastrophic disasters can overwhelm the ability of state, local and voluntary agencies to adequately provide victims with essential services, such as food and water, within 12 to 24 hours. These prior GAO reports focused on improving the immediate response to catastrophic disasters, and we made various recommendations within this context. We recommended that, in a catastrophic disaster, (1) a single individual directly responsible and accountable to the President should be designated to act as the central focal point to lead and coordinate the overall federal response when a catastrophic disaster has happened or is imminent, (2) FEMA should immediately establish a disaster unit to independently assess damage and estimate response needs following a catastrophic disaster, and (3) FEMA should enhance the capacity of state and local governments to respond to catastrophic disasters by (a) continuing to give them increasing flexibility to match grant funding with individual response needs, (b) upgrading training and exercises for catastrophic disaster response, and (c) assessing each state's preparedness for catastrophic disaster response. We also recommended that Congress should consider (1) giving FEMA and other federal agencies explicit authority to take actions to prepare for catastrophic disasters when there is warning and (2) removing statutory restrictions on DOD's authority to activate Reserve units for catastrophic disaster relief.

Unfortunately, some of these recommendations were not adopted or in effect when Hurricane Katrina hit the Gulf Coast. We continue to believe, for the most part, these recommendations are still viable, as we discuss later in this testimony. For example, current DOD strategy calls for reliance on the reserve components (National Guard and reserves) for civil support missions. Modifying statutory restrictions to allow for the use

[2]See, for example, GAO, *Disaster Management: Improving the Nation's Response to Catastrophic Disasters*, GAO-93-186 (Washington, D.C.: July 23, 1993) and GAO, *Disaster Management: Recent Disasters Demonstrate the Need to Improve the Nation's Response Strategy*, GAO-93-46 (Washington, D.C.: May 25, 1993).

of the reserves for catastrophic disasters would provide greater access to Reserve units in the event they are needed for future responses.

Other work we have conducted related to disaster preparedness and management has involved programs to prevent or mitigate disasters or to improve the capabilities and readiness of first responders. We have identified needed improvements in a number of areas, including preparedness for "all-hazards," balancing efforts to prepare for emergency incidents resulting from terrorism and natural disasters or man-made accidents; support for training, exercises, evaluations, and disseminating lessons learned to first responders; and interoperable communications for first responders. Similarly, our work on response to disasters has identified a number of problems, such as the lack of clarity of various federal, state, and local roles in coordinating the response and medical and public health response capabilities.

Today, I will cover several major areas based on our preliminary work related to the 2005 hurricane season. In summary:

- Four key themes underpin many of the challenges encountered in the response to Hurricane Katrina and are similar to lessons learned from past catastrophic disasters. These include the central importance of (1) clearly defining and communicating leadership roles, responsibilities, and lines of authority for response in advance of a catastrophic disaster, (2) clarifying the procedures for activating the National Response Plan and applying them to emerging catastrophic disasters, (3) conducting strong advance planning and robust training and exercise programs, and (4) strengthening response and recovery capabilities for a catastrophic disaster.

- It is vital to have in place a risk management decision making approach to develop federal capabilities and the expertise to use them to respond to a catastrophic disaster. Given the likely costs, Congress should consider using such an approach in deciding how best to invest in specific capabilities for a catastrophic disaster.

- Because of FEMA's mission performance during Hurricane Katrina, concerns have been raised regarding the agency's organizational placement, including whether it should be disbanded and functions moved to other agencies, remain within the Department of Homeland Security, or again become an independent agency. Importantly, other factors, such as the experience and training of FEMA leadership and the adequacy of its resources may be more important to FEMA's future success than its organizational placement.

- Lastly, the federal government will be a major partner in the longer-term rebuilding of the Gulf Coast because of the widespread damage and economic impact. In support of state and local efforts, the federal role in rebuilding will be particularly important for transportation and health care infrastructures and federal facilities. In addition, federal programs will face financial difficulties and there is uncertainty concerning the impact of catastrophic disasters on the availability and affordability of insurance. Long term rebuilding raises issues concerning the need for consensus on what rebuilding should be done, where and based on what standards, who will pay for what, and what oversight is needed to ensure federal funds are spent prudently and for their intended purposes.

Background

There are several federal legislative and executive provisions that support preparation for and response to emergency situations. The Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act)[3] primarily establishes the programs and processes for the federal government to provide major disaster and emergency assistance to states, local governments, tribal nations, individuals, and qualified private nonprofit organizations. FEMA has responsibility for administering the provisions of the Stafford Act.

Upon a governor's request, the President can declare an "emergency" or a "major disaster" under the Stafford Act, which triggers specific types of federal relief. The Stafford Act defines an emergency 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. Under an emergency declaration, the federal government has authority to engage in various emergency response activities, debris removal, temporary housing assistance, and the distribution of medicine, food, and other consumables. The Stafford Act places a $5 million limit on federal emergency assistance, but the President may exceed the limit, followed by a report to Congress.

The Stafford Act defines a "major disaster" as any natural catastrophe or, regardless of cause, any fire, flood, or explosion, in any part of the United States, which the President determines causes damage of sufficient

[3] 42 U.S.C. §§ 5121-5206.

severity and magnitude to warrant major disaster assistance under the Stafford Act to supplement the efforts and available resources of states, local governments, and disaster relief organizations in alleviating damage, loss, hardship, or suffering. Under a major disaster declaration, the federal government has the authority to engage in the same activities authorized under an emergency declaration, but without the $5 million ceiling. In addition, major disaster assistance includes a variety of assistance not available in the context of an emergency. For example, in a major disaster, the federal government may provide unemployment assistance, food coupons to low-income households, and repair, restoration and replacement of certain damaged facilities, among other things.

For Hurricane Katrina, the President issued emergency declarations under the Stafford Act for Louisiana on August 27, 2005 and Mississippi and Alabama on August 28, 2005. The President made major disaster declarations for Florida on August 28, 2005, and Louisiana, Mississippi, and Alabama on August 29, 2005, the same day that Hurricane Katrina made final landfall in the affected states.

The Homeland Security Act of 2002[4] required the newly established DHS to develop a comprehensive National Incident Management System (NIMS) and a comprehensive National Response Plan (NRP). NIMS is intended to provide a consistent framework for incident management at all jurisdictional levels regardless of the cause, size, or complexity of the situation and to define the roles and responsibilities of federal, state, and local governments, and various first responder disciplines at each level during an emergency event. NIMS established the Incident Command System (ICS) as a standard incident management organization with five functional areas—command, operations, planning, logistics, and finance/administration—for management of all major incidents. It also prescribes interoperable communications systems and preparedness before an incident happens, including planning, training, and exercises.

The Homeland Security Act of 2002 also required DHS to consolidate existing federal government emergency response plans into a single, coordinated national response plan. In December 2004, DHS issued the National Response Plan (NRP), intended to be an all-discipline, all-hazards plan establishing a single, comprehensive framework for the management of domestic incidents where federal involvement is necessary. It is to

[4]Pub. L. No. 107-296, 116 Stat. 2135 (2002).

operate within the framework of NIMS. The NRP only applies to incidents of national significance, defined as an actual or potential high-impact event that requires a coordinated and effective response by an appropriate combination of federal, state, local, tribal, nongovernmental, and/or private-sector entities in order to save lives and minimize damage, and provide the basis for long-term community recovery and mitigation activities. The NRP does not apply to the majority of incidents occurring each year that are handled by local jurisdictions or agencies through established authorities and existing plans under the planning assumption that incidents are typically managed at the lowest possible geographic, organizational, and jurisdictional level.

The NRP states that the Secretary of Homeland Security, as the principal federal official for domestic incident management, designates incidents of national significance, pursuant to the criteria in Homeland Security Presidential Directive 5 (HSPD-5). HSPD-5 requires one or more of the following to qualify as an incident of national significance:
(1) a federal department or agency acting under its own authority has requested the assistance of the Secretary of Homeland Security, (2) the resources of state and local authorities are overwhelmed and federal assistance has been requested by the appropriate state and local authorities,[5] (3) more than one federal department or agency has become substantially involved in responding to an incident, or (4) the Secretary of Homeland Security has been directed to assume responsibility for managing a domestic incident by the President.

The Secretary of Homeland Security provides overall coordination for incidents of national significance. Under the NRP, a principal federal official (PFO) is to be personally designated by the Secretary of Homeland Security for a particular incident and is to be the primary point of contact and provide local situational awareness for the secretary. Under the NRP, the PFO is to coordinate the activities of the senior federal law enforcement official for the incident, the federal coordinating officer (FCO) who manages and coordinates federal resource support activities related to Stafford Act disasters and emergencies, and other federal officials involved in incident management activities acting under their own authorities. The PFO does not have directive authority over these officials, but is to play a coordinating function under the NRP. The Stafford Act

[5]The NRP notes that major disasters and emergencies under the Stafford Act are examples of this criterion.

requires that a FCO be appointed to coordinate relief for major disasters and emergencies declared by the President. The FCO retains this coordination authority notwithstanding the appointment of a PFO under the NRP.

The NRP can be partially or fully implemented in anticipation of or in response to an incident of national significance. The NRP base plan includes planning assumptions, roles and responsibilities, concept of operations, and incident management actions. Annexes (i.e. appendixes) to the NRP provide more detailed information on emergency support functions such as transportation and communications and functional processes and administrative requirements such as financial management and international coordination. Incident annexes address contingency or hazard situations that require specialized application of the NRP for incidents of national significance.

The Catastrophic Incident Annex of the NRP references "catastrophic incidents." The NRP defines a catastrophic incident as any natural or manmade incident, including terrorism, resulting in extraordinary levels of mass casualties, damage, or disruption severely affecting the population, infrastructure, environment, economy, national morale, and/or government functions. A catastrophic incident could result in sustained national impacts over a prolonged period of time; almost immediately exceeds resources normally available to state, local, tribal, and private-sector authorities in the impacted area; and significantly interrupts governmental operations and emergency services to such an extent that national security could be threatened.

The Catastrophic Incident Annex describes an accelerated, proactive national response to catastrophic incidents. The annex establishes protocols to pre-identify and rapidly deploy key essential resources that are expected to be urgently needed or required to save lives and contain incidents. Expedited assistance can be provided in one or more areas, such as mass care, housing, human services, urban search and rescue, and public health and medical support.

A draft of a more detailed and operationally specific Catastrophic Incident Supplement for the NRP's Catastrophic Incident Annex had not been approved at the time of Hurricane Katrina, although the NRP's 120-day schedule for implementing the supplement had passed. The draft supplement is intended to provide the operational framework for implementing the annex. The draft supplement, for example, includes operations to be carried out by local, state, and federal responders;

detailed execution schedules and implementation strategies; functional capability overviews (such as coverage for transportation support); and key responsibilities of federal departments and agencies. The draft supplement language says it is designed for catastrophic incidents that occur with little or no notice, without an opportunity for advance planning and positioning of resources. The Secretary of Homeland Security is to make a catastrophic incident designation to activate the provisions of the Catastrophic Incident Annex. Otherwise, the basic provisions of the NRP will apply to the incident. The Secretary of Homeland Security declared Hurricane Katrina an incident of national significance on August 30, 2005, but never declared it a catastrophic incident.

I will now turn to the four major topics I identified at the beginning of my testimony.

Leadership, Planning, Exercises, and Capabilities Underpin Catastrophic Preparation, Response, and Recovery

Four key themes, based on our preliminary work, underpin many of the challenges encountered in the response to Hurricane Katrina and reflect certain lessons learned from past catastrophes. These are generally consistent with the themes I highlighted in a statement to the House Select Committee.[6] They include the central importance of (1) clearly defining and communicating leadership roles, responsibilities, and lines of authority for the response at all levels in advance of a catastrophic disaster, (2) clarifying the procedures for activating the National Response Plan and applying them to emerging catastrophic disasters, (3) conducting strong advance planning and robust training and exercise programs to test these plans in advance of a real disaster, and (4) strengthening response and recovery capabilities for a catastrophic disaster, including those such as emergency communications, continuity of essential government services, and logistics and distribution systems underpinning citizen safety and security. They have been among the topics covered in this committee's hearings and were also highlighted among the many factors in the House Select Committee report and the White House report.

[6]GAO, *Statement by Comptroller General David M. Walker on GAO's Preliminary Observations Regarding Preparedness and Response to Hurricanes Katrina and Rita*, GAO-06-365R (Washington, D.C.: February 1, 2006).

Leadership Roles, Responsibilities, and Lines of Authority Must Be Clearly Defined and Communicated in Advance of Catastrophic Disasters

In the event of a catastrophic disaster, the leadership roles, responsibilities, and lines of authority for the response at all levels must be clearly defined and effectively communicated in order to facilitate rapid and effective decision making, especially in preparing for and in the early hours and days after the disaster. During incidents of national significance, including catastrophic disasters, the overall coordination of federal incident management activities is executed through the Secretary of Homeland Security. Other federal departments and agencies are to cooperate with the secretary in the secretary's domestic incident management role.

There are three key roles in the management of a catastrophic disaster. First, the Secretary of Homeland Security provides strategic, national leadership. The Secretary of Homeland Security is to act as a focal point for natural and manmade crises and emergency planning under the provisions of the Homeland Security Act. In addition, HSPD-5, signed by the President, also names the secretary as the principal federal official for domestic incident management. This is consistent with our recommendation in 1993 that a single individual directly responsible and accountable to the President should be designated to act as the central focal point to lead and coordinate the overall federal response in the event of a catastrophic disaster.[7] At the time of our recommendation in 1993, FEMA was an independent agency. President Clinton elevated the FEMA director to cabinet status in 1996. Subsequent passage of the Homeland Security Act established the DHS secretary as the cabinet-level focal point for natural and manmade crises and emergency planning. We view this as a strategic role to coordinate federal activities and policy from a national standpoint and be directly responsible and accountable to the President.

The second key role is the principal federal official (PFO) whom the Secretary of Homeland Security designates to be the secretary's representative under the NRP structure and to coordinate the federal response at an operational level. The third role is that of a federal coordinating officer (FCO) which, under the Stafford Act, is to coordinate relief for major disasters and emergencies declared by the President.

The Secretary of Homeland Security initially designated the head of FEMA as the PFO, who appointed separate FCOs for Alabama, Louisiana, and Mississippi for Hurricane Katrina. However, it appeared there were

[7]GAO-93-46 summarizes GAO work in 1993 that contains this recommendation.

shifting roles and responsibilities of the players in all 3 of these roles. Our initial field work indicated this resulted in disjointed efforts of many federal agencies involved in the response, a myriad of approaches and processes for requesting and providing assistance, and confusion about who should be advised of requests and what resources would be provided within specific time frames.

The House Select Committee also found difficulties with roles and responsibilities, including federal officials' unfamiliarity with their roles and responsibilities under the NRP and NIMS. The White House has made numerous recommendations, including revising the NRP to address situations that render state and local governments incapable of an effective response, giving the PFO the authority to execute responsibilities and coordinate federal response assets, and requiring agencies to develop integrated operational plans, procedures, and capabilities for their support to the base NRP and the NRP's emergency support functions and support annexes.

Consistent with the provisions of the Homeland Security Act and the Stafford Act, we recommend that DHS clarify and communicate the roles of the secretary, the PFO, and the FCO. If legislative changes are considered, the roles and responsibilities should be clarified accordingly.

Procedures for Activating the NRP and Applying It to Emerging Catastrophic Disasters Should Be Clarified

The NRP distinguishes between incidents that require DHS coordination, termed Incidents of National Significance, and the majority of incidents occurring each year, such as snow storms, that are handled by responsible jurisdictions or agencies through other established authorities and plans. However, the NRP is not clear regarding what triggers an incident of national significance. To illustrate this ambiguity, the NRP's Planning Assumptions provide that "all presidentially-declared disasters and emergencies under the Stafford Act are considered Incidents of National Significance," indicating that they do not need to be declared as such by the Secretary of Homeland Security. Elsewhere, the NRP suggest that the Secretary must formally declare an incident of national significance in consultation with other department and agencies, as appropriate.

The question of how and when an event becomes an incident of national significance was also raised in the White House report on the federal response to Hurricane Katrina. According to the White House report, the NRP did not make clear whether the secretary must formally declare an incident of national significance or, alternatively, whether such an incident is automatically triggered when one or more of the HSPD-5 criteria

(discussed on page 7) are satisfied, including when the President declares a disaster or emergency under the Stafford Act. In addition, the White House report questioned whether an event becomes an incident of national significance simply by satisfying an HSPD-5 criterion, or whether additional considerations apply. The White House report observed that since the NRP was adopted in December 2004, many parts of the NRP had been used to various degrees and magnitudes for thirty declared Stafford Act events to coordinate Federal assistance. Yet, the Secretary of Homeland Security had never formally declared an Incident of National Significance until Tuesday, August 30, 2005, after Hurricane Katrina made final landfall.

We agree that the process and operational consequences of declaring an incident of national significance should be further defined and clarified. Without such clarification of the NRP, confusion will persist regarding DHS's activation of the NRP. We therefore recommend that DHS clarify the NRP regarding whether the Secretary of Homeland Security must formally declare an incident of national significance to activate the NRP, and, if not, whether the secretary must take any specific actions when the President, in effect, activates the NRP by declaring a Stafford Act emergency or major disaster.

In addition, we believe that the NRP's provisions regarding the proactive response of the federal government to emerging catastrophic incidents should be clarified. As I stated earlier, the NRP includes a Catastrophic Incident Annex that describes an accelerated, proactive national response to catastrophic incidents and establishes protocols to pre-identify and rapidly deploy essential resources that are expected to be urgently needed to save lives and contain incidents. At the time of Hurricane Katrina, a draft of a more detailed and operationally specific Catastrophic Incident Supplement to the annex had not been approved. Under the language of the draft supplement, the annex would only apply to no-notice or short-notice catastrophic incidents, not incidents that may evolve or mature to catastrophic magnitude, which could be the case with strengthening hurricanes.

Because it is possible to respond to incidents maturing to catastrophic magnitude in a more proactive manner than surprise catastrophic incidents, it does not make sense to exclude evolving catastrophic incidents from the scope of the annex's coverage. The White House report on the federal response to Hurricane Katrina also questioned this exclusion. As the White House report states, "Ultimately, when a catastrophic incident occurs, regardless of whether the catastrophe has been a warned or is a surprise event, the Federal government should not

rely on the traditional layered approach and instead should proactively provide, or 'push,' its capabilities and assistance directly to those in need."

A proactive approach to catastrophic disasters when there is warning is also in keeping with recommendations we made in 1993 following Hurricane Andrew. At that time, from an administrative perspective, we recommended that FEMA improve its catastrophic disaster response capability by using existing authority to aggressively respond to catastrophic disasters, assessing the extent of the damage, and then advising state and local officials of identified needs and the federal resources available to address them. From a legislative standpoint, we recommended that Congress should consider giving federal agencies explicit authority to take actions to prepare for catastrophic disasters when there is warning. We continue to believe that actions such as these are warranted.

Planning, Training, and Exercises Can Aid Preparation for Catastrophic Disasters

Madame Chairman, to increase the ability of the nation to prepare for, respond to, and recover from catastrophic disasters such as Hurricane Katrina, there should be strong advance planning, both within and among responder organizations, as well as robust training and exercise programs to test these plans in advance of a real disaster. By their very nature, catastrophic disasters involve extraordinary levels of mass casualties, damage, or disruption that likely will immediately overwhelm state and local responders, circumstances that make sound planning for catastrophic events all the more crucial. Our previous work on Hurricane Andrew highlighted the importance of such plans to focus specifically on catastrophic disasters.

Our initial review of the NRP base plan and its supporting catastrophic annex as well as lessons based on Hurricane Katrina suggest that planning must be strengthened to implement their provisions. Therefore, we recommend that these documents should be supported and supplemented by more detailed and robust operational implementation plans. Such operational plans should, for example, further define and leverage any military capabilities as might be needed in a catastrophic disaster. Prior catastrophic disasters and the actual experience of Hurricane Katrina show that DOD is likely to contribute substantial support to state and local authorities, including search and rescue assets, evacuation assistance, provision of supplies, damage assessment assets, and possibly helping to ensure public safety. More detailed planning would provide greater visibility and understanding of the types of support DOD will be expected to provide following a catastrophic event, including the types of assistance

and capabilities that might be provided, what might be done proactively and in response to specific requests, and how the efforts of the active duty and National Guard would be integrated. We will be making several recommendations to DOD to enhance its planning and response for future events, in the areas of identifying specific active duty and National Guard capabilities that would likely be available to respond to a catastrophe, and integrating the active duty and National Guard response including Guard units within and outside of the affected state. Planning also must explicitly consider the need for, and management of, the contractor community.

In addition, regular training and periodic exercises provide a valuable way to test emergency management plans. In our previous work on Hurricanes Andrew and Hugo, we identified the need for the federal government to upgrade training and exercises for state and local governments specifically geared towards catastrophic disaster response. Hurricane Katrina demonstrated the potential benefits of applying lessons learned from training exercises and experiences with actual hurricanes as well as the dangers of ignoring them. During our initial fieldwork, we found examples of how an incomplete understanding of NRP and NIMS roles and responsibilities could lead to misunderstandings, problems, and delays. For example, we were told in Louisiana that in one city there did not appear to be clarity in roles and responsibilities, with officials not knowing what federal agencies were responsible for. In one example in Mississippi, we were told that county and city officials were not implementing NIMS due to a lack of understanding of its provisions.

A November 2005 report by DHS's Office of Inspector General (OIG) on the April 2005 "Top Officials 3 Exercise" noted that the exercise highlighted—at all levels of government—a fundamental lack of understanding regarding the principles and protocols set forth in the NRP and NIMS, including confusion over the different roles and responsibilities performed by the PFO and FCO. The report recommended that DHS continue to train and exercise NRP and NIMS at all levels of government and develop operating procedures that clearly define individual and organizational roles and responsibilities under the NRP. We would see this training and exercising effort as recognizing the role of joint decision making and not result in a centralized, top-down process.

The 2004 "Hurricane Pam" planning exercise illustrates the benefits and consequences of applying and not applying lessons learned from training exercises and experiences with actual hurricanes for future catastrophic disasters. This catastrophic hurricane exercise, sponsored by FEMA, was to develop a response and recovery plan for a major hurricane that floods

New Orleans and the surrounding parishes and to identify any issues that could not be resolved based on current capabilities. The weather scenario involved a slow moving category 3 hurricane sustaining 120 mph winds at landfall and generating a storm surge that inundated New Orleans under 15 to 20 feet of water. In addition to widespread flooding, the exercise posed impacts of extensive evacuations and the resulting need to shelter thousands of individuals left homeless after the storm, disposing of tons of debris, and recreating school systems. We were told in Louisiana that the exercise anticipated many of the events transpiring as the result of Hurricane Katrina. The Hurricane Pam exercise and other planning activities resulted in some action, but others were incomplete. For example, efforts to finalize agreements with hospital and university officials to create temporary medical operations staging areas around the state did occur. Louisiana revised its contraflow evacuation plan. However, plans for evacuating those with special needs and post-landfall care and evacuation had not been finalized by the time Hurricane Katrina made landfall. The House Select Committee also noted that the Hurricane Pam exercise reflected recognition by all levels of government of the dangers of a category 4 or 5 hurricane striking New Orleans.

The White House has made several recommendations regarding planning and exercises to improve the response to catastrophic disasters such as Hurricane Katrina. For example, the White House recommends that all federal departments and agencies should develop emergency plans and a response capability. Other White House recommendations are intended to strengthen training, exercises, and lessons learned. To illustrate, recommendations cover (1) strengthening Homeland Security Council coordination of federal emergency training, exercises, and lessons learned, (2) DHS conducting state and local officials' training and exercises, and (3) DHS establishing a national exercise and evaluation program. The White House also recommended development of a comprehensive homeland security professional development and education program.

We recommend that DHS provide strong oversight of federal, state, and local planning, training, and exercises to ensure such activities fully support preparedness, response, and recovery responsibilities at a jurisdictional and regional basis. This should also include applying lessons learned from actual major and catastrophic disasters. We will soon be starting work examining DHS's catastrophic planning initiatives, including Hurricane Pam, in order to help identify more specific recommendations.

Emergency Management Capabilities Require Greater Emphasis for Catastrophic Response and Recovery

The experience with Hurricanes Katrina and Rita highlights critical emergency management capabilities that must be ramped up from normal disaster management levels. Our preliminary work suggests that while many organizations provided significant support in these areas during the response and recovery efforts, several key capabilities were not available when needed or with the quantity or quality needed. When catastrophic disaster occurs, significantly more capabilities—in terms of quantity and quality—are needed. Our work is beginning to identify many examples of where the lack of additional response or recovery capabilities, or the delay in getting these capabilities to where they were needed, caused extended suffering.

I want to emphasize that across these capabilities, streamlining, simplifying, and expediting decision making should quickly replace "business as usual" and the unquestioned following of long-standing policies and operating procedures. We were told of many examples where quick action could not occur as agencies followed procedures that required extensive, time-consuming processes, delaying the delivery of vital supplies and other assistance. When there is a catastrophic disaster, temporarily suspending certain rules and regulations may be necessary in order to expedite relief and recovery of the affected area, even if such a suspension requires legislation. The key is to recognize when flexibility is needed to meet response and recovery needs in a catastrophic disaster.

Continuity of essential government operations: Hurricane Katrina exposed difficulties in continuing essential government operations, particularly at the local level. In the devastated areas, local government infrastructure was destroyed and essential government employees, including many first responders, were evacuated or victimized by the storms. Local officials in Mississippi and Louisiana told us of cases where there was limited continuity of operations for public safety and service agencies because both structures and equipment were destroyed or too damaged to use. For example, one Mississippi county lost all of its public buildings located south of Interstate 10. We were also told criminal justice facilities in New Orleans and St Bernard parishes were disabled as both jurisdictions had to evacuate jails damaged by flood waters.

Emergency telecommunications: Agencies affected by a catastrophic disaster must first be operable, with sufficient communications to meet everyday internal and emergency communication requirements. Once operable, they then should have communications interoperability whereby public safety agencies (police, fire, EMS) and service agencies (public works, transportation, hospitals, etc.) can communicate within and across

agencies and jurisdictions in real time. The storms significantly damaged or destroyed communications infrastructure affecting public safety and security in Louisiana, Mississippi, and Alabama. This is an area where military capabilities can be utilized.

Our work on interoperable communications identified problem definition, performance goals and standards, and defining the roles of federal, state, local government and other entities as the three principal challenges to achieving effective interoperable communications for first responders. The single greatest barrier to addressing the decades-old problems of interoperable communications has been the lack of effective, collaborative, interdisciplinary, and intergovernmental planning. No one first-responder group or governmental agency can "fix" the interoperability problems that face the nation. We believe that our 2004 recommendations to the Secretary of DHS are still appropriate: (1) work with the Federal Communications Commission to develop a nationwide database of interoperable communications frequencies and a common nomenclature so that first responders from different disciplines and jurisdictions can quickly identify shared frequencies when arriving at the scene of an incident; (2) establish interoperability requirements whose achievement can be measured; and (3) through grants, encourage states to establish statewide bodies that will develop a comprehensive statewide interoperable communications plan and condition the purchase of new equipment on the adoption of such a plan.

Damage and needs assessment: Damage and needs assessment is the capability to immediately conduct damage assessments of infrastructure and to estimate services needed by disaster victims. The scope of the devastation and the flooding in the New Orleans area made a comprehensive damage assessment and estimate of services victims might need very difficult. Clearly, the military has significant capability through a range of reconnaissance aircraft and satellite imagery. However, while some capabilities were employed, there had been no advance planning among federal, state, and local responders as to how DOD would provide these capabilities in the event of a catastrophic disaster.

Logistics: Logistics is the capability to identify, dispatch, mobilize, and demobilize and to accurately track and record available critical resources throughout all incident management phases. Our early work indicates that logistics systems were often totally overwhelmed by Hurricane Katrina. The result was that critical resources apparently were not available, properly distributed, or provided in a timely manner. In addition, acquisition efforts, while noteworthy given the scope of Hurricane Katrina,

indicated agencies needed additional capabilities to (1) adequately anticipate requirements for needed goods and services, (2) clearly communicate responsibilities across agencies and jurisdictions, and (3) deploy sufficient numbers of personnel to provide contractor oversight.[8]

Evacuation: This capability involves evacuation to areas of safe refuge in response to a potential or actual dangerous environment. Our early work indicated that some evacuations were considered successful, but others encountered serious challenges, including evacuating special needs populations. Evacuating those in hospitals and nursing homes due to Hurricane Katrina posed a special challenge. For example, although the National Disaster Medical System (NDMS) is a mechanism through which the federal government can provide assistance with patient evacuations, NDMS has agreements with hospitals only and does not address the needs of nursing homes.[9]

Search and rescue: Search and rescue is the capability to coordinate and conduct urban search and rescue response efforts for all hazards. Search and rescue also requires a seamless transition from rescue to safe shelter. The Coast Guard, state and local agencies, and military assets rescued thousands in the aftermath of Hurricane Katrina. However, particularly in New Orleans, those rescued may have been taken to high ground where, because of flooding or roadway blockage, they spent hours or days without shelter, food, or water.

Mass care (housing and human services): This is the capability to provide immediate shelter, feeding centers, basic first aid, bulk distribution of needed items, and related services to persons affected by a large-scale incident, including special needs populations such as those with physical or mental disabilities that need additional attention. Charities and other organizations such as government agencies that provide human services, supported by various federal programs, helped meet the mass care needs of the hundreds of thousands of evacuees. However, because the American Red Cross does not establish shelters in

[8]GAO, *Hurricanes Katrina and Rita: Preliminary Observations on Contracting for Response and Recovery Efforts*, GAO-06-246T (Washington, D.C.: November 8, 2005).

[9]For additional information, see GAO, *Disaster Preparedness: Preliminary Observations on the Evacuation of Hospitals and Nursing Homes Due to Hurricanes*, GAO-06-443R (Washington, D.C.: February 16, 2006).

areas that might become flooded or in structures that could be compromised by strong winds, some Gulf Coast areas did not have sufficient shelter facilities.[10]

Volunteer management and donations: Volunteer management and donations is the capability to effectively manage and deploy volunteers and unsolicited donations. Federal and charity organization officials we spoke to indicated that because of the catastrophic nature of the storms, volunteers and donations, in some cases, were not well integrated into response and recovery activities. In addition, federal agencies involved in managing the international assistance were not prepared to coordinate, receive, distribute, or account for the assistance. Agency officials involved in the cash and in-kind assistance told us the agencies were not prepared to accept international assistance for use in the United States and, therefore, developed ad hoc processes to address this scenario. We will be making several recommendations to the Departments of Homeland Security, Defense, and State to improve preparedness in these areas.

Restoration of lifelines: Restoration of lifelines is the capability to manage clearing and restoration activities such as demolition, repair, reconstruction, and restoration of essential gas, electric, oil, communications, water, wastewater and sewer, transportation and transportation infrastructure, and other utilities. Because of the mass devastation, restoration is proceeding slowly.

Economic assistance and services: Economic assistance and services is the capability to meet the demands for cash assistance, human services programs, educational services, and family and child welfare services. Our preliminary work indicated that a number of federal and state programs provided assistance and services to eligible individuals and families before the catastrophic disaster. Significant ongoing assistance after the catastrophic disaster has also been required.

Secretary Chertoff has announced plans to emphasize several of these capabilities in the near term. For example, DHS will acquire a hardened set of communications capabilities, including equipment and specialized reconnaissance teams to improve awareness about conditions and events unfolding during a disaster. It was clear that DHS did not have adequate

[10]GAO, *Hurricanes Katrina and Rita: Provision of Charitable Assistance*, GAO-06-297T (Washington, D.C.: December 13, 2005).

situational awareness of how Hurricane Katrina-caused conditions were worsening and thus required additional federal response. As was noted during a hearing before this committee, technological advances should provide the capability to prevent or significantly reduce "the fog of war" during a catastrophe. The secretary also has announced plans for better logistics and debris removal capabilities.

The House Select Committee had findings in several of these areas, such as medical care and evacuations, communications, emergency shelter and temporary housing, and logistics and contracting systems. The White House devoted a large number of its recommendations to capabilities. For example, White House recommendations cover (1) developing a National Emergency Communications Strategy and a modern, flexible, and transparent logistics system, (2) reviewing and revising the NRP to ensure effective integration of all federal search and rescue assets during disaster response, (3) strengthening public health and medical command for federal disaster response, and (4) assigning responsibility for coordinating the provision of human services during disasters to the Department of Health and Human Services.

Addressing these four themes—leadership; the clarity of the NRP; advance planning, training, and exercises; and strengthening capabilities for catastrophic events—will require developing priorities and making trade-offs, given finite resources. A risk management framework could aid agency and congressional decision making on these issues.

Planning for a Catastrophic Disaster Calls for a Risk Management Approach

It is vital to have in place a risk management decision making approach to develop federal capabilities and the expertise to use them to respond to a catastrophic disaster. Given the likely costs, Congress should consider using such an approach in deciding whether and how to invest in specific capabilities for a catastrophic disaster.

Risk Management Is A Continuous Process

We have advocated a comprehensive risk management approach as a framework for decision making.[11] Risk involves three elements: (1) threat, the probability that a specific type of event will occur; (2) the vulnerability of people and specific assets to that particular event; and (3) the adverse consequences that would result from the particular event should it occur. Another closely related element is criticality, that is, the relative importance of the assets involved, such as equipment, facilities, and operations.

We define risk management as a continuous process of assessing risks, taking actions to reduce, where possible, the potential that an adverse event will occur; reducing vulnerabilities as appropriate; and putting steps in place to reduce the consequences of any event that does occur. Risk management addresses risks before mitigating actions have been applied, as well as risk that remains after countermeasures have been taken. A risk management framework links strategic goals to plans and budgets, assesses the value and risks of various courses of actions as a tool for setting priorities and allocating resources, and provides for the use of performance measures to assess outcomes and adjust future actions as needed. The goal of risk management is to integrate systematic concern for risk into the normal cycle of agency decision making and implementation.

Risk Management Can Aid in Investment Decisions for a Catastrophic Disaster

Risk management can be central to assessing the risk for catastrophic disasters. Our risk management framework calls for the management of risk based on careful analysis of all available risk information, identification of alternatives for reducing risks through preparation and response, selection among those alternatives, implementing choices, monitoring their implementation, and continually using new information to adjust and revise the assessments and actions as needed, all within available resources. As I mentioned earlier, we have identified several key capabilities that may be needed in the event of a catastrophic disaster such as emergency telecommunications, damage and needs assessment, and logistics. Given that resources are finite, the administration and Congress should consider using a risk management approach in deciding whether and how to invest in specific capabilities for a catastrophic disaster.

[11] A summary of GAO's risk management framework specifically related to homeland security and combating terrorism can be found in GAO, *Risk Management: Further Refinements Needed to Assess Risks and Prioritize Protective Measures at Ports and Other Critical Infrastructure*, GAO-06-91 (Washington, D.C.: December 15, 2005).

Some of the changes that the government will need to prepare for catastrophic disasters are relatively inexpensive. Establishing more robust surveillance and warning mechanisms should build on existing systems, with communication of known information a key feature. Developing more detailed plans for ramping up from a "normal" disaster to a catastrophic disaster where warranted will impose additional costs. Providing the needed training to ensure the readiness of first responders and exercising the catastrophic disaster plans are much more costly endeavors, as well as increasing the quantity and quality of the federal government's preparedness and response capabilities.

A catastrophic disaster may be anticipated based on past history and the expectation that there will be another catastrophic disaster. Expectations, based on a risk management approach, would call for building basic capabilities and contingency planning to leverage other resources in anticipation of a likely event. For example, a major earthquake in a major metropolitan area in California has occurred in the past, is expected to occur at some point in the future, and is likely to cause significant loss of life and extensive damage to critical infrastructure. Flooding along the Mississippi River also has occurred and would similarly cause widespread destruction and disrupt the transport of goods along this major waterway. Man-made catastrophic disasters that involve, for example, a nuclear power plant or liquefied natural gas installations could cause catastrophic damage and deaths across a wide area.

Specific Capabilities Can Be Identified

Developing preparedness for large-scale disasters is part of an overall national preparedness effort that should integrate and define what we need to do, where and based on what standards, how we should do it, and how well we should do it. DHS developed three documents to address these needs. The National Response Plan was designed to identify what needs to be done, the National Incident Management System describes how to manage what needs to be done in response to an emergency incident, and the National Preparedness Goal is designed to define how well we should do what needs to be done. Hurricane Katrina was the first major test of the NRP.

These three documents, considered as a group, can be one basis for risk analyses to assess the most productive and urgent investments in emergency preparedness and response capabilities. The National Preparedness Goal, whose development was required by Homeland Security Presidential Directive 8 (HSPD-8), is particularly important. DHS issued an interim version of the goal in March 2005 and an expanded draft

in December 2005. The December 2005 draft National Preparedness Goal defines both the 37 major capabilities that first responders should possess to prevent, respond, and recover from a wide range of major emergency incidents and the most critical tasks associated with these capabilities. These critical tasks are appropriately considered in risk analysis. An inability to effectively perform these tasks would, by definition, have a detrimental impact on effective prevention, response, and recovery capabilities.

To identify the needed capabilities, DHS used 15 National Planning Scenarios developed by the President's Homeland Security Council that included 12 terrorist attacks and 3 natural disasters—an earthquake, a hurricane, and a pandemic influenza outbreak. According to DHS, the planning scenarios are intended to illustrate the scope and magnitude of large-scale, catastrophic emergency events for which the nation needs to be prepared. Because no single jurisdiction or agency would be expected to perform every preparedness task or have every capability to the same degree, possession of critical capabilities could involve enhancing and maintaining local resources, ensuring access to regional and federal resources, or some combination of the two. Risk factors include population and population density, the presence of critical infrastructure and key resources, and location in high terrorist threat or high risk natural disaster areas. The National Preparedness Goal includes seven national priorities, including implementing the NIMS and NRP and expanding regional collaboration. Those seven priorities are incorporated into DHS's fiscal year 2006 homeland security grant guidance. The guidance also adds an eighth priority that emphasizes emergency operations and catastrophic planning.

In earlier work on the National Preparedness Goal, we observed that if properly planned and executed, the goal and its related products, such as program implementation plans and requirements, may help guide the development of realistic budget and resource plans for an all-hazards national preparedness program.[12] However, questions remain regarding what should be expected in terms of basic capabilities for most disasters compared to the expanded capabilities and mutual aid needed from other jurisdictions to meet the demands of a catastrophic disaster.

[12]GAO, *Homeland Security: DHS' Efforts to Enhance First Responders' All-Hazards Capabilities Continue to Evolve,* GAO-05-652 (Washington, D.C.: July 11, 2005).

HSPD-8 called for strengthening preparedness capabilities of federal, state, and local entities. However, guidance on implementing the National Preparedness Goal appears to have been targeted at state and urban area jurisdictions. It does not appear that similar attention has been paid to guidance for federal agencies and their progress in supporting the National Preparedness Goal's expectations. Consequently, we recommend that DHS should take the lead in strengthening guidance for federal agencies and monitoring their efforts to meet the National Preparedness Goal's provisions for federal agencies.

Our recommendation is consistent with those of the White House. The White House has recommended that future preparedness of the federal, state, and local authorities should be based on the risk, capabilities, and needs structure of the National Preparedness Goal. More specifically, the White House recommends that the National Preparedness Goal and its target capabilities list should be used, for example, in (1) defining required capabilities and what levels of those capabilities are needed, including those within the purview of the federal government, (2) developing mutual aid agreements and compacts informed by the National Preparedness Goal's requirements, and (3) developing strategies to meet required levels of capabilities that prioritize investments on the basis of risk. We have work underway to assess if the provisions of the National Preparedness Goal will aid catastrophic disaster preparedness and NRP implementation.

A Focus on Assessing Planning and Capabilities Will Be Critical

In our work on the National Preparedness Goal, we also observed that DHS's assessment and reporting implementation plan, intended to accurately identify the status of capabilities at the state, regional, and local levels, is vital for establishing a baseline and providing an ongoing feedback loop upon which decisions at multiple levels of government about preparedness needs will rest. Assessment of catastrophic disaster planning and capability needs will be a critical piece.

In the conference report to the Department of Homeland Security Fiscal Year 2006 Appropriations Act, the conferees directed DHS to report on the status of catastrophic planning, including mass evacuation planning in all 50 states and the 75 largest urban areas.[13] In addition, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users required the Secretary of Transportation and the Secretary of

[13]H. R. Rep. No. 109-241, at 68 (2006).

Homeland Security to jointly review and assess federal and state evacuation plans for catastrophic hurricanes impacting the Gulf Coast Region.[14]

In response, DHS launched a nationwide review of state, territorial, and urban area emergency and evacuation plans. In the first phase of the review, each state and territory and urban area was to certify the status of its emergency operations plans and identify when plans were last updated and exercised. According to the DHS report on the first phase's results, 56 states and territories and 72 urban areas responded. Fewer than half of those reporting might have adequate planning for a catastrophic disaster. Of those jurisdictions reporting that their base plan was consistent with federal guidance and voluntary standards, 42 percent of the states and territories and 36 percent of urban areas were confident that their plan was adequate to manage a catastrophe.[15] In a second phase of the review, peer review teams are to validate the self-assessments, determine requirements for planning assistance, collect best practices, and recommend corrective actions. DHS plans to complete these peer reviews by the end of April 2006 and report to the President and Congress before June 1, 2006. The White House has recommended DHS establish a program to measure and assess the effectiveness of preparedness capabilities on an annual basis and recommend appropriate adjustments to the National Preparedness Goal, capabilities, and yearly priorities for homeland security grants. We are currently examining evacuation planning and assistance, including the federal role in the emergency evacuation of transportation-disadvantaged populations—including the elderly, disabled, and low income individuals—and preparedness for the evacuation of hospitals and nursing homes.

Similar to DHS's overall national preparedness planning, no single state or area should be expected to have the same capability to prepare for a catastrophic disaster. The stand-up and sustaining of capabilities should be based on a risk assessment that would call for examining what vulnerabilities from a potential catastrophic disaster require attention and how they should be addressed within available resources and with contingency planning. Periodic assessments should determine if plans

[14]Pub. L. No. 109-59, 119 Stat. 1144, 1934 (2005).

[15]Department of Homeland Security, *Nationwide Plan Review Phase 1 Report* (Washington, D.C.: February 10, 2006).

remain viable, actual capabilities match planned capabilities, and if contingency planning still is appropriate.

I would suggest that before the Congress and the Administration embark on implementing the more expensive aspects of preparing for a catastrophic disaster, policymakers should discuss in a timely fashion and reach consensus on the following issues:

- What is known about the likelihood of a catastrophic disaster occurrence in specific areas of the nation? For example, what are the odds that more category 4 and 5 hurricanes will strike specific areas of the Gulf and East Coasts? How likely is it that California or other earthquake-prone areas will experience "the big one?" What are the chances that a nuclear plant will suffer an incident that results in massive radiation exposure?

- How vulnerable are the areas that would be affected by these catastrophic disasters and what would be the consequences, in terms of human life, economic impact, and other generally accepted measures?

- What are the costs and potential benefits of actions governments can take to mitigate the occurrence and consequences of these disasters? For example, in the case of catastrophic hurricanes, what are the costs and benefits of greater and more precise early warnings, better resourced and exercised evacuation plans, more pre-positioned equipment such as generators and water, more designated shelters and medical care resources, enhanced health care operations, and better mutual aid planning and specific agreements?

- Finally, based on all of the above, what are the most prudent courses of action for various levels of government and their partners, such as private industry and nongovernmental organizations, in preparing for and responding to catastrophic disasters?

These are not easily answered questions. However, given the enormous potential costs and the increasing demands on federal discretionary funding, these are some of the questions that policymakers should explicitly discuss, reach consensus, and periodically reassess as events and considerations change. If federal funds will be used to increase first responders' capabilities for catastrophic disasters, we suggest that the Congress require the use of risk management principles to assess state and urban area investments in capabilities to respond to a catastrophic disaster.

Organizational Placement Has Been Raised as a Key FEMA Performance Factor

Because of FEMA's mission performance during Hurricane Katrina, concerns have been raised regarding the agency's organizational placement, including whether it should be disbanded and functions moved to other agencies, remain within the Department of Homeland Security, or again become an independent agency. Importantly, other factors, such as the experience of and training provided to FEMA leadership and adequacy of resources may be more important to FEMA's future success than its organizational placement.

Factors Other Than Organizational Placement May Impact FEMA's Performance

Organizational changes, such as separating FEMA from DHS, are often viewed as a quick fix to address performance issues. Based on our institutional knowledge regarding organizational performance factors, organizational changes alone may not adequately address underlying systemic conditions that result in an organization's performance problem. Conditions underlying FEMA's performance during Hurricane Katrina could involve the experience and training of DHS or FEMA leadership; the clarity of FEMA's mission and related responsibilities and authorities to achieve mission performance expectations; the adequacy of its human, financial, and technological resources; and the effectiveness of planning, exercises, and related partnerships.

These factors have been highlighted, for example, by the House Select Committee which noted (1) senior officials were ill prepared due to their lack of experience and knowledge of the required roles and responsibilities prescribed by the NRP, (2) DHS and FEMA lacked adequately trained and experienced staff for the Katrina response, observing that FEMA had lost, since 2002, a number of its top disaster specialists, senior leaders, and experienced personnel, described as "FEMA brain drain," and that even before Hurricane Katrina, FEMA suffered from a lack of sufficiently trained procurement professionals, and (3) FEMA's logistics systems were unable to support large-scale logistical challenges. In addition, White House recommendations covered areas such as DHS expertise and experience, development of a national crisis communications system, and development of DHS regions that are fully staffed, trained, and equipped to manage and coordinate all preparedness activities and any emergency that may require a substantial federal response.

Factors such as the experience and training of leadership and the adequacy of resources can lead to performance difficulties pointed out in the House Select Committee, the White House report, and in testimony before this committee. These difficulties would not, we believe, be fixed

by simply moving FEMA to an independent status. Indeed, we know that many of lessons learned from Hurricane Katrina were acted on for Hurricane Rita, with a much better response effort, indicating that organizational change is not the primary key to success. Such factors, we believe, should be more carefully assessed and action taken where appropriate to strengthen any weaknesses in FEMA's leadership and resources.

Certain Criteria Could Be Used if a Change in FEMA's Organizational Placement is Considered

However, if an organizational change remains under consideration, our past work could be helpful. Before the formation of DHS, I testified before the House Select Committee on Homeland Security that reorganizations of government agencies frequently encounter start-up problems and unanticipated consequences and are unlikely to fully overcome obstacles and challenges, and may require additional modifications in the future.[16] I also presented specific criteria to evaluate whether individual agencies or programs should be included or excluded from the proposed department. Those criteria included, for example, mission relevancy, similar goals and objectives, leveraging the effectiveness of other agencies and programs or the new department as a whole, and gains in efficiency and effectiveness through eliminating duplications and overlaps. I also stated that Congress should consider not only the mission and roles that agencies fulfill today, but the mission and role that they should fulfill in the coming years.

Some of these criteria are appropriate today for discussing FEMA's future, and I would suggest that they might be useful if a change in FEMA's organizational placement is under consideration. For example, Congress might consider whether or how moving FEMA out of DHS would impact DHS's mission, as stated in the Homeland Security Act of 2002, of acting as a focal point for natural and manmade crises and emergency planning. DHS's Emergency Preparedness and Response Directorate—primarily FEMA—was to help ensure the effectiveness of emergency response providers to terrorist attacks, major disasters, and other emergencies. Removing FEMA from DHS might impact the ability of the department and its remaining components and FEMA itself in fully addressing the close links between preparedness, prevention, response, and recovery for all hazards.

[16]GAO, *Homeland Security: Critical Design and Implementation Issues*, GAO-02-957T (Washington, D.C.: July 17, 2002).

The dispersion of responsibility for all hazards preparedness and response across more than one federal agency was a problem we identified during the formation of DHS.[17] FEMA was established in 1979 to consolidate federal emergency preparedness mitigation, and response in a single federal agency. Its responsibilities were to include, among other things, the coordination of civil defense and civil emergency planning and the coordination of federal disaster relief. FEMA responded to a wide range of disasters, including floods, hurricanes, earthquakes, hazardous material accidents, nuclear accidents, and biological, chemical, and nuclear attacks.[18] However, when Congress created DHS, it separated FEMA's responsibilities for preparedness and response activities into two directorates. Responsibility for preparedness for terrorism disasters was placed in the department's Border and Transportation Security Directorate, which included FEMA's Office of National Preparedness. Other types of FEMA disaster preparedness and response efforts were transferred to the department's Emergency Preparedness and Response Directorate. In January 2003, we observed that this organizational arrangement would challenge FEMA in ensuring the effective coordination of preparedness and response efforts and enhancing the provision and management of disaster assistance for efficient and effective response.[19]

A division of responsibility remains under the recent DHS reorganization resulting from Secretary Chertoff's Second Stage Review (2SR), with preparedness efforts—including planning, training, exercising, and funding—consolidated into a Preparedness Directorate. FEMA reports directly to the Secretary of Homeland Security for response and recovery missions. Secretary Chertoff has explained the reorganization would focus FEMA on its historic mission of response and recovery.

If FEMA were to become independent of DHS, then a comprehensive approach to preparedness, response, and recovery may become even more difficult to maintain. The lack of a single department or agency with responsibility for preparedness, response, and recovery also could jeopardize clear federal leadership and assistance for state and local governments. These entities would have two primary points of contact,

[17]GAO, *Major Management Challenges and Program Risks: Department of Homeland Security*, GAO-03-102 (Washington, D.C.: January 2003).

[18]GAO-93-186.

[19]GAO-03-113.

two points of guidance and regulation, two points of funding opportunities, and two points of assistance and oversight. Nongovernmental and private sector partners in all hazards preparedness would be similarly affected.

Other organizational changes are also being considered. The White House report on lessons learned from Hurricane Katrina recommended keeping FEMA within DHS, but allows for other organizational changes, such as creating new positions and offices within DHS and transferring the National Disaster Medical System from DHS to the Department of Health and Human Services.

Lastly, I believe we should bear in mind that the Department of Homeland Security is only three years old this month. In my testimony on the formation of DHS in 2002, I stated that often it has taken many years for the consolidated functions in new departments to effectively build on their combined strengths.

Long Term Rebuilding Efforts Raise Issues for Congressional Consideration

Madame Chairman, the federal government will be a major partner in the longer-term rebuilding of the Gulf Coast because of the widespread damage and economic impact. In support of state and local efforts, the federal role in rebuilding will be particularly important for transportation and health infrastructures and federal facilities. In addition, federal programs will face financial difficulties and there is uncertainty concerning the impact of catastrophic disasters on the availability and affordability of insurance. Long term rebuilding raises issues concerning the need for consensus on what rebuilding should be done, where and based on what standards, who will pay for what, and what oversight is needed to ensure federal funds are spent for their intended purposes.

The Hurricanes' Destruction Resulted in Widespread Adverse Economic Disruptions

Hurricane Katrina destroyed considerable numbers of residential structures; consumer durable goods, such as motor vehicles, household furnishings, and appliances; and business structures and equipment, particularly in the energy and petrochemical industries. Hurricane Rita appears to have had a smaller impact on residential structures and consumer durable goods, and its damage to the energy industry may be as great as or greater than Hurricane Katrina's.

Some federal agencies have developed programs to initially identify and assess the recovery needs of the region. For example, the U.S. Environmental Protection Agency (EPA) and the Centers for Disease

Control and Prevention (CDC), created the Environmental Health Needs Assessment and Habitability Taskforce. This taskforce was charged with identifying the overarching environmental health issues faced by New Orleans to re-inhabit the city. According to the taskforce, the most striking feature of the Hurricane Katrina catastrophic disaster in New Orleans is the array of key environmental health and infrastructure factors affected all at once. All key environmental health and related services are being reestablished, and this work needs to be done in a very coordinated and well-planned way. Full restoration of drinking water systems and wastewater treatment systems will be delayed by the many disruptions in the distribution and collection systems and by the need for upgrade and repairs in older systems. The task force also noted timeline for debris treatment, disposal, containment, and transport, as well as for the testing of potentially contaminated soil, will also slow or accelerate the rate at which New Orleans can be re-inhabited.

The task force found that restoration of the city's housing infrastructure is its most complex issue. Housing is likely the most critical issue in re-inhabiting the city because of factors such as the large percentage of city housing that was flooded and may not be viable, as well as the large proportion of the city population that is displaced with some residents a significant distance away from New Orleans or not intending to return, according to the task force. EPA and other federal partners are continuing to assess and address environmental and health issues that will impact the recovery and rebuilding of the Gulf Coast.

The ongoing progress of recovery and rebuilding is being studied by several organizations. For example, the Brookings Institute created an index of economic and social indicators measuring the impact of rebuilding efforts in Orleans Parish, the New Orleans metropolitan area, Louisiana, and Mississippi. Brookings' February 1, 2006 report noted that over five months since Hurricane Katrina made landfall, New Orleans lacks enough essential services to support all of its returning residents and the area continues to lose workers. More specifically, the report observed that only 32 percent of the city's hospitals are open. Only 15 percent of the city's schools have reopened and some of those are reporting difficulty accommodating demand. Nearly 750,000 households remain displaced. Mortgage delinquency rates rose between the second and third quarters of 2005. In the state of Louisiana, nearly 1 in 4 mortgages is 30 days or more past due. Currently, the New Orleans metro area lost 42,000 people in its labor force between November and December, while the state of Louisiana lost over 100,000 people. Although the state of Louisiana created over 11,000 jobs between November and December, it lost over 100,000 people

in its labor force. Mississippi lost 2,000 jobs and about 2,000 of its labor force. According to the Brookings' analysis, the slow pace of recovery strongly suggests that the city and state will be unable to restore essential services on their own, and require direct federal assistance to do so.

Rebuilding Strategies Are Underway

In Louisiana and Mississippi, several efforts are underway to develop long-term rebuilding strategies in these states. In Louisiana, the governor and the mayor of New Orleans have charged different groups with guiding various aspects of the rebuilding efforts. Under the mayor, the Bring New Orleans Back Commission is intended to help New Orleans develop a "Master Plan" to include recommendations for rebuilding the city. The commission has issued several final reports, including those on urban planning, education, health and social services, and infrastructure. At the state level, the Louisiana Recovery Authority is the planning and coordinating body created by the Governor to assist in implementing the state's vision for the recovery of Louisiana. Working in collaboration with local, state and federal agencies, the authority serves to address short-term recovery needs and guide the long-term planning process.

In Mississippi, the Governor's Commission on Recovery, Rebuilding and Renewal was formed to develop a strategy for rebuilding the affected areas of Mississippi. Developed as an advisory body, the commission is intended to solicit the input of local leaders and facilitate decision making in their regions. In early January the commission released a report with numerous recommendations intended to guide Mississippi's post-Katrina rebuilding. The report recommends, for example, that local governments immediately adopt revised flood maps and begin assessing and revising their flood zone management ordinances and building requirements. In addition, the report suggests ways communities can tap into federal, state, and private funding sources to accomplish some of the report's goals.

On November 1, 2005, the President issued Executive Order 13390, which directed the creation of a central figure in the administration's efforts to support the Gulf Coast recovery and rebuilding phases.[20] Specifically, the President directed the Secretary of Homeland Security to establish within the department the position of Coordinator of Federal Support for the

[20]U.S. President (G.W. Bush), "Establishment of a Coordinator of Federal Support for the Recovery and Rebuilding of the Gulf Coast Region," E.O. 13390, Federal Register, vol. 70, Nov. 4, 2005, p. 67327-67328.

Recovery and Rebuilding of the Gulf Coast region. The federal coordinator, Donald Powell, is responsible for developing principles and goals and leading the development and monitoring of the implementation of specific federal support. The coordinator also serves as the focal point for managing information flow, requests for actions, and discussions with the Congress, state and local governments, the private sector, and community leaders.

Madame Chairman, we need to make sure that rebuilding in the Gulf Coast should not replace that which was built in the past to 20th century standards, but be built for the future and to 21st century standards. State and local officials will have the lead on determining the future needs of the Gulf Coast. However, the federal government should be a willing partner in the rebuilding strategies so we build better than before and in anticipation of future catastrophic events.

Now, I would like to turn to more specifically discuss rebuilding transportation and health infrastructures and federal facilities.

Transportation Infrastructure Was Significantly Damaged and Poses Major Cost and Funding Concerns

Transportation infrastructure destruction will have a considerable impact on federal programs. The hurricanes destroyed significant amounts of the region's transportation infrastructure. The largest transportation capital costs will be associated with reconstruction of highways and bridges—Hurricanes Katrina, Rita, and Wilma resulted in about $2.7 billion in needed repairs to roads on the federal-aid highway system. Hurricane Katrina resulted in the bulk of this cost, with about $2.1 billion in highway damage. Louisiana, Mississippi, and Florida suffered the vast majority of the highway damage. Federal Highway Administration (FHWA) officials said that because many roads have been submerged, determination of the full extent of highway damage will depend on the results of testing.

FHWA works with the states to develop these estimates, and funding for repair and reconstruction comes through FHWA's Emergency Relief Program. Under this program, states are reimbursed the cost of repairs and reconstruction of the existing highway facilities, and improvements are generally not allowed. However, bringing a facility up to current highway design standards is allowed. Only roads on the federal-aid highway system are eligible for funding. A large backlog of funding requests to this program existed prior to the hurricanes, about $650 million pre-Katrina, resulting in a total state demand for emergency funds of about $2.85 billion. In its fiscal year 2006 Defense Appropriations Act, Congress appropriated $2.75 billion to the FHWA Emergency Relief Program. These funds are available for both the 2005 hurricanes and other

emergency projects. We plan to review the FHWA Emergency Relief Program and related surface transportation financing issues that have arisen as a result of the hurricanes.

Transit systems in the region sustained considerable damage, especially in New Orleans, where most of the transit fleet was lost. This included three bus garages, an operations and maintenance facility, much of the trolley system, and a majority of the city's bus fleet. In addition, the population of Baton Rouge roughly doubled in a matter of days, which presented an unprecedented transit problem for that city. While no transit program comparable to the FHWA Emergency Relief Program exists, FEMA provided $47 million under a mission assignment to help provide basic transit services within and between Baton Rouge and New Orleans.

Ports in the region also suffered significant damage. The Port of New Orleans estimated reconstruction and relocation needs of $435 million to cover damages sustained from Hurricane Katrina, assuming $75 million would be funded by insurance claims or FEMA reimbursements. The remaining $360 million is unfunded. The Port of Gulfport was also hard hit, and while it is still developing estimates, according to the port director, reconstruction will likely total between $300 million and $400 million. Part of these costs will be covered by insurance and revenues from resumed port operations. According to officials from other ports in the region, they also sustained damage, though not of this magnitude. For example, the Port of Mobile sustained $28 million in damages, while other Louisiana ports, such as Port Fourchon and the Port of South Louisiana, estimate damages of $7 million and $2 million respectively. We have initiated a review of how ports mitigate their vulnerability to natural disasters, what lessons have been learned, and what the potential federal role may be in mitigating port vulnerability.

A number of railroads suffered damage from Hurricane Katrina. The large railroads have nearly completed repairs to their systems, while a number of smaller short lines are in the process of repairing lines. These costs are currently borne by the railroads themselves, and the Department of Transportation does not have estimates of the damages. However, a financial statement from the CSX railroad estimated damages from Hurricane Katrina to that railroad's assets at over $40 million.

Numerous airports in the region were affected by the hurricanes. The Federal Aviation Administration (FAA) estimates that about $100 million will be needed from the Airport Improvement Program to pay for damage.

In addition, FAA estimated that its facilities sustained about $41 million in damage, for a total of $141 million.

Health Care Infrastructure Was Significantly Damaged

The health care infrastructure in the New Orleans area, including emergency, hospital and clinic facilities, was significantly damaged by Hurricane Katrina. The city is struggling to restore some capacity to meet the immediate needs of the population currently there. Moreover, numerous decisions that will need to be made on how to rebuild the health care system. The decisions are complicated by several factors, including the need to improve efficiency by moving away from New Orleans hospital-centric system and uncertainty about how many people will return to New Orleans and where they will settle.

The damage inflicted by Hurricane Katrina on the New Orleans health system was severe. In particular, the Medical Center of Louisiana at New Orleans (MCLNO), which included Charity and University Hospitals, was forced to close its doors. MCLNO operated the only Level I trauma unit along the Gulf Coast. With its closure, the closest Level I trauma units are in Shreveport, Louisiana, Houston, Texas, and Birmingham, Alabama.[21] In addition, MCLNO provided more than 25,000 inpatient admissions, over 300,000 clinic visits and 135,000 emergency visits in fiscal year 2004. It was the primary safety net hospital for many local residents, and about half of its patients were uninsured and about one-third were covered by Medicaid. Under the Stafford Act, Charity Hospital is eligible for federal funds to repair Hurricane Katrina related damage. These funds, administered under FEMA's Public Assistance Program, would be available to defray a portion of the cost to rebuild or repair Charity Hospital. FEMA and Louisiana State University, which owns Charity Hospital, have prepared estimates of the cost to repair the hospital that differ considerably in their assumptions and conclusions, and no decision has been made as to whether to rebuild or repair the facility.

Other health services in New Orleans were also severely damaged, including hospitals, emergency services, and safety net clinics.

- **Hospitals:** The number of staffed hospital beds in the City of New Orleans was about 80 percent less in February 2006 than before Hurricane Katrina, according to figures submitted daily by

[21]MCLNO announced plans to re-establish Level I trauma unit in the New Orleans area working in conjunction with another facility.

hospitals to an internet database about their bed capacity.[22] Of the nine acute care hospitals in the city prior to Katrina, only 3 had re-opened at a capacity of approximately 456 staffed beds as of February 22, 2006.

- **Emergency Care:** Increasing demand has been reported at the open emergency departments and has led to slow unloading of patients from ambulances and to patients being housed in the emergency department because beds were not available. For example, according to data reported by hospitals on February 22, 2006, wait times for emergency medical services (EMS) vehicles to offload stable patients into emergency departments varied from no wait to as long as 2 hours at two facilities, and 38 patients had been admitted and were housed in the emergency department.

- **Safety Net Clinics:** More than three-fourths of the safety net clinics in the New Orleans area were closed, and many of those that were open had limited capacity, according to data gathered by officials at the Louisiana Department of Health and Hospitals (DHH). For example, prior to Katrina, 90 clinics were in operation, including 70 various clinics run by MCLNO, with the remainder federally qualified health centers, mental health or addictive disorder clinics, or other specialty clinics. Post-hurricane, 19 clinics were operating according to DHH figures, generally operating at less than 50 percent of pre-Katrina capacity.

In addition to the severe damage sustained by health facilities, maintaining and attracting the workforce is also a serious issue for local officials. An estimated 3,200 physicians lived in the metropolitan area before Hurricane Katrina, with 2,664 of those physicians residing in New Orleans itself, according to DHH figures. We were unable to obtain an estimate of how many physicians are currently in New Orleans. Hospital officials said they faced a shortage of support staff, such as food service or janitorial workers, who were unable to return due to a lack of housing or were being offered higher wages at hotels and restaurants.

As the city struggles to restore the health system in New Orleans, long-term decisions on how to rebuild it are affected by questions about whether the health system should be rebuilt to its pre-Katrina

[22]The internet database is called "GNOEMS" and was developed by the Greater New Orleans Healthcare Taskforce with the assistance of the U.S. Public Health Service.

configuration and uncertainties about the returning population. Some health policy researchers have noted that the pre-Katrina health system in New Orleans needed improvement. Some local officials have also suggested that the health care situation prior to the hurricane was less than ideal and the city has a chance to rebuild a better system. Also, uncertainty about how quickly the population would return to New Orleans, as well as who would return and where people will settle, poses difficult challenges for local officials to plan the restoration of health services, such as how much capacity will be required and where to locate services.

Over the long term, building a new health care system will be vital to attract people back to New Orleans and ensure its recovery. State, local and federal governments all have important roles to play in the recovery process. At the state and local levels, commissions to plan for the future health care system have been established, and one has completed its work. The Bring New Orleans Back Commission issued recommendations shifting the focus, to the degree possible, toward ambulatory care, wellness and preventive medicine, health promotion and chronic disease prevention and away from institutional care; maintaining a university teaching hospital in New Orleans; and building capacity for electronic medical records. The commission also noted the difficulty of doing effective planning without reliable information on the population and what segments of the population will return. The Louisiana Recovery Authority included one task force dedicated to health care issues. The NRP also gives the Department of Health and Human Services a support role under long-term community recovery and mitigation to enable community recovery from the long-term consequences of a large-scale incident. We will be following HHS' efforts to fulfill this role in the coming months.

Federal Facilities Were Damaged or Destroyed

Several federal agencies had their facilities damaged or destroyed by the hurricanes and may face significant costs to repair or replace them, although these costs are relatively small in relation to those I just discussed. The Department of Veterans Affairs (VA) estimated damage to its medical centers in New Orleans and Biloxi at $170 million and $50.7 million respectively. VA's Gulfport hospital complex suffered catastrophic damage and will not be rebuilt since VA had already planned to close it. The National Aeronautics and Space Administration estimated the cost of facility repair at the Stennis Space Center in Mississippi and Michoud Assembly Facility in New Orleans at $84 million and $69 million respectively. The General Services Administration estimated the cost of repairing its owned and leased facilities and leasing alternative space at $60 million. The U.S. Postal Service estimated the cost of facility repair

from Hurricane Katrina at $57 million. The Department of Interior estimated damage to facilities, which includes damages to buildings, phone systems, electrical systems, and information technology systems among other things, at about $41 million. In addition, there was damage to military bases and to shipyard repair facilities.

Federal Flood Insurance Program Faces Record Claims and Financial Difficulties

The federal flood insurance program faces major financial difficulties challenges as the Gulf Coast recovers. The program is essentially bankrupt. FEMA officials estimate that Hurricanes Katrina and Rita will result in flood insurance claims of about $23 billion, far surpassing the total amount of claims paid in the entire history of the National Flood Insurance Program (NFIP) through 2004.

These storms have presented, among other challenges for the NFIP, the need to adjust a record number of claims, many for properties that were inaccessible for weeks after the flooding occurred, and the need to borrow funds from the U.S. Treasury to pay the settlements due to policyholders. Almost 87,000 loss claims totaling over $8 billion were paid for Hurricane Katrina claims in Alabama, Florida, Mississippi, and Louisiana through November 30, 2005. By comparison, in 2004, the previous record year, the NFIP paid about $1.95 billion in claims on flood events, including Hurricanes Charley, Frances, Ivan, and Jeanne that caused major damage in Florida and other East Coast and Gulf Coast states. Though numbers are not finalized, a FEMA official said that by the end of December, 2005, more than 70 percent of claims for Hurricanes Katrina, Rita, and Wilma had been paid totaling more than $11 billion.

The amount paid per claim for flood damage in Hurricane Katrina ranged from a high of $130,281 in Mississippi to a low of $17,727 per claim in Florida. In Louisiana, where more than three fourths of the claims were filed, the average amount paid per claim was $92,549. A FEMA official noted that claims for total losses were paid quickly, so the average amount paid per claim may be less when all claims are settled. The average amount paid per claim for damage from Hurricane Rita was $52,185 in Louisiana and $24,489 in Texas.

The magnitude and severity of the flood losses from Hurricanes Katrina and Rita overwhelmed the ability of the NFIP to absorb the costs of paying claims, providing an illustration of the extent to which the federal government is exposed to claims coverage in catastrophic loss years. As of March 1, 2006, FEMA's authority to borrow from the U.S. Treasury was increased from $1.5 billion prior to the 2004 hurricane season to

$18.5 billion through fiscal year 2008. While no determinations have been made about whether the NFIP will repay any of the debt, it is unlikely that the program could generate sufficient revenues to cover the enormous losses.

Until the 2004 hurricane season, FEMA had exercised its borrowing authority three times in the last decade when losses exceeded available fund balances. In each instance, FEMA repaid the funds with interest. According to FEMA officials, as of August 31, 2005, FEMA had outstanding borrowing of $225 million with cash on hand totaling $289 million. FEMA had substantially repaid the borrowing it had undertaken to pay losses incurred for the 2004 hurricane season that, until Hurricane Katrina struck, was the worst hurricane season on record for the NFIP. FEMA's current debt with the U.S. Treasury is almost entirely for payment from flood events that occurred in 2005. We currently have work underway examining the challenges facing the NFIP and options for improving the program.

Flood maps are the foundation of the NFIP. They identify the areas at risk of flooding, and accurate, updated flood maps are a critical component for devastated communities in Mississippi and Louisiana, in particular, for making decisions about where and how to rebuild. Thus, new maps for these areas need to be expedited and completed as soon as possible.

As of January 2006, FEMA had not yet fully implemented provisions of the Flood Insurance Reform Act of 2004, including establishing a regulatory appeals process for claimants and establishing minimum education and training requirements for insurance agents who sell NFIP policies. These reforms should also be completed expeditiously, and we have recommended that FEMA develop documented plans with milestones for implementing the reforms required by the 2004 legislation.

The Small Business Administration's Disaster Loan Program Also Faces Financial Concerns

We have initiated work to identify and assess the factors that have affected the Small Business Administration's (SBA) ability to respond to disaster victims through its disaster loan program in a timely manner. As the primary federal lender to disaster victims, including individual homeowners, renters, and businesses, SBA's ability to process and disburse loans in a timely manner is critical to the recovery of the Gulf Coast region. As of February 25, 2006, SBA had mailed out more than 1.6 million loan applications, received over 337,800 completed applications, processed more than 230,900 applications, and disbursed about $426.8 million in disaster loan funds. Although SBA's current goal is to process

loan applications within seven to 21 days, as of February 25, 2006, SBA faced a backlog of about 103,300 applications in loan processing pending a final decision, and the average age of these applications is about 94 days. At the average rate SBA processed loans during the past month, it will take the agency 51 days to process its current backlog. However, this figure will be further affected by the number of new loan applications that are being received daily. SBA also faces a backlog of more than 37,100 loan applications that have been approved but have not been closed or fully disbursed. As a result, disaster victims in the Gulf Region have not been receiving timely assistance in recovering from this disaster and rebuilding their lives.

Based on our preliminary analysis of SBA's disaster loan origination process, we have identified several factors that have affected SBA's ability to provide a timely response to Gulf Coast disaster victims. First, the volume of loan applications SBA mailed out and received has far exceeded any previous disaster. Compared with the Florida hurricanes of 2004 or the 1994 Northridge earthquake, the hurricanes that hit the Gulf Coast in 2005 resulted in roughly 2 to 3 times as many loan applications issued.[23] Second, although SBA's new disaster loan processing system provides opportunities to streamline the loan origination process, it has experienced numerous outages and slow response times in accessing information. However, we have not yet determined the duration and impact of these outages on processing. SBA officials have attributed many of these problems to a combination of hardware and telecommunications capacity limitations as well as the level of service SBA has received from its contractors. Third, SBA's planning efforts to address a disaster of this magnitude appear to have been inadequate. Although SBA's disaster planning efforts focused primarily on responding to a disaster the size of the Northridge earthquake, SBA officials said that it initially lacked the critical resources such as office space, staff, phones, computers, and other resources to process loans for this disaster. SBA has participated in disaster simulations only on a limited basis and it is unclear whether previous disaster simulations of category 4 hurricanes hitting the New Orleans area were considered.

[23]In comparison, SBA issued loan applications for the Northridge earthquake and the Florida hurricanes of 2004, totaling about 570,000 and 870,000, respectively. For those two disasters, SBA received loan applications totaling about 250,000 for Northridge and about 180,000 for the Florida hurricanes.

We are also assessing other factors that have affected SBA's ability to provide timely loans to the disaster victims in the Gulf region including workforce transformation, exercising its regulatory authority to streamline program requirements and delivery to meet the needs of disaster victims, coordination with state and local government agencies, SBA's efforts to publicize the benefits offered by the disaster loan program, and the limits that exist on the use of disaster loan funds.

Uncertainty About Catastrophic Disasters Affects the Availability and Affordability of Insurance

The magnitude and severity of Hurricane Katrina and other recent catastrophes also impacted the insurance industry's willingness and ability to provide insurance protection for catastrophic disasters. A crucial aspect of being able to successfully provide such coverage is the ability to obtain what the industry refers to as credible "vulnerability assessments" or risk assessments. To be useful, a risk assessment must be able to estimate both the likely "frequency" and "severity" of catastrophic events— two key characteristics that insurance companies need to assess the probability and financial significance of a loss. In addition, based on credible information, insurers must be able to estimate both their "probable maximum loss (PML)," an estimate of the maximum dollar value that can be lost under realistic conditions, and their "maximum foreseeable loss (MFL)," an estimate of the maximum dollar loss under a worst-case scenario. Risk assessments can be used to provide a basis for making loss projections for catastrophes such as hurricanes or earthquakes, although the projections may not be accurate. Insurance companies use these estimates to determine the amount of coverage and the price at which to offer coverage within a geographic area. Potential losses are acceptable if the probability that they may occur is understood and companies can set prices that fully reflect the consequences of a specific risk. When projections fail to anticipate an event, such as an earthquake, or underestimate the severity of an event, such as Hurricane Katrina, insurance companies may become insolvent, as happened in the aftermath of Hurricane Andrew, or may choose to reduce the amount of coverage offered in a given area, as happened for wind losses in Florida and for earthquakes in California.

While the practice of risk assessment has become more sophisticated in recent years, the ability of such assessments to estimate losses remains inexact, particularly for many potential catastrophes. These assessments are typically undertaken by risk modeling companies that assist clients, such as insurance companies, with predicting and managing the financial impact of catastrophes and weather. In addition, as demonstrated by Hurricane Katrina, estimating the amount of losses that insurers could pay

for an event is also contingent on unforeseen circumstances, such as the unusual magnitude and consequences of the Hurricane Katrina storm surge. In addition, as a result of Hurricane Katrina, hundreds of thousands of buildings may have suffered damage from both the hurricane's winds and the storm surge. Because determining which factor caused the damage to a given structure is difficult and sometimes contentious, estimates of the amount that private insurers ultimately will pay to cover the costs of Hurricane Katrina are still very preliminary.

Because catastrophic disasters are likely to occur in the future, and because forecasting their probability and severity is an inexact science, state insurance regulators have recommended that the federal government provide a final layer of insurance protection in the event of a "mega-catastrophe." The National Association of Insurance Commissioners (NAIC) is considering a broad national plan that would create a mechanism to handle disasters, especially those larger than Hurricane Katrina. The plan proposes a public-private partnership that would reward hazard mitigation and spread catastrophic risk broadly among individual insureds, insurers, reinsurers, state reinsurance funds, and the federal government, according to NAIC. The federal government could provide a top layer of protection by acting as a reinsurer of last resort or, alternatively, by providing financial capacity to a multi-state risk pooling mechanism that could borrow from the federal government should catastrophic losses exceed the pool's accumulated funds. This plan is similar in scope to the Terrorism Risk Insurance Act (TRIA), which Congress enacted to create a program of shared public and private compensation for insured losses attributable to acts of terrorism. Under the NAIC plan, however, taxpayers would presumably not have to pay for losses. Furthermore, the NAIC plan asserts that if state and federal governments insured the top layers of catastrophe risk, private insurers would continue to insure the initial layer of risk that they might otherwise not insure.

However, some in the insurance industry oppose additional government involvement and others have set forth alternative proposals. Some insurance company representatives believe that the private market for catastrophic coverage for natural events continues to exist and that insurance costs should be based upon free market principles. Still others have proposed that insurance companies be permitted to set aside additional catastrophic disaster reserves on a pre-tax basis. Supporters of tax-deductible reserves argue that the tax-free status would give insurers a financial incentive to increase their reserves and expand insurers' capacity to cover catastrophic risks and avoid insolvency.

We anticipate undertaking work that would examine the merits of involving federal and state governments in alternative methods of insuring against catastrophic disasters—for example, by acting in a reinsurance capacity. We will continue to monitor legislation and proposals aimed at the long-term restoration of the Gulf Coast, such as the recently passed Gulf Opportunity Zone Act of 2005, which contains a variety of tax-related incentives designed to encourage rehabilitation in the region.

The Federal Role and Involvement Will Raise Ongoing Issues

As we move forward, long-term rebuilding in the Gulf Coast raises issues concerning the need for consensus on what rebuilding should be done, where and based on what standards, who will pay for what, and what oversight is needed to ensure federal funds are spent for their intended purposes. Over 20 years ago, we issued a report describing the U.S. government's involvement and experience in four large-scale assistance programs (Conrail, Lockheed, New York City, and Chrysler) and suggested guidelines for future programs in helping other failing firms or municipalities.[24] That report described four conditions that we suggested the Congress could use as a framework of ideas about how to structure future financial assistance programs and what program requirements to include to achieve Congressional goals and objectives while minimizing the risk of financial loss to the government. Congress might consider such guidelines as it considers federal assistance to the Gulf Coast for restoration:

- The scope of the problem should be identified, such as if the problem reflects broader industry-wide or regional economic conditions. For the Gulf Coast, this would involve financial and economic analyses, perhaps utilizing current studies of prior conditions and the ongoing progress of recovery and rebuilding.
- The effect of the problem on the national interest should be clearly established, for example, whether the problem presents potentially large economy-wide or regional consequences. For example, in the Gulf Coast, Congress might consider the costs of municipal and corporate collapse and the challenges associated with providing assistance.
- The legislative goals and objectives associated with the response should be clear, concise, and consistent. For example, in the Gulf Coast, goals and

[24]See GAO, *Guidelines for Rescuing Large Failing Firms and Municipalities*, GAO-84-34 (Washington, D.C.: Mar. 29, 1984).

objectives for rebuilding should be clearly stated, working with the state and local groups already tasked with recovery planning and with the Administration's Coordinator of Federal Support for the Recovery and Rebuilding of the Gulf Coast region.

- Lastly, the government's financial interest should be protected. In the Gulf Coast, controls might be put in place so there is review of the most important financial and operating plans.

Concluding Observations

Madame Chairman and members of the committee, the past several weeks have provided significant insights into the Hurricane Katrina catastrophic disaster with the release of the House Select Committee report, the White House report on the federal response, and the testimony provided to this committee. Secretary Chertoff has announced immediate actions in preparation for the upcoming hurricane season and plans to work with the White House and the Homeland Security Council to assess and address the White House recommendations. Findings, lessons learned, and observations all paint a complex mosaic of challenges the federal, state, and local governments face in preparing for, responding to, and recovering from catastrophic disasters. This committee's report as well as GAO's work will add to the understanding of what happened and what needs to be done.

Moving forward, the challenge will be to determine if the recommendations and initial and longer-term actions will truly close the gap in needed preparedness or add to the problem through additional bureaucracy, complex processes, and inflexible policies. Also, the key question remains if the revised policies and procedures, even if sound, will be effectively implemented. Will they join those past recommendations that were not implemented, resulted in actions that were not sustained, or proved to be inadequate? We look forward to working with this committee and others to focus our work on these key issues.

This concludes my statement. I would be pleased to respond to any questions that you or other members of the committee may have at this time.

GAO Contacts

Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. For further information about this testimony, please contact Norman Rabkin at (202)-512-8777 or at rabkinn@gao.gov.

Appendix I: Recent GAO Products Concerning Hurricanes Katrina and Rita

Emergency Preparedness and Response: Some Issues and Challenges Associated with Major Emergency Incidents. GAO-06-467T. Washington: D.C.: February 23, 2006.

Disaster Preparedness: Preliminary Observations on the Evacuation of Hospitals and Nursing Homes Due to Hurricanes. GAO-06-443R. Washington: D.C.: February 16, 2006.

Investigation: Military Meals, Ready-To-Eat Sold on eBay. GAO-06-410R. Washington: D.C.: February 13, 2006.

Expedited Assistance for Victims of Hurricanes Katrina and Rita: FEMA's Control Weaknesses Exposed the Government to Significant Fraud and Abuse. GAO-06-403T. Washington: D.C.: February 13, 2006.

Statement by Comptroller General David M. Walker on GAO's Preliminary Observations Regarding Preparedness and Response to Hurricanes Katrina and Rita. GAO-06-365R. Washington, D.C.: February 1, 2006.

Federal Emergency Management Agency: Challenges for the National Flood Insurance Program. GAO-06-335T. Washington, D.C.: January 25, 2006.

Hurricane Protection: Statutory and Regulatory Framework for Levee Maintenance and Emergency Response for the Lake Pontchartrain Project. GAO-06-322T. Washington, D.C.: December 15, 2005.

Hurricanes Katrina and Rita: Provision of Charitable Assistance. GAO-06-297T. Washington, D.C.: December 13, 2005.

Army Corps of Engineers: History of the Lake Pontchartrain and Vicinity Hurricane Protection Project. GAO-06-244T. Washington, D.C.: November 9, 2005.

Hurricanes Katrina and Rita: Preliminary Observations on Contracting for Response and Recovery Efforts. GAO-06-246T. Washington, D.C.: November 8, 2005.

Hurricanes Katrina and Rita: Contracting for Response and Recovery Efforts. GAO-06-235T. Washington, D.C.: November 2, 2005.

Federal Emergency Management Agency: Oversight and Management of the National Flood Insurance Program. GAO-06-183T. Washington, D.C.: October 20, 2005.

Federal Emergency Management Agency: Challenges Facing the National Flood Insurance Program. GAO-06-174T. Washington, D.C.: October 18, 2005.

Federal Emergency Management Agency: Improvements Needed to Enhance Oversight and Management of the National Flood Insurance Program. GAO-06-119. Washington, D.C.: October 18, 2005.

Army Corps of Engineers: Lake Pontchartrain and Vicinity Hurricane Projection Project. GAO-05-1050T. Washington, D.C.: September 28, 2005.

Hurricane Katrina: Providing Oversight of the Nation's Preparedness, Response, and Recovery Activities. GAO-05-1053T. Washington, D.C.: September 28, 2005.

STATEMENT OF RICHARD L. SKINNER

INSPECTOR GENERAL

U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

UNITED STATES SENATE

MARCH 8, 2006

Good morning Madam Chairman and Members of the Committee.

Thank you for the opportunity to be here today to discuss recommendations for improving the national emergency response system in the wake of Hurricane Katrina. It is our hope that the lessons learned from the response to Hurricane Katrina will form the foundation for critical improvements necessary for the nation to prepare for and respond to any disaster – natural or man-made.

As noted in recent reports issued by the House Select Bipartisan Committee to Investigate the Preparation For and Response to Hurricane Katrina and the White House report, the federal response to Hurricane Katrina identified many weaknesses and shortcomings that had a direct effect on our citizens. Unfortunately, as my testimony indicates, many of these weaknesses were not unique to Hurricane Katrina, but have been identified in Inspector General reports as far back as 1992, when Hurricane Andrew devastated Southern Florida.

Today, I would like to focus my remarks on five critical areas where improvements are needed:

- Command and Control
- Coordination of Federal Government Response Efforts
- Visibility of Deployed Assets
- Reliability of Communication Systems
- Media Relations

Finally, I will discuss concerns we have with the White House report. Above all, our goal is to turn lessons learned into problems solved.

Over the past few years, my office has completed a number of reviews related to preparedness and response operations by the Department of Homeland Security (DHS) that disclosed serious deficiencies in the national emergency response system, including:

- An audit on the deficiencies with existing information technology used by the Federal Emergency Management Agency (FEMA), *Emergency Preparedness and Response Could Better Integrate Information Technology with Incident Response and Recovery;*

- An evaluation of the April 2005 Top Officials 3 exercise, *A Review of the Top Officials 3 Exercise*, which highlighted issues with command and control as well as roles and responsibilities under the National Response Plan; and,

- A soon to be released report, *A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina*, which details FEMA's responsibilities for three of the four major phases of disaster management–Preparedness, Response, and Recovery–during the first five weeks of the federal response. Additionally, we evaluated FEMA's preparedness and readiness efforts over the past ten years to determine its organizational capability and posture prior to Hurricane Katrina.

My testimony will provide details on each of these deficiencies and recommendations for the critical areas mentioned above.

Command and Control

In February 2003, Homeland Security Presidential Directive-5, "Management of Domestic Incidents," required the Department of Homeland Security (DHS) to develop the National Incident Management System (NIMS). NIMS is a framework to help emergency managers and responders from different jurisdictions and disciplines work together more effectively during disasters and emergencies. In most disasters, local emergency response personnel are capable of managing the majority of calamities. However, some incidents require multiple jurisdictions or levels of government to provide an adequate response. In addition, initially some incidents initially can be handled locally but grow in size or complexity and require additional assistance and support. The NIMS standardizes the concepts and processes for incident command and management and provides an efficient and effective coordination system to enable multiple entities from different jurisdictions to conduct incident management activities.

Incident Command System

The NIMS defines a command and control structure for domestic incident management using two levels of management structures: an Incident Command System (ICS) and Multiagency Coordination Systems. An ICS is a standard on-scene, all-hazard incident management system that allows users to establish an integrated organizational structure to respond to single or multiple incidents. The ICS structure is widely applicable to a variety of emergencies from small and basic to large and complex, whether natural or man-made. It applies across all levels of government, the private sector, and nongovernmental organizations, as well as across multiple functional disciplines. Key ICS characteristics include:

- Use of common terminology;
- Scalable, top-down modular system based on the size, complexity, and nature of the incident;
- Incidents managed by objectives established by the incident command;
- Use of incident action plans to communicate strategic objectives and operational and support activities to the incident command organization;
- Span of control ranging from three to seven subordinates;
- Clear employee-supervisor reporting relationships;
- Clear chain of command and authority within the organization; and,
- Use of communication plans and interoperable communications systems.

The ICS structure includes five major functional areas: Incident Commander, Operations Section, Planning Section, Logistics Section, and Finance/Administration Section. Depending on the size and complexity of the incident, additional functional or geographic branches or divisions can be included within one or more of the major functional areas.

The Incident Commander establishes either a single command or a unified command to manage an incident. Under a single command, the Incident Commander develops incident objectives,

approves the incident action plan, and approves all requests involving resources. For incidents involving multiple agencies or jurisdictions, a unified command is established. Designated members of each agency work together to develop a common set of objectives and strategies for the entire incident and jointly plan support activities under a single incident action plan. As a result, unified command improves information flow, communication, coordination, and reduces duplication of efforts.

Natural disasters and other incidents occur without regard for geographical, functional, or other jurisdictional divisions--disasters create damage with no heed for state or county lines. Additionally, federal, state, and local agencies divide themselves into geographical or functional territories or regions that differ depending on the agency. Even different components within DHS divide differently into regions, sectors, or other divisions. Therefore, establishing a unified command within an ICS structure enables multiple agencies or jurisdictions to work together effectively without compromising their different legal, geographic, and functional authorities and responsibilities.

The ICS structures and unified command were implemented with varying levels of success in Mississippi, Alabama, and Louisiana during the response to Hurricane Katrina. Mississippi immediately implemented a comprehensive ICS structure and integrated federal, state, and local personnel at all levels in a unified command. Alabama implemented an ICS structure, but on a smaller scale because Hurricane Katrina did not cause the level of damage in Alabama that it did in Mississippi and Louisiana. Louisiana had difficulty fully implementing an ICS structure and establishing a unified command with federal, state, and local officials.

FEMA's Federal Coordinating Officer (FCO) and Mississippi's State Coordinating Officer immediately established a unified command with a comprehensive ICS structure to manage response efforts in Mississippi. FEMA and state officials told us that after landfall, federal, state, and local counterparts integrated and worked side-by-side to manage the response. Due to the magnitude of the damage, the Operations Section established three geographic branches, each containing multiple divisions, within Mississippi. In comparison to Mississippi, Alabama's ICS structure was much smaller and less complex, showing the flexibility and scalability of the ICS system. For example, Alabama did not need to establish branches or divisions in order to adequately coordinate a response.

In contrast, Louisiana had great difficulty establishing an ICS structure, and never fully achieved a unified command with FEMA. FEMA and state personnel were unable to co-locate due to space limitations at Louisiana's Emergency Operations Center (EOC), causing FEMA to establish an interim operating facility for most FEMA personnel at a separate location until the Joint Field Office (JFO) was established on September 12, 2005. Even then, state operations personnel remained at the state EOC rather than co-locating with FEMA at the JFO. FEMA immediately established positions based on an ICS structure; however, FEMA and state officials told us that because Louisiana had a limited number of trained emergency management staff, the state was not able to provide a counterpart to all federal positions. Louisiana's ICS structure did not include geographic branches or divisions within the Operations Section. At the local level in the affected parishes, federal and local counterparts did not coordinate to establish a unified command in most cases, according to FEMA officials in Louisiana.

In Mississippi, joint incident action planning meetings with federal and state counterparts from all response sections facilitated planning joint objectives, priorities, and operations for each operational period. FEMA and Alabama Emergency Management Agency personnel worked from the beginning to establish joint objectives and priorities, and developed joint incident action plans in Alabama as well. However, FEMA's FCO and Louisiana's State Coordinating Officer did not establish joint priorities and objectives for the response until September 11, 2005, and did not develop the first joint incident action plan until September 14, 2005.

In addition, FEMA and state emergency management officials in Mississippi recognized early on that a forward location in the disaster area would be necessary, so an Area Field Office was established in Biloxi. Federal, state, and local personnel were moved into the disaster area, and they were empowered to act. Division supervisors within the affected area determined their requirements and requests that could not be filled by the state were passed to the Branch. The requests were then passed to the JFO if they could not be filled at the Branch level, and sent forward within the ICS structure until filled. In Alabama, the FCO recognized that Department of Defense (DOD) assistance would not be required and, two days after landfall, released the Defense Coordinating Element so it could move to Mississippi for future support operations.

A forward operational area was not established in New Orleans until September 5, 2005, when the Deputy Principal Federal Official (PFO) arrived in Louisiana. According to FEMA officials, the PFO cell, which later became an Area Field Office, operated as a satellite of the JFO in Baton Rouge. While the Area Field Office was assigned an area of responsibility covering several parishes in the New Orleans area, personnel on the ground were not delegated authority, as was the case with division supervisors in Mississippi. In contrast to Mississippi, the New Orleans Area Field Office received its action plans and operations from Baton Rouge rather than determining its own needs for the area and sending requests for assistance through the JFO.

The ICS structure established in Mississippi included geographic branches and divisions, and authority was delegated to personnel at the division level. In addition to establishing a unified command with federal, state, and local response personnel, the structure allowed FEMA, state, and local emergency management officials to manage Hurricane Katrina response efforts even though existing resources were overwhelmed according to FEMA and state officials. The limited ICS structure and lack of unified command in Louisiana significantly undercut its response efforts.

Multiagency Coordination Systems

Multiagency Coordination Systems provide a common framework to coordinate and support incident management policies and priorities, facilitate logistics support and resource tracking, make critical resource allocation decisions, coordinate incident related information, and coordinate interagency and intergovernmental issues regarding incident management policies, priorities, and strategies. Operational responsibility for incident management activities remains with the on-scene incident commander.

Both EOCs and multiagency coordination entities could be part of a multiagency coordination system. EOCs, usually established at the state or local level, are the physical location where core functions of coordination, communications, resource dispatch and tracking, and information collection are executed. Personnel from multiple jurisdictions or functional disciplines may staff EOCs. Multiagency coordination entities support and facilitate incident management, coordinate policy, and provide strategic guidance and direction to support incident management activities. These entities usually include representatives from agencies or organizations with direct incident management responsibility or significant support and resource responsibilities.

For Hurricane Katrina, each affected state activated and staffed its EOC following basic ICS positions and elements. This facilitated coordination between federal and state counterparts, and ultimately, integration when the incident command organization was established in each state's JFO. The Homeland Security Operations Center (HSOC) executed the core EOC functions at the federal level for Hurricane Katrina. Several multiagency coordination entities were used during the Hurricane Katrina response, including FEMA's National Response Coordination Center (NRCC), FEMA's Regional Response Coordination Centers (RRCC) in Atlanta, Georgia, and Denton, Texas, and FEMA's Emergency Response Teams. Also, the Interagency Incident Management Group (IIMG) was activated. This is a federal, headquarters-level, multiagency coordination entity created under the National Response Plan (NRP) to assemble on an as-needed basis to provide strategic incident management planning, coordination, and decision-making support for the DHS Secretary and White House.

The NRCC, RRCCs, and Emergency Response Teams have the same organizational structure. As issues developed, all three entities began working to resolve the issue rather than allowing the issue to be worked at the field level first by the Emergency Response Teams, and then elevated to the regional or national level as necessary. Instead, efforts were duplicated, resulting in the need for multiple conference calls among the three entities to resolve an issue.

The HSOC and the IIMG also duplicated efforts during the Hurricane Katrina response. Co-located with the HSOC, during Hurricane Katrina the IIMG established operational hours, fulfilled requests for situational information, and created routine reports. IIMG members said that the senior officials on the IIMG served as a reporting cell to DHS leadership and the White House, running parallel functions with the HSOC. Doubling the headquarters-level information collection effort to include both the HSOC and the IIMG burdened response operations at the JFO and the NRCC, which began hiring contractors to manage information requests.

Given the complexity of the response effort and issues presented by Hurricane Katrina, DHS headquarters and FEMA must establish a defined use for multiagency coordination entities that expedites the resolution of issues, facilitates incident management, coordinates policy, and provides strategic guidance and direction to support incident management activities at the most appropriate operation level. Doing so will avoid the unnecessary and time-consuming coordination that resulted in response to Hurricane Katrina.

Clarification of Principal Federal Official's Role

The NRP describes several key leadership positions during a disaster response. In addition to the role of DHS' Secretary, the President designates an FCO as the lead federal official to coordinate federal resource support for each emergency or major disaster declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the *Stafford Act*).[1] The DHS Secretary serves as or formally appoints a PFO to facilitate federal support to the established incident command structure and coordinate overall federal incident management and assistance to officials such as the FCO acting under their disaster response authorities. The PFO does not direct or replace the incident command structure. When the President issues an emergency or major disaster declaration under the *Stafford Act*, FEMA Regional Directors designate Disaster Recovery Managers to administer the financial aspects of assistance authorized under the *Stafford Act*.

The response to Hurricane Katrina was the first operational use of the PFO. On August 30, 2005, DHS' Secretary designated the Under Secretary of Emergency Preparedness and Response (EP&R) as the PFO for Hurricane Katrina. The majority of state and federal officials we interviewed said that the Under Secretary's execution of the PFO role matched the non-directive, coordination duties described in the NRP. However, when the Secretary appointed Vice Admiral Allen as PFO on September 9, 2005, the PFO took a greater role in directing the federal response, which was contrary to the PFO's role as outlined in the NRP.[2]

As the PFO assumed a greater role in the response operations, the new lines of command and authority created confusion. For example, a state official told us the PFO was coordinating directly with local government officials without the knowledge of the state. In addition, the PFO duplicated planning and reporting activities in the JFO. Also, the PFO cell issued action request forms directly to emergency support function (ESF) leads, in conflict with the JFO operations section. In Louisiana, the JFO staff and PFO cell spent a significant amount of energy establishing and clarifying respective roles and responsibilities.

Effective September 21, 2005, the Acting Under Secretary for EP&R designated the PFO as FCO for the states of Alabama, Mississippi, and Louisiana.[3] Several officials commented that the eventual blending of PFO and FCO authorities suggests an unnecessary division within the NRP. Others added that the FCO's statutory authorities as the representative of the President fully encompass the PFO role. Further, if one justification for a PFO is to reduce the non-operational burden of the FCO, such as public and media relations, combining the roles defeats the purpose.

Command and Control Issues Are Not New for Domestic Incident Management

During the response to Hurricane Andrew in 1992, the Federal Response Plan provided the command and control structure for federal response assistance within the Disaster Field Office.

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[1] 42 U.S.C. §5143, Coordinating Officers.
[2] We also observed a gravitation of the PFO towards a more operational rather than coordination role during the *Top Officials 3* exercise.
[3] 70 Fed. Reg. 57308 and 57309 (September 30, 2005).

However, the structure was not implemented entirely as described in the Federal Response Plan. This was in part because top-level officials in the federal government were unfamiliar with the Plan. In addition, a Presidential Task Force and a DOD Joint Task Force were added, which created initial confusion and uncertainty when they joined the response. Working relationships, roles, chain of command, and authority were not well defined between personnel in the Disaster Field Office, the Presidential Task Force, and the Joint Task Force. Many of the command and control problems that existed following Hurricane Andrew were a "result of inadequate pre-disaster planning, training, and exercising" of large-scale disaster scenarios.[4]

Similar command and control problems arose during the Top Officials 3 exercise in April 2005 following the implementation of the NRP. For example, confusion existed among top-level officials over roles and responsibilities of the PFO and FCO. This exercise "highlighted – at all levels of government – a fundamental lack of understanding for the principles and protocols set forth in the NRP and NIMS."[5] The command and control problems and confusion had not been resolved when Hurricane Katrina struck.

In addition, as a result of the Hurricane Katrina's magnitude, and subsequent levee breaches in New Orleans, a large number of Urban Search and Rescue (US&R) resources were needed quickly within the area. Because US&R task forces came from locations across the United States, ESF-9, Urban Search and Rescue phased in FEMA US&R deployments; full strength was reached in Louisiana on August 31, 2005, and in Mississippi on September 1, 2005. Also, the majority of search and rescue personnel were not provided through ESF-9. In addition to state and local first responders and volunteers, U.S. Coast Guard, Department of Defense, National Guard, and Emergency Management Assistance Compact (EMAC) resources augmented search and rescue efforts in the affected area. The U.S. Coast Guard performed 32,967 rescues as of September 6, 2005.

Many US&R resources were not coordinated with or by FEMA in its role as ESF-9 coordinator. When providing ESF-9 status reports for DHS situation reports, FEMA reported only information concerning FEMA national US&R task forces. In addition, the FEMA's National Response Coordination Center Operations Section Chief tasked the U.S. Coast Guard with rescue missions directly, rather than going through ESF-9 to coordinate rescue operations.

Lack of coordination resulted in duplicative searches. FEMA US&R task forces conducting secondary building searches found symbols indicating US&R resources in the area through EMAC had already searched the buildings. US&R officials indicated they had very little coordination with the EMAC resources in the field. EMAC was an extremely useful resource; however, FEMA and EMAC resources need better coordination among search and rescue task forces to avoid duplicative efforts. We need to address, train, and exercise command and control issues before disasters occur to prevent confusion and duplication of efforts.

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[4] FEMA OIG, *FEMA's Disaster Management program: A Performance Audit After Hurricane Andrew*, January 1993, p. 71.
[5] DHS OIG, *A Review of the Top Officials 3 Exercise*, November 2005, p. 2.

Coordination of Federal Government Response Efforts

Under the NRP, 32 federal departments and service agencies agreed to supporting NRP concepts, processes, and structures and carrying out their assigned functional responsibilities, including designating representatives to staff interagency coordinating structures, as required.

Under the authorities of the *Stafford Act* and the NRP, FEMA is responsible for providing the necessary emergency management leadership to other federal departments, agencies, and other organizations when responding to incidents of national significance. This includes coordinating ESFs for emergency management; mass care, housing, and human services; urban search and rescue; long-term recovery; external affairs; and providing disaster assistance to individuals and communities. FEMA is also responsible for providing resources such as generators, US&R teams, and National Disaster Medical System teams.

However, as a coordinator of emergency activities and functioning as a coordinating or primary agency of an ESF, FEMA is largely dependent on other agencies and outside resources in executing much of the activities that take place. For example, while FEMA should address asset visibility, a number of factors outside of FEMA's control affect its ability to deliver requested commodities, including the reasonableness of field requests, supplier inventories, and the availability of transportation resources.

In addition, when FEMA issues mission assignments to other federal agencies to perform work in support of FEMA or the state, FEMA is dependent upon those agencies and departments to perform those tasks in an expeditious manner. Such tasks include sourcing, procuring and transporting food, water, and ice to distribution points or shelter locations. For example, in order to fulfill its logistics mission, FEMA may require the support of the following emergency support functions:

- ESF–1, Transportation: The Department of Transportation (DOT) maintains a national transportation contract capable of providing ground, rail, marine, or aviation assets. If necessary, DOT has the capability to contract for additional transportation resources. If commercial transportation is not available, DOT may request Department of Defense support.

- ESF–3, Public Works and Engineering: The U.S. Army Corps of Engineers (USACE) maintains commodity contracts for ice and drinking water.

- ESF–7, Resources Support: The General Services Administration (GSA), as the central procurement authority for the federal government, provides additional contracting support.

Because the NRP assigns coordinating and primary ESF roles to other federal agencies in addition to DOT, USACE, and GSA, those agencies must be able to effectively coordinate their activities with additional federal agencies.

The need for top federal government officials to plan, train, and exercise together was stressed in a 1998 Senate Report. Aware that numerous exercises were conducted each year to practice operations in the event of a terrorist incident, the U.S. Senate understood that few of the top officials of agencies and departments had ever fully participated in those exercises. The Senate, therefore, directed in fiscal year 1999 that an exercise be conducted to include all key personnel who would participate in the consequence management of an actual terrorist event. This led to a national bi-annual series of Top Official (TOPOFF) exercises. The first was conducted in 2000.

We reviewed the most recent TOPOFF exercise, conducted in April 2005, and produced a report, *A Review of the Top Officials 3 Exercise* (November 2005) that contained recommendations for corrective action. We determined that the exercise highlighted at all levels of government a fundamental lack of understanding regarding the principles and protocols set forth in the NRP and NIMS. Guidance and procedures to define how each function interrelates within the NRP were absent. We recommended that FEMA consult with federal departments and agencies to develop operating procedures that clearly define individual and organizational roles and responsibilities under the NRP, and continue to train NRP and NIMS with all levels of government.

It is imperative that every federal agency and department, especially those that have committed to supporting the concepts, processes, and structures of the NRP, maintain a readiness posture consistent with their responsibilities under the plan. As the White House report on Hurricane Katrina lessons learned points out:

> "Each primary department or agency for each ESF and support annex should develop a detailed operations plan on how they will become operational and coordinate with other annexes and ESFs during a major incident. These operational plans should conform to NIMS and be consistent with the recommended reconfiguration of the ESF structure. These plans should be exercised yearly through either National, departmental, or agency exercises."

Departments and agencies should be afforded both personnel and funds to train, exercise, plan, and detail staff to disaster response activities to enable better execution of their roles and responsibilities and plans and procedures. Specific contingency plans must be developed and integrated so that capabilities and gaps are identified and addressed.

The TOPOFF 3 exercise provided DHS and other federal planners and participants with an opportunity to exercise decision making within the framework of the newly implemented NRP, NIMS, and the operating procedures of the IIMG and the HSOC. The scope of the exercise involved establishing incident scenes and required first responders to perform actions usually associated with an initial response to a terrorist incident. Those actions included victim rescue, triage, treatment, decontamination, hazard identification, site security, crowd control, render-safe procedures on devices or weapons, monitoring for contamination, contamination control, and device recovery and packaging.

A major undertaking in TOPOFF 3 was integrating DOD participation, as it had not traditionally played an active role in domestic responses to acts of terrorism. Although engagement of DOD

was for the most part successful, the exercise identified integration issues that require further discussion and analysis at both federal and state levels of government.

We observed that DOD and DHS planners struggled to develop a scenario to facilitate and integrate DOD's participation in the exercise. TOPOFF 3 was to provide DOD with an opportunity, in conjunction with civil authorities under the newly implemented NRP, to test its role in the national strategy for domestic emergency preparedness and response. Historically, DOD had asserted that civil agencies should lead domestic emergency preparedness and response efforts. DOD considered its domestic emergency response role as providing only supplemental support or assistance, following the exhaustion of federal, state, and local resources. In addition, concerns about the *Posse Comitatus Act* and possible misunderstandings of its scope also tended to restrict deployment of DOD forces.[6]

As Hurricane Katrina proved, DOD's role in future domestic emergency preparedness and response efforts may no longer be as limited as previously thought. Ironically, after Hurricane Andrew, the FEMA's Inspector General reported that FEMA needed to clarify with the DOD under the Federal Response Plan their use of the Joint Task Force concept in response operations, and the relationships with the Defense Coordinating Officer role and the DOD support roles in each of the ESFs.

In our TOPOFF 3 report, we encouraged DHS as a part of its planning process for future exercises, to survey federal departments and agencies and their components to identify the events and mechanisms necessary for DOD activation and the operating procedures that govern its participation. By working in partnership with other federal departments and agencies, DHS could facilitate interagency cooperation and integration into the TOPOFF exercise series better. Further, we emphasized the need for DOD participation in NRP and NIMS training to solidify its role and responsibilities for homeland security and to facilitate an enhanced understanding among federal, state, and local agencies of DOD's role.

Further, we highlighted the concerns expressed by other federal agencies that federal departments and agencies must use funds from their base operating budgets to plan and participate in the exercise, which may have resulted in limiting the resources they could commit. In effect, they have to cannibalize from other programs to find resources for their planning and participation efforts. Grants from DHS can be used by state and local governments for exercising, which dramatizes the plight of federal agencies, most of which are not in the responder business ordinarily and need such funding as they would for other purposes. We must construct a better mechanism to line item/earmark funding expressly for response exercising by federal agencies and perhaps place more priority in grants to states for the same purpose. This could also serve as a better way for FEMA to assess a state's capabilities rather than the current "self-assessments" process. It has become increasingly important that federal departments and

[6] Congress passed the *Posse Comitatus Act*, 18 U.S. Code, Section 1385, after the Civil War to prohibit the use of the Army in civilian law enforcement. The Act embodies the traditional American principle of separating civilian and military authority and currently forbids the use of the Army, Air Force, Navy, and Marine Corps to enforce civilian laws. See 10 U.S. Code, Section 375. The prohibitions do not apply to the U.S. Coast Guard in peacetime. Generally supportive and technical assistance (e.g., use of facilities, vessels, aircraft, intelligence, technical aid, surveillance, etc.) is permitted while direct participation of military personnel in law enforcement (e.g., search, seizure, and arrests) is prohibited.

agencies institutionalize their participation in planning, training, and exercise activities; account for the costs associated with their participation; and, undertake planning, training, and the commitment of resources in future exercise opportunities. Regardless, TOPOFF 3 involved various levels of participation from 27 federal agencies and departments.

Furthermore, to effectively address disaster response, recovery, and oversight, federal interagency data sharing and collaboration are a must. However, data-sharing arrangements between FEMA and other federal agencies to safeguard against fraud and promote the delivery of disaster assistance are not in place. Critical tasks, from locating missing children and registered sex offenders to identifying duplicate assistance payments and fraudulent applications, have all been hindered because mechanisms and agreements to foster interagency collaboration did not exist prior to Hurricane Katrina.

Just this past week an agreement was reached between the Department of Justice and FEMA to allow the Hurricane Katrina Fraud Task Force direct access to DHS/FEMA's "Disaster Assistance Recovery Files." This agreement will go a long way in helping the Katrina Fraud Task Force identify and pursue fraudulent claims of disaster relief assistance. The FBI also believes direct access to FEMA data would significantly assist its efforts in locating missing persons and sexual predators. A significant number of children are still sought by relatives in the aftermath of Hurricane Katrina and the whereabouts of previously registered sex offenders remain unknown. Presently, the process in place for law enforcement to obtain information from FEMA's disaster assistance files is inadequate because of FEMA's rigorous guidelines.

Currently, the FBI must go through an extensive, multi-tiered process before it can acquire necessary data. The process begins with a request made by the FBI to FEMA's Office of Counsel and then forwarded to FEMA's data specialists where the information is collected and subsequently provided to the FBI. The FBI has indicated that the quickest response it has received was within 48 hours, though fulfillment of the requests customarily takes significantly longer. The FBI notes that due to technical issues, limited staffing, and coordination issues, acquiring data has often been a protracted process. As of today, an agreement allowing the FBI direct access to FEMA's disaster recovery files still has not been reached.

In other data-sharing initiatives, the U.S. Department of Housing and Urban Development (HUD) and FEMA are presently working to establish a computer-matching program to detect excessive or insufficient housing assistance. We believe that similar arrangements with the Social Security Administration, Small Business Administration, Internal Revenue Service, Postal Service, and others, would be beneficial to detecting fraud and facilitating the delivery of disaster assistance to eligible applicants, particularly if the data can be shared in real-time. We are currently reviewing data sharing processes and procedures that can be enhanced to promote effective interagency collaboration. We believe agencies should put in place data sharing agreements to facilitate response, recovery, and oversight in conjunction with an emergency declaration. This would not only facilitate the delivery of assistance to disaster victims, but also would be a major factor in preventing fraud, waste, and abuse in FEMA's disaster relief programs.

Visibility of Deployed Assets

FEMA is responsible for supplying commodities, equipment, personnel, and other resources to support emergency or disaster response efforts of affected states. Therefore, FEMA's ability to track resources is key to fulfilling its mission.

In response to Hurricane Katrina, state officials expressed frustration with the lack of asset visibility in the logistics process. Officials indicated they had ordered water, ice, and Meals-Ready-To-Eat in quantities far greater than what was delivered. Yet, when they attempted to determine where additional quantities were in the delivery process, they were told the commodities were "in the pipeline." According to FEMA field officials, on average, Mississippi received less than 50 percent of the commodities it requested between August 27, 2005, and September 5, 2005. Similarly, during the 2004 hurricane season, when asked about the delivery status of requested ice and water, federal logistics personnel could only tell requesting state officials that the commodities were en route.

In our review of FEMA's performance following Hurricane Katrina, we looked at the process for ordering and filling resource requests. We determined an inconsistent process was used. It involved multiple, independent computer and paper-based systems, many of which generated numerous, unique tracking numbers and few of which were crossed-referenced. Similarly, the White House report revealed a highly bureaucratic federal supply process that was not sufficiently flexible or efficient to meet requirements, and that failed to leverage the private sector and 21st Century advances in supply chain management. FEMA must develop a means to standardize and streamline its resource ordering and tracking process.

In our report, *Emergency Preparedness and Response Could Better Integrate Information Technology with Incident Response and Recovery* (September 2005) we stated that FEMA Logistics Inventory Management System (LIMS) provides no tracking of essential commodities, such as ice and water, needed by disaster victims. As a result, FEMA cannot readily determine its effectiveness in achieving DHS' specific disaster response goals and whether or not there is a need to improve. LIMS is essentially an inventory system used to manage equipment and accountable property, such as cell phones or pagers. However, once the items are identified for deployment, LIMS does not indicate when they will be shipped or when they should arrive. To compensate, emergency personnel said that they tracked items on a spreadsheet and spent a significant amount of time calling trucking companies to determine the status and projected arrival times of in-transit goods. This also required the assignment of additional personnel to obtain the status of deployed commodities and complicated emergency response planning and coordination.

Further we noted that FEMA's disaster response culture has supported the agency through many crisis situations, such as the 2004 hurricanes. However, FEMA's reactive approach encourages short-term systems fixes rather than long-term solutions, contributing to the difficulties it encountered in supporting response and recovery operations. Without taking the time to fully define and document systems requirements, it is difficult for FEMA to evaluate viable alternatives to its custom-designed systems. Also, the reactive manner in which information

technology systems are funded and implemented has left little time for proper systems testing before they are deployed.

The White House report makes similar observations in stating, "FEMA's lack of a real-time asset-tracking system – a necessity for successful 21st Century businesses – left Federal managers in the dark regarding the status of resources once they were shipped." While a number of factors outside of FEMA's control affect its ability to deliver requested commodities, including the reasonableness of field requests, supplier inventories, and the availability of transportation resources, the effectiveness of a response depends upon the ability to anticipate and address potential shortfalls through adequate contingency planning.

Interestingly, the White House Report states, "DOD should have a contingency role and a requirement to assist DHS with expertise in logistics, planning, and total asset visibility."

In 2004, FEMA Logistics received approval from its headquarters to pilot an asset visibility system, which involved putting tracking units on selected trucks to monitor their movement. Once surge funds became available in anticipation of Hurricane Katrina making landfall, it was estimated that 25 to 33 percent of the trucks were equipped with tracking units. FEMA logistics officials said that budgeted funds were simply not available to purchase the number of tracking units needed to equip all of the trucks used. However, due to software limitations of the tracking equipment, FEMA was unable to determine whether a truck had been offloaded or had changed cargo once it left its point of origin. Additionally, FEMA had to retrieve the tracking units from trailers that were not FEMA-owned. Once testing of the asset visibility system is complete, FEMA advised that a decision would be made as to whether the system will be pursued. In our opinion, it is absolutely essential that FEMA possess the capability to track assets real-time, across federal, state, and local organizations, otherwise, federal managers will continue to operate "in the dark."

Reliability of Communication Systems

Consolidation of Reporting

DHS had difficulty obtaining, verifying, and reporting disaster information during Hurricane Katrina. Physical damage to the communications infrastructure and an inadequate structure for collection and dissemination hampered DHS' ability to obtain complete, timely, and accurate information. This included timely notification of key events such as the levee breaches and spontaneous sheltering of victims at the New Orleans Convention Center. It also included management reporting, such as the status of commodity deliveries and the number of victims in shelters. Unreliable information directly impacted the speed of the response and constrained the information DHS Public Affairs could provide to disaster victims, the public, and the media.

Part of the challenge in obtaining better disaster information involves adapting to the new structures created by the *Homeland Security Act* of 2002 and the NRP. Prior to these changes, under the Federal Response Plan, FEMA led an ESF-5 focused on information and planning duties. With the creation of DHS, the HSOC assumed a central role in gathering and analyzing

disaster information. The NRP further altered the structure by assigning new information processing and decision-making support roles to the IIMG and ESF-15, External Affairs. The relationship between the HSOC, National Response Coordination Center, FEMA's Operations Center, and IIMG needs clarification to streamline duplicative efforts and ensure rapid distribution of information.

These four groups were part of a larger network of responding entities that generated thousands of reports related to Hurricane Katrina. Despite the multiple levels of reporting, critical, timely, and accurate information did not consistently reach FEMA and DHS leadership. A second part of the challenge in obtaining better disaster information involves funding and applying existing information technology to manage this volume of reporting. During Hurricane Katrina, disaster information was fragmented and dispersed among many systems. These systems included the HSOC's Homeland Security Information Network, and sites with incident reports published by single federal departments and subcomponents, several DOD entities, and the American Red Cross. At the state level, incident, resource, and planning data was stored in commercially available software, which is not compatible for exchange with FEMA information software. No single, complete repository existed for data verification and analysis. Further, many of the incident reports contained contradictory information, creating challenges for staff that attempted to synthesize them, such as External Affairs staff developing public information on the progress of the response.

DHS should establish a common information management system to consolidate and publish disaster information including incident reports, contact information, duty logs, and resources. This recommendation is similar to the one that FEMA's Office of Inspector General made in 1993 after Hurricane Andrew, when it recommended that FEMA develop an online information system to consolidate disaster information. In April 2005, we again observed FEMA (and DHS) difficulties in compiling and analyzing disaster information during the TOPOFF 3 exercise, and, again, we recommended that DHS develop such a system. Information management is a recurring problem that requires a long-term solution.

Communications Interoperability

Another widely reported problem during Hurricane Katrina was the operability of telecommunications equipment. Others have testified before this committee about the magnitude of destruction Hurricane Katrina wreaked on telecommunications lines, towers, antennas, and call centers. We support the recommendations made by the White House Task Force to improve the planning and strategy for communications restoration and to develop a deployable communications capability within DHS. We also support strengthening FEMA's Mobile Emergency Response Support teams to surge for catastrophic disasters.

However, when we look at communications operability, we need also to remember the issue of communications interoperability. During Hurricane Katrina, the need for interoperable communications equipment was overshadowed by basic operability. But during previous disasters, particularly the September 11th terrorist attacks, the inability of first responders to communicate across disciplines and jurisdictions led to tragic loss of life.

The *Homeland Security Act* of 2002 provided DHS' Science and Technology (S&T) directorate with the authority to adopt standards for interoperable communications equipment. The *Intelligence Reform and Terrorism Prevention Act* of 2004 requires that agencies including DHS accelerate the development of voluntary consensus standards for public safety interoperable communications.

Our forthcoming report, *A Review of DHS' Progress in Adopting and Enforcing Equipment Standards for First Responders*, shows that DHS has adopted no standards for interoperable communications equipment as of March 2006. The 12 standards S&T adopted to date are for personal protective and detection equipment, and no new equipment standards have been adopted since February 2004. S&T needs to improve its tracking of the status of standards being considered for adoption and to establish performance measures for timely completion of its standards adoption process.

In addition, we note that S&T has no regulatory authority to compel first responders to purchase equipment that conforms to the standards it adopts. Instead, S&T relies upon DHS' Office of Grants and Training to ensure, through grants management activities, that first responders procure equipment that conforms to S&T-adopted standards. However, S&T does not consistently advise the Office of Grants and Training on whether equipment it authorizes for purchase conforms to S&T-adopted standards. Further, grant guidance does not uniformly require that first responders purchase equipment listed on the Authorized Equipment List. For example, the Assistance to Firefighters Grant Program does not issue this guideline. DHS needs to improve the coordination between the S&T and Preparedness Directorates.

Media Relations

ESF-15, External Affairs, serves as the primary means of sharing information and developing a unified message for the government, disaster victims, and the public. This function is new under the NRP, but combines the efforts of six FEMA components that had informally coordinated with each other during past incidents – Public Affairs, Community Relations, Congressional Affairs, International Affairs, Intergovernmental Affairs, and Tribal Affairs.

Prior to Hurricane Katrina, the TOPOFF 3 exercise was the only full activation of ESF-15 with FEMA components under DHS coordination. In a review of the exercise, we determined public information and media relations efforts to be effective, both within the exercise and in DHS' external communications about the exercise with the media and the general public.
By contrast, in 1993 FEMA's Inspector General observed that the local media in Florida were not kept informed of FEMA's response efforts immediately following Hurricane Andrew, leading to a public perception of no substantial federal presence in the disaster area.

During Hurricane Katrina, many of the problems observed during Hurricane Andrew had been rectified, but new ones emerged. Trained External Affairs personnel were deployed to the Gulf Coast prior to landfall, but communications problems across the region – with large-scale outages of power, telephones, and radios – limited the capabilities of External Affairs in the

initial weeks. While local and national media were updated, many victims had no access to this information because of the level of infrastructural damage.

Difficulties in obtaining complete, timely, and accurate information on response efforts and the lack of trained staff for a disaster of Hurricane Katrina's magnitude also created obstacles for External Affairs. A number of DHS and FEMA staff complained of having to repeatedly figure out which response data were the most reliable, since information from a variety of incident reports was conflicting. While DHS was still able to produce a daily messaging template to help coordinate the Joint Information Centers, there is little doubt that the process could have been more effective and efficient.

Staffing issues, common across FEMA, also impeded the capabilities of External Affairs. While the rosters for each component contain highly skilled and trained people, the numbers were simply inadequate for a disaster of Hurricane Katrina's magnitude. In addition, overlaying DHS Public Affairs with FEMA's traditional External Affairs operation created its own unique challenges. DHS and FEMA have been working together on standardizing the External Affairs operation, but issues had not been fully resolved prior to landfall. Confusion over organization and hierarchy had to be sorted out in the midst of the largest response ever conducted by External Affairs.

The White House report recommended that a unified external affairs office be created within DHS, combining public affairs, legislative affairs, and intergovernmental affairs and headed by an Under Secretary for External Affairs. This type of organization would match day-to-day operations with those during a response. We observed that FEMA could benefit from a similar reorganization.

External Affairs managed to set up a unified operation with officials in Alabama and Mississippi. On the other hand, Louisiana officials, after a verbal altercation on August 31, 2005, between FEMA's Director and a communications staff member from the Louisiana Governor's office, elected not to conduct external affairs jointly with ESF-15. Both federal and Louisiana officials felt they could have provided a more positive and unified image to the press and the public had they combined their efforts from the beginning. In particular, FEMA officials noted that the visible lack of cooperation helped to undermine public confidence in FEMA operations and diverted media attention from FEMA's victim assistance efforts.

Ultimately, the combination of problems – communications, staffing, organization, and lack of coordination with Louisiana – created a situation where External Affairs was not as effective as it could have been, and those obstacles inhibited DHS' ability to be proactive in its messaging. Instead, the public heard the constant drumbeat that "FEMA failed," and messaging was reactive and never performed as envisioned. Efforts to manage the expectations of the media and the public by educating them on FEMA's responsibilities and programs, were overshadowed. The message that DHS and FEMA are responsible for making victims whole continues to be widely accepted.

FEMA needs to do a better job of engaging, or partnering with the national media in getting critical and potentially life-saving and life-sustaining information to victims in the affected area

and victims dispersed across the country. Both FEMA and DHS must work more aggressively and in partnership with the media to provide accurate and timely information. One alternative is to follow the lead of DOD and allow embedded reporters to participate in the response and recovery efforts.

Other Critical Concerns

The White House report, *The Federal Response to Hurricane Katrina Lessons Learned February 2006,* identifies deficiencies in the federal government's response and presents lessons learned and recommendations for corrective action. We agree with and endorse the 17 critical challenges identified in the report.

However, we have concerns with two of the report's recommendations affecting human services and housing:

1. "The Department of Health and Human Services should coordinate with other departments of the Executive Branch, as well as state governments and nongovernmental organizations, to develop a robust, comprehensive, and integrated system to deliver human services during disasters so that victims are able to receive federal and state assistance in a simple and seamless manner. In particular, this system should be designed to provide victims a consumer oriented, simple, effective, and single encounter from which they can receive assistance."(Page 49)

2. "Using established federal core competencies and all available resources, the Department of Housing and Urban Development, in coordination with other departments of the Executive Branch with housing stock, should develop integrated plans and bolstered capabilities for the temporary and long-term housing of evacuees. The American Red Cross and DHS should retain responsibility and improve the process of mass care and sheltering during disasters." (Page 50)

The report correctly identifies these two critical challenges as deficiencies in the federal response to Hurricane Katrina. However, the accompanying lessons learned and recommendations, as proposed, may create a greater bifurcation in the timely and consistent provision of assistance to victims of disaster.

As proposed, FEMA will retain its responsibility along with the American Red Cross for mass care and sheltering during disasters. In this role, FEMA is directly positioned to coordinate with state governments and nongovernmental organizations to assist victims as they transition to more temporary, interim, and longer-term housing. FEMA has longstanding and established relationships with states and with voluntary agencies that provide disaster housing assistance. Transferring this responsibility to another federal agency could hinder rather than help victims with their housing needs.

Also, FEMA authorities allow for the provision of financial assistance and, if necessary, direct services to eligible individuals and households who, as a direct result of a major disaster, have necessary expenses and serious needs and are unable to meet such expenses or needs through

other means.[7] FEMA administers the Individual and Households Program to provide this assistance and funds 100 percent of the housing assistance component and co-administers with states the other needs assistance component under a 75/25 percent cost share. This program is FEMA's primary mechanism to assist individuals and households recover from damages or losses sustained as a direct result of a disaster.

In our opinion, transferring FEMA's housing and human services programs to other federal entities could significantly affect the continuity of assistance to disaster victims. Rather than defining FEMA's role as only responsible for mass care and sheltering, we believe more attention and resources needs to be focused on FEMA's coordination and case management activities with other federal and nongovernmental partners to facilitate and expedite a disaster victim's recovery.

Turning Lessons Learned into Problems Solved

The White House, Congress, DHS, FEMA, the Offices of Inspector General, the Government Accountability Office, the media, and others have invested much work in critiquing the federal response to Hurricane Katrina. FEMA in particular has a routine process of facilitator-led discussions, or "hotwashes," to identify lessons for future disasters based on past catastrophes such as Hurricanes Katrina and Andrew, and based on the hundreds of smaller-scale disasters that occurred in between. But those "lessons learned" are really nothing more than "lessons recognized" until solutions are put in place. However, implementing changes to transform lessons into solutions occurs for only a fraction of lessons learned, which allows problems to recur as much as a decade after they were first recognized. Stronger mechanisms are needed to ensure that changes are implemented.

FEMA implemented several significant changes based on the lessons learned from Hurricane Andrew, and these improved the response to Hurricane Katrina. For example, the Federal Response Plan, which became effective in 1992, did not provide adequately for mobilizing and deploying resources in advance of the storm. Throughout the 1990s, FEMA built up a logistics structure to support early deployment of equipment and commodities such as generators, water, and meals. For Hurricane Katrina, FEMA pre-positioned commodities at 16 sites around the Gulf Coast, in greater quantities than for any previous natural disaster. While the quantities were not sufficient, given the scale of Hurricane Katrina's devastation, the prepositioning was nevertheless a significant increase in FEMA logistics efforts since Hurricane Andrew. In a second example, the Federal Response Plan lacked provisions for security and coordination of federal and local law enforcement. The NRP added ESF-13, Public Safety and Security, to integrate and coordinate federal law enforcement support. During Hurricane Katrina, ESF-13 coordinated the work of over 2,800 federal law enforcement officers in Louisiana and Mississippi.

Two other examples of FEMA changes to resolve lessons learned from Hurricane Andrew involve processes for supporting disaster victims. FEMA's Inspector General made multiple recommendations that FEMA revise how it obtains basic information to register victims. During

[7] 42 U.S.C. §5174 and 44 CFR Part 206, Subparts D and F.

Hurricane Andrew, FEMA had difficulty establishing sites for registering victims in person; and its telephone registration process was slow and overwhelmed by caller volume. As a result of lessons identified from Hurricane Andrew, FEMA developed a Mobile Disaster Recovery Center capability for registering victims in person; 24 of these mobile centers deployed to Texas, Alabama, Louisiana, and Mississippi for the Hurricane Katrina response. FEMA boosted its capacity for registering applicants over the telephone. Further, FEMA developed the capacity to register victims via the internet; over 46 percent of registrations for Hurricane Katrina used online applications during the two weeks after landfall.

However, many other lessons learned from Hurricane Andrew and subsequent disasters have led to recurring problems rather than solutions. The following are some examples of lessons that Hurricane Katrina demonstrated we have only recognized, but not resolved:

- Expectations of State and Local Capabilities. Hurricane Andrew overwhelmed state and local capabilities to respond, and many of the state and local officials could not specify their needs for federal assistance. Since the federal responders expected state requests, this led to delays in assisting victims. During Hurricane Isabel, in 2003, federal expectations again differed from state and local capabilities. In that case, FEMA expected the affected states to support themselves with basic provisions for the first 72 hours, but states required federal assistance sooner. In 2003, it was recommended that FEMA communicate closely with the states regarding their mutual expectations. However, during Hurricane Katrina, FEMA remained unable to determine the point at which states will become overwhelmed and require federal assistance. FEMA's awareness of state capabilities is now based on state self-assessments and a third-party review conducted and compiled by a nongovernmental organization, which does not include 21 states and territories and has no requirement that state assessments be kept current. DHS should develop a stronger system to assess state capability to respond to a disaster.

- Federal Command and Control. During Hurricane Andrew, the command and control structure did not clearly define working relationships to encompass a Presidential Task Force, emergency managers from the FCO down to the local level, and the incorporation of DOD support. The recent changes under the NRP, including the creation of the PFO, did not resolve the confusion during exercises such as TOPOFF 3 and did not resolve the confusion during the response to Hurricane Katrina. DHS still needs to figure out how to synthesize these elements, in advance of disasters, in order to prevent delays and duplication of efforts on the ground.

- Need for Greater use of Information Technology. FEMA is not yet making full use of available technology and data sources to verify property losses. Hurricane Andrew established that the process of individual inspections to determine property damage was inefficient. FEMA's Inspector General recommended that FEMA arrange access to databases for verifying ownership or residency prior to a disaster, especially in disaster-prone areas. Thirteen years later, FEMA is not yet making full use of this information. FEMA's Inspector General also recommended that new technologies be established to expedite the loss verification process. Based on our observations of Hurricane Katrina

operations, much more still needs to be done. FEMA should place priority on its efforts to use new methods and technology to verify damage, occupancy, and ownership, when traditional methods of inspection are not responsive in the timely provision of assistance.

In a second example, FEMA needs to make greater use of available information technology to manage reporting information. After Hurricane Andrew, FEMA's Inspector General recommended FEMA develop an automated system to synthesize and adapt federal and state operational reports to produce needed management information and statistics. FEMA's Inspector General also recommended then that the system provide online access to federal officials. DHS' HSOC has assumed much of the responsibility for information management, but this automated system is still needed.

What mechanisms should be used to ensure that lessons result in solutions? FEMA's primary accountability mechanism was emplaced in 2003 and needs to be strengthened. The Remedial Action Management Program, or RAMP, combines the essential components of a lessons learned system: collecting issues from hotwashes around the country, consolidating issues into a single report, assigning responsibility for fixing problems, and monitoring the progress of those solutions. However, the program does not have consistent high-level oversight or support, and it does not have strong mechanisms to ensure completion of assigned remediation tasks. FEMA omitted monthly RAMP reports for September through December 2005 due to hurricane response demands. The August 2005 monthly RAMP report showed four action plans overdue and five remediation completion dates missed.

Further, the system does not require interim solutions when remediation plans are long-term. As of December 2005, RAMP contained eight outstanding remedial action issues that have a remediation completion date greater than one year from the time the issue was assigned. We observed no interim remediation measures in RAMP for these long-term solutions. For example, in December 2004, FEMA added a remedial action in RAMP for improving visibility of logistics assets. FEMA began implementing a total asset visibility program in the summer of 2005, but during Hurricane Katrina FEMA remained unable to track most state requests through to order fulfillment. FEMA staff revised this action's completion date twice, extending it to October 2009. Since the majority of disasters to which FEMA responds recur on a yearly cycle, such as hurricanes, long completion dates will allow the problems and issues to recur. FEMA should implement interim solutions to lessen the impact of known problems.

Beyond FEMA, the mechanisms to ensure the implementation of lessons learned are weaker. DHS' primary lessons learned repository, the Lessons Learned Information Sharing website, consolidates lessons learned in a single site and makes them accessible to emergency response providers and homeland security officials throughout the country. However, it does not include mechanisms for pushing new lessons learned to appropriate parties, for assigning responsibility for implementing the lessons, or for monitoring the progress of lesson implementation. We endorse the White House Task Force's recommendation for DHS to help extend Remedial Action Management Programs throughout the federal government, creating a comprehensive system to ensure that lessons recognized become problems solved. This recommendation needs to be accompanied by a funding mechanism to bridge the gap between identified solutions and the resources required to implement them.

Let me end my statement with reiterating our goal and intention, which is to take the lessons learned from the response to Hurricane Katrina and assist DHS to form the foundation for critical improvements necessary for the nation to prepare for and respond to any disaster – natural or man-made.

Madam Chairman that concludes my prepared statement. I would be happy to answer any questions you or the members may have.

# # #

BRUCE BAUGHMAN
PRESIDENT, NATIONAL EMERGENCY MANAGEMENT ASSOCIATION
AND DIRECTOR, ALABAMA STATE EMERGENCY MANAGEMENT AGENCY

TESTIMONY
BEFORE THE

SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE

ON

HURRICANE KATRINA: RECOMMENDATIONS FOR REFORM

THE UNITED STATES SENATE

MARCH 8, 2006

Introduction
Thank you Chairwoman Collins, Ranking Member Lieberman, and distinguished members of the Committee for allowing me the opportunity to provide you with a statement for the record on FEMA's ability to lead the recovery mission after Hurricane Katrina. I am Bruce Baughman, the Director of the Alabama Emergency Management Agency. In my statement, I am representing the National Emergency Management Association (NEMA), whose members are the state directors of emergency management in the states, territories, and the District of Columbia. Currently, I am the President of NEMA and prior to my appointment in Alabama, I served in various positions at the Federal Emergency Management Agency (FEMA) for almost thirty years. This includes service as the Director of the now dissolved Office for National Preparedness and as Director of Operations on over 100 disasters including Oklahoma City, the Pentagon, and World Trade Center in 2001. I also worked on the development of the initial Federal Response Plan, which is the precursor to the new National Response Plan, and the U.S. Government Interagency Domestic Terrorism Concept of Operation Plan (CONPlan) during my tenure at FEMA. I bring over 32 years of experience in emergency management and I understand how emergency management is intended to work.

Strong Reform Needed
We have all heard blame being spread from federal to state to local governments as a result of the aftermath of Hurricane Katrina. At this point, our nation has to move forward to chart a course for improvement that is not only immediate, but provides thoughtful and real reform. We have to include federal, state, and local governments as partners working together to address our nation's preparedness, response, and recovery from disasters. This collaboration cannot be hamstrung by unfunded mandates and federal strings tied to funding aimed at state and local governments – every community and state needs the ability to prepare for disasters and to build the capabilities to respond. Every decade or so the nation experiences a large scale disaster that causes us to reevaluate how prepared we really are to handle catastrophic events like hurricanes, earthquakes and acts of terrorism. Yet, emergency management officials who have been around for over a decade see the same issues emerging from Hurricane Katrina that have been experienced before with little progress being made from one catastrophic disaster to another. Our nation's emergency management officials feel like they are trapped without the tools to make the changes necessary to address immediate needs, similar to Bill

Murray's character in "Groundhog Day". Except instead of waking up to the same song and dance every day, we are waking to the same findings and recommendations that we heard after Hurricane Andrew. We question the ability to implement these changes without a solid national strategy and consistent federal support. I hope my appearance before the Committee today will help to remedy this situation as we move ahead.

The National Academy of Public Administration (NAPA) published a report, "Coping with Catastrophe: Building an Emergency Management System to Meet People's Needs in Natural and Manmade Disaster" in February 1993, post- Hurricane Andrew that still resonates the messages we are discussing today. Some of the key issues have been recycled and must be addressed once and for all so we don't have to repeat history. These issues from the 1993 report relevant today include:

- "Americans have not yet developed an appreciation for their need in protecting citizens from hazards that can befall them at home";[1]
- "Emergency management agencies are generally underfunded for planning, training, and exercises, even though these activities are every bit as essential for their effectiveness as they are for military organizations";[2]
- "Emergency management has almost no natural constituency base until an emergency or disaster occurs"; [3]
- "FEMA has been ill-served by Congressional and White House neglect, a fragmented statutory charter, irregular funding, and the uneven quality of political executives appointed by (past) presidents"; [4]
- The federal government cannot become the nation's "911" first responder; [5]and
- "The federal government needs to do more to help enhance the capacity and consistency of emergency management efforts at the state and local levels, especially in areas vulnerable to catastrophic events". [6]

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[1] *Executive Summary of Coping With Catastrophe: Building and Emergency Management System to Meet People's Needs in Natural and Manmade Disaster*, **National Academy of Public Administration** for the U.S. Congress and the Federal Emergency Management Agency, February 1993, page vii.

[2] *Executive Summary of Coping With Catastrophe: Building and Emergency Management System to Meet People's Needs in Natural and Manmade Disaster*, **National Academy of Public Administration** for the U.S. Congress and the Federal Emergency Management Agency, February 1993, page viii.

[3] *Executive Summary of Coping With Catastrophe: Building and Emergency Management System to Meet People's Needs in Natural and Manmade Disaster*, **National Academy of Public Administration** for the U.S. Congress and the Federal Emergency Management Agency, February 1993, page viii.

[4] *Executive Summary of Coping With Catastrophe: Building and Emergency Management System to Meet People's Needs in Natural and Manmade Disaster*, **National Academy of Public Administration** for the U.S. Congress and the Federal Emergency Management Agency, February 1993, page ix.

[5] *Executive Summary of Coping With Catastrophe. Building and Emergency Management System to Meet People's Needs in Natural and Manmade Disaster*, **National Academy of Public Administration** for the U.S. Congress and the Federal Emergency Management Agency, February 1993, page xi.

[6] *Executive Summary of Coping With Catastrophe. Building and Emergency Management System to Meet People's Needs in Natural and Manmade Disaster*, **National Academy of Public Administration** for the U.S. Congress and the Federal Emergency Management Agency, February 1993, page xii.

FEMA Must lead the Task

Unfortunately, the Administration, Congress, and all of us have stood by and watched as FEMA has become a shell of its former self. We are at the same point as the nation was after Hurricane Andrew in 1992, questioning organizational structures, leadership, the roles of federal, state, and local government, and even citizen preparedness.

No federal agency is more qualified structurally and statutorily than FEMA to help our nation respond to and recover from disasters. FEMA has the direct relationships with state and local governments because of the grant programs and the disaster relief programs authorized through the Stafford Act. FEMA is the **only** federal agency authorized under the Robert T. Stafford Disaster Relief and Emergency Relief Act (42 U.S.C. 5121 et seq.) to carry out duties on behalf of the President. The 1978 Reorganization Plan 3, which created FEMA, also gives FEMA the responsibility for all of the functions of emergency preparedness and response. The plan states:

> "This reorganization rests on several fundamental principles. First, Federal authorities to anticipate, prepare for, and respond to major civil emergencies should be supervised by one official responsible to the President and given attention by other officials at the highest levels. The new agency would be in this position."

FEMA is and should be the agency of choice to coordinate the functions of the federal government in response to disasters, regardless of their cause.

FEMA has the ability to tap into the emergency responder community to build relationships through training and exercises. FEMA also has the skills to work cooperatively with state and local elected and appointed officials to work towards comprehensive recovery. FEMA has the coordinating function in the federal government and should have the ability to tap all the resources at the federal level to respond to a disaster. However, all these areas need to be strengthened with an all-hazards focus to ensure that federal, state, and local governments are building relationships before a disaster and understand how to work together cohesively. Leadership is not a matter of one person in the agency, but requires systematic understanding and vision on how to assist state and local governments to undertake the recovery process.

The time to stop the cycle of degradation of emergency management functions by reorganization after reorganization is now and we must systematically improve our nation's emergency response system through verified lessons learned and not reactionary decisions. We hope that Congress will partner with NEMA as they move forward to consider changes to DHS organizational functions and the role of FEMA.

FEMA Director Criteria and Roles

In any organization, leadership is a critical ingredient for success. However, when we are talking about FEMA, several reforms must be made to ensure that the FEMA Director is successful. Regardless of where FEMA is located, NEMA recommends that the FEMA Director has a direct reporting relationship to the President of the United States. The relationship could be structured like that of the Chairman of the Joint Chiefs of Staff reporting to the President in times of war or crisis. Criteria and a recommended knowledge base should be established for the FEMA Director position, to include:

- Emergency management or similar related career at the federal, state or local government level;
- Executive level management experience, governmental administration and budgeting;
- Understanding of fundamental principles of population protection, disaster preparedness, mitigation, response and recovery, and command and control;
- Understanding of the legislative process; and
- Demonstrated leadership including the ability to exert authority and execute decisions in crisis situations.

The President should continue to nominate and the Senate should continue to confirm the Director of FEMA, but more Congressional consideration and scrutiny should be given to the nomination to ensure the appointed official meets established criteria. Further, a fixed term appointment for not less than five years should be considered, so the nomination is not political. This would be similar to the model for the FBI Director. Finally, a vetting process should be established that includes a role for input by emergency management constituency groups similar to the American Bar Association role in judicial nominations. In order to attract candidates who can meet these criteria, salaries must be considered, as the Second Stage Review changes made modifications reducing the FEMA Director salary.

Most importantly, consideration needs to also be given to the connectivity between FEMA and the Preparedness Directorate within DHS, since all FEMA's preparedness functions were moved out into this new Directorate. When the Second Stage Review proposal was announced, NEMA articulated grave concern in a July 27, 2005 letter to the Department of Homeland Security regarding the Second Stage Review (2SR) creating a Preparedness Directorate that would be primarily focused on terrorism. The letter to Congress highlighted the lack of the Department's focus on natural-hazards preparedness and the inability to connect response and recovery operations to preparedness functions, as any unnecessary separation of these functions could result in a disjointed response and adversely impact the effectiveness of Departmental operations. Nevertheless, we understand that the 2SR is moving ahead and look forward to finding ways to connect the new Preparedness Directorate with FEMA.

Further, I personally believe that true all-hazards grants related to preparing for, responding to, and recovering from disasters belong back within FEMA in order to ensure the programmatic mission of the organization and maintenance of relationships at the state and local levels. Restoring these grants will also ensure that FEMA can effectively measure state and local government capabilities so they better understand where the federal government needs to play a role.

Role of the Military and DOD in a Disaster

NEMA does not support an increased role for the active duty military in disaster response. The nation's governors have direct and legal responsibility for the protection and safety of their citizens. The appropriate role for the active duty military is to provide assistance in support of civil authorities. The National Response Plan identifies the Department of Defense (DoD) as a support agency. NEMA's position is in line with National Governors' Association policy. The same issue was raised following Hurricane Andrew and the aforementioned NAPA report also did not support an increased role for the military stating that the primary mission for the Armed Forces is to prepare for war and to fight if necessary.

Roles of Federal, State, and Local Governments

The federal government must never become a first responder, but should remain focused on providing stronger funding for preparedness, emergency response, maintaining capabilities, and extraordinary resources that can be drawn on in a catastrophic event. The federal role is a support and coordination function that assists with resources, expertise, and response capabilities when state and local governments are overwhelmed or do not have the resources to respond. Federal efforts should only augment state and local operations and never supersede the authorities given to the Governor in the Stafford Act.

The most important and critical component for reform is federal funding. We are making multi-billion dollar investments in homeland security grants every year, however the proposal for state and local emergency management funding is only funded at $170 million in FY 2007. After modest increases, EMPG's growth rate has not kept pace with inflation, despite the fact that in the last five years federal government requirements have grown. Some of these mandates include: updating state and local plans to reflect the new National Response Plan, training and adoption of the new National Incident Management System (NIMS), requirements in the National Preparedness Goal and Target Capabilities List, and updates of emergency evacuation plans. This year, of all years, the Administration is proposing to cut EMPG by $13.1 million, despite the $260 million shortfall identified by NEMA in a 2004 study.

State and local governments should develop the capabilities to respond through strong emergency operations plans and tying the use of federal funds to established standards. For example, in Alabama as we allocate EMPG funding locally, we require local governments to tie their funding to building performance capabilities in the Emergency Management Accreditation Program and if local governments don't perform with the funds given, we don't continue the funding streams and implement corrective actions. State and local governments must have the capacity to develop their own plans and execute these plans when it comes to distribution of resources and emergency supplies. State and local governments understand the unique needs of their communities and the threats they face. One of the things we ask our locals to do with EMPG funding is to create plans for receiving and distributing of ice, water, food, and other commodities from the federal government in the event of a disaster. In addition, emergency contracts should continue to be permitted, since state and local governments know who best can meet their needs after a disaster.

National Response Plan Revisions

I recently sent the Chair and Ranking Member a letter regarding the need for changes to the National Response Plan and some suggestions that should be considered for the upcoming report. As you know, NEMA participated in the state and local working group that was consulted during the drafting of the NRP. NEMA provided comment throughout the process, however not all of the suggestions of state and local governments were always taken into account. As we move forward to find the lessons learned from Hurricane Katrina, we strongly support revisiting the NRP with vigorous input from representatives of the state and local emergency response community. Many of the concepts of the NRP, such as Incident Command System (ICS) and the Emergency Support Functions (ESFs) are representative of the systems and plans used successfully at the state and local government level. Any revisions of the plan must draw from the expertise built from the ground up. The NRP is a national plan and not a federal plan and all national players must be included in the review process to foster

partnership and cooperation. Additionally, state and local input to the process must be followed up upon and incorporated or explanations must be given if suggestions are not included.

While the letter included many recommendations, I offer three critical recommendations for your consideration today:

1. The Federal Coordinating Officer (FCO) must have the authority in the field to carry out the responsibilities of the position. The FCO's authority and responsibilities are clearly delineated in the Robert T. Stafford Disaster Relief and Emergency Relief Act (41 U.S.C. 5143 Section 302). The statute outlines the functions and appointment of the FCO and the NRP must follow the Stafford Act authorities that empower the FCO to serve on behalf of the President in a declared disaster area;
2. The role of the Principle Federal Official (PFO) must be made clearer to federal, state, and local authorities with responsibility over disasters. In NEMA's view, the position is duplicative and the differences in the PFO and FCO position must be outlined if the PFO position is maintained. NEMA opposed the creation of this position in the drafting process for the NRP. Initially, the PFO was included in the NRP to address an incident prior to a formal disaster or emergency declaration; and
3. The NRP must continue to include Emergency Support Functions (ESFs) as a means to integrate all disciplines into the command and control structure and the emergency operations center. State and local governments have been using this system for many years with success to represent various government agencies and areas that function under the unified command. Eliminating ESFs could inadvertently cut out critical functions in a disaster such as transportation and also would cause significant plan revisions at the state and local level.

Adequate Personnel

The mutual aid assistance provided during these hurricanes vividly exposes the interdependencies of the nation's emergency management system. For Hurricane Katrina and Rita, the Emergency Management Assistance Compact (EMAC) has currently fulfilled over 2100 missions with 48 states, the District of Columbia, the U.S. Virgin Islands and Puerto Rico providing assistance in the form of more than 65,000 civilian and military personnel and equipment assets to support the impacted states. The estimated costs of this assistance may exceed $829 million. The missions and request for aid continue and are expected to continue for the next several months.

FEMA is vastly understaffed at both the headquarters and regional offices. Currently, 4 of the 10 regional offices are led by Acting-Directors. The constant strain of placing civil service employees in an acting capacity takes away from the work-load in the office, since decisions have to be made about what tasks to put aside because of staffing shortages. I would estimate that, regional offices are staffed to about 70 percent of the level that they were three years ago. This increased strain, with a more significant work load, has made it difficult to retain employees. Regional offices are the direct line of communication for state and local governments to tap into federal resources and need to have adequate personnel to assist with all stages of emergency management from preparedness, to response and recovery, and mitigation from the next disaster. Additionally, all four division directors (response, recovery, mitigation and the National Incident Management Systems Integration Center) at FEMA are in an acting capacity, as well as the Director, and the Chief Operating Officer. The Chief of Staff position also remains vacant.

FEMA must be adequately staffed at both the headquarters and regional levels to be able to fulfill their congressionally mandated mission. Outside of EMAC, the NEMA headquarters received several requests from representatives of the Principal Federal Official in the response to Hurricane Katrina and Rita. The requestors sought for states to provide direct support to the federal government for help in meeting the federal work-force demand to respond to the disasters. FEMA was seeking state and local personnel versed in Stafford Act assistance programs like individual assistance and public assistance to serve as temporary FEMA employees in the response to the disaster. They were also seeking state personnel to replace ERT (Emergency Response Team)-A team members in the field who needed rest before the next hurricane. More and more, FEMA is forced to rely on state and local governments to support their own activities because they just do not have the volume of personnel and institutional knowledge within the agency anymore. One suggestion that may go a long way to resolving these issues is to allow FEMA to create an institutional immersion program led by former employees and experts who now reside outside the agency. These experts could lead comprehensive training before disasters, thus developing a knowledge base within the agency.

Stafford Act and Response and Recovery Issues

NEMA has long been working to protect and improve the functions of the Robert T. Stafford Disaster Relief and Emergency Relief Act. In our current environment, I have asked each of the NEMA Committee Chairs to join together to compile a comprehensive list of necessary changes to the Stafford Act that we hope to share with the Committee before the end of March. I firmly believe that the Stafford Act is nimble enough to address catastrophic disasters, ordinary emergencies, and major disasters and that some minor housekeeping changes are needed, rather than a wholesale rewrite of the Act. The focus area for major change must be training, plans, policy, and regulations rather than making big changes to the law. For example, we need a national housing strategy for catastrophic disasters that should be developed concurrently with federal, state, and local governments.

NEMA has specifically looked at some changes necessary that do not require changes to the law. These post- 9/11 catastrophic disasters changes were suggested in August 2005 and include:

- Uniform, written, national guidance in a clear, timely and meaningful manner that does not vary from region to region;
- Providing ongoing and timely training to field personnel on guidance and policies;
- Implementing a process to approve state management cost funding within 60 days of a request;
- Developing clear concise guidance on submission content and evaluation criteria specific to management costs;
- Following federal law regarding the statutory administrative allowance for the public assistance program;
- Administering the Other Needs Assistance Program to address ethnic and cultural diversity issues in accordance with the approved state plan for Other Needs Assistance;
- Utilizing the State disaster Mental Health plans as the basis for approving the immediate services grant; and

- Including state emergency management representatives on the FEMA Individual Assistance Steering Committee, which is influential in directing interim policy decisions.

Many of these recommendations have yet to be implemented, but as you can see significant need exists for streamlining and simplifying national policy decisions on response and recovery. These policy decisions must be made by educated and enlightened federal experts in a timely manner during the response and recovery phases and such expertise needs to be built and maintained at the federal level in support of the state and local activities for recovery.

Further, there are issues that Congress must address to simplify the response and recovery process for this disaster and future disasters:

- Fix the cap on disaster home repair for the Individual Assistance Program to $25,000 and allow that for both repair or replacement for lost or damaged personal property;
- Allow for rental assistance to be paid up to a maximum of 18 months at the Fair Market Value of the jurisdiction affected, and give FEMA the ability to administratively extend this period as necessary;
- Reinstate the FEMA Mortgage and Rental Assistance Program to the pre-Disaster Mitigation Act of 2000 status; and
- Restore the post-disaster Hazard Mitigation Grant Program (HMGP) to 15 percent from the current 7.5 percent to allow for more lessons learned from disasters to be implemented in order to save funding on future disasters.

This is not the first time that NEMA has raised these issues with Congress. The time is now to address these critical policy and legislative issues, and we need to fix them once and for all.

CONCLUSION

Congress must look at innovative ways to address emergency management needs in this post-9/11 environment. We must immediately influx the system with resources and innovation in order to face the challenges of the day. I leave you with another statement from the 1993 NAPA report, "Without bold action, America's frustration with the timeliness and quality of the governmental response to natural disasters will very likely continue." Federal, State and local governments must have adequate funding for baseline emergency preparedness so exercises and training can ensure that plans and systems are effective before a disaster. I thank you for the opportunity to testify on behalf of NEMA and appreciate your partnership. I hope we can work together to implement the lessons of Hurricane Katrina and Rita and ensure that the nation is adequately prepared for any disaster, regardless of cause.

Hurricane Katrina: Recommendations for Reform
Testimony of Frank J. Cilluffo

Director, Homeland Security Policy Institute
The George Washington University

Before the Senate Homeland Security and Governmental Affairs Committee
March 8, 2006

Chairman Collins, Senator Lieberman and distinguished members of the Homeland Security and Governmental Affairs Committee, thank you for inviting me to testify before you today. The Committee is to be commended for its comprehensive, in-depth, and bipartisan series of hearings held over the past six months. We have learned a great deal from both the public and private sector responses to Hurricane Katrina through these insightful hearings that are vital to informing the debate and even more importantly, the development of the nation's preparedness and response policies. The work done by this Committee and staff should serve as a model for others in addressing the tough, cross-cutting issues encompassed in homeland security and, in particular, emergency preparedness and response. We look forward to the Committee's forthcoming report on the response to Hurricane Katrina.

Once again we find ourselves evaluating and debating national preparedness policies through the lens of the most recent catastrophe. The pendulum has swung from a post 9/11 focus on terrorist attacks back to natural disasters. For months, the hearts and minds of Americans have been focused on the initial impact and tragic aftermath of Katrina in an attempt to fully understand why events unfolded as they did, and how we might avoid a repeat of this sort of scenario in the future. On the one hand, it is easy to appreciate why we are where we are: Katrina caused enormous damage to life and property and, as an enterprising and resilient people, our reaction was to channel our considerable creative energy into preventing, to the extent possible, a repeat of events. The same was true of 9/11, when we harnessed our national grief and targeted it to constructive ends, seeking to bolster our defenses against terrorism. This sense of mission was embedded into the very DNA of the Department of Homeland Security (DHS).

The fulcrum has shifted, and what was primarily a focus on preventing and preparing for terrorism, has given way to an equally intense focus on catastrophic natural disasters. While perfectly understandable, this is not an ideal posture for the country. To the contrary, it is an unbalanced stance and, therefore, an unstable one. What must be done at this time is to rebalance the scales, and foster a culture of preparedness that is truly all hazards and risk-based in nature.

Our national emergency response system cannot focus on one threat to the exclusion of the other. "Preparedness today will save lives tomorrow."[1] A national emergency response system that will save lives tomorrow is not an either/or proposition – either

[1] U. S White House *The Federal Response to Hurricane Katrina: Lessons Learned* (Washington, DC: 2006) p. 80, http//www whitehouse gov/reports/Katrina-lessons-learned.pdf.

natural disaster or terrorist threat. It is a system that prepares to effectively respond to the full spectrum of threats – from recurring seasonal events such as floods, hurricanes and tornadoes, to contagious disease to the multitude of CBRNE threats. We need to plan and prepare for all hazards, and build our capabilities to respond to the widest range of possible threats. Indeed, our most fundamental mission – a national duty, in fact – is to be able to act when action is needed.

To accomplish this lifesaving mission, Congress, the Administration, state and local governments, non-governmental organizations and the private sector need to start with the following questions: what are the end state capabilities and capacities needed to meet the needs of their particular "customers" and how is success measured and defined? Whether it is a no-notice event or a fierce hurricane with a forty-eight hour warning of landfall, the need for robust, sustainable, scalable and agile response is a constant. The decision-making structure must not be paralyzed and, if the President or a governor turns to the cupboard in a time of crisis, he or she must not find it bare. Response is response is response is response. At the end of the day we are talking about execution and enabling those on the front lines to respond effectively. What matters is saving lives, not the color of the uniform of the men and women doing so.

The Committee has requested my thoughts on the U.S. House of Representatives Select Bipartisan Committee report[2] and "Federal Response to Hurricane Katrina Lessons Learned" recently released by the White House.[3] In a valuable and earnest attempt to learn from past mistakes, significant time and effort has been invested in identifying what went wrong during the preparations for and response to Hurricane Katrina. Both present thoughtful analyses of the federal response effort, enumerating multiple points where the coordination and delivery of assistance either worked well or broke down. Both reports offer substantive insights for future action, which is as it should be – we can't fight yesterday's wars alone.

Let me take a moment to address the issue of where the Federal Emergency Management Agency (FEMA) needs to fit into this effort. There has been ongoing debate on the issue of where FEMA sits on the federal government's organizational chart. The politically expedient "out" is to focus on FEMA at the expense of the real issues. In my humble opinion, to pull FEMA out of the DHS now and re-create it as an independent agency further obfuscates an already complicated system. It is in direct opposition to developing the all hazards emergency response system envisioned by Congress in the Homeland Security Act of 2002 (P.L. 107-296). To have state and local governments and first responders plug into one system to respond to "bad weather" one day and another system to respond to "bad guys" the next is unrealistic and ultimately counterproductive. There is no reason to have competing systems in an environment of limited resources when capabilities and needs are the same.

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[2] U.S. House of Representatives. Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina, *A Failure of Initiative. The Final Report of the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina.* 109th Cong., 2nd sess February 15, 2006

[3] White House *The Federal Response to Hurricane Katrina Lessons Learned.*

Our problem is not one of organizational design – the requisite policy and law exists. The challenge is one of management and leadership. The future leadership of FEMA must understand that they are part of an all hazards preparedness team – that response and recovery complement preparedness and protection. FEMA supports a system of systems – our focus must be on fixing what is wrong with the four major functions originally housed within FEMA: preparedness, response, recovery, and hazard mitigation. Therefore, the debate should not center on FEMA – it must be focused on what's needed from the perspective of the "customer" – those on the frontlines charged with the awesome responsibility of turning victims into patients and survivors. There are numerous customers with different needs: disaster victims, first responders (Emergency Medical Services (EMS), law enforcement, fire suppression, health officials, nurses, and others to name a few), state and local governments, the faith-based community, and the private sector. What they have in common is the need to receive the right "thing" (service, equipment, personnel, or relief supply) at the right time and in the right place. This requires inter- and intra-agency coordination among all levels of government and the private sector. Therefore form must follow function, with a clear chain of command, unencumbered by bureaucratic obstacles and based upon timely and effective supply chains enabling the response effort. Over the longer term, consideration might be given to integrating the response and recovery missions into the newly established Preparedness Directorate.

Recommendation #1: The national preparedness and response system must be based on end state capabilities and outcomes to support state, local, and nongovernmental and private sector customers on the front lines. The system must be driven by a culture of cooperation and coherence rather than competing equities.

As then General Dwight Eisenhower once said, "In preparation for battle I have often found plans to be useless, but planning indispensable." That is not to say that there shouldn't be plans – the challenge is to turn those plans (the National Response Plan (NRP), National Preparedness Goal (NPG), and corresponding state plans) into living documents. Only through unified planning, training, and exercising can the requisite capabilities and capacities be identified and developed. The NRP must be scalable, as well as flexible and agile, able to morph and adapt to new technologies, new threats, and new scenarios. We need to remember that disaster response is primarily a state and local responsibility. We need to empower those on the frontlines – state and local government officials and first responders – and translate this strategy from the 10,000 foot level all the way down to the ground. To this end and over the longer term, we should also bolster our capabilities through a National Homeland Security University as recommended in the White House report. This will foster the growth of a cadre of homeland security professionals among senior level officials within federal, state and local government, both elected and appointed.

All levels of government and private sector partners need to learn the "language" of the National Incident Management System (NIMS) and be able to be not only conversant, but fluent in NIMS. It's not enough to be able to check off the box and say we are NIMS

compliant – we must all be speaking the same language. The bottom-line is the understanding of who has authority: where, when and to what extent. Also, there are technical challenges, pointing to the need for a robust, redundant and reliable communications infrastructure. We need to have operability, a dial tone if you will, before we can move to interoperability, a dialogue.

This Committee has also recognized the tremendous importance of integrating the private sector, its sophisticated supply chains and extensive resources, into national preparedness and response. Following Katrina, government at all levels had tremendous difficulty incorporating donations, personnel and technical expertise graciously offered, by domestic and international sources, into response efforts. As written, the NRP and NPG recognize the need to coordinate with the private sector; however, we must refocus efforts to facilitate and integrate private sector resources. Notably, the Business Roundtable has created an innovative Partnership for Disaster Relief that matches donations of personnel, technical expertise, equipment and funds to both domestic and international relief efforts. Business Executives for National Security has also undertaken efforts in this area.

Hurricane Katrina reminded us that, in the eyes of the American people, the key performance measure for emergency response is what is referred to in business as customer wait time – the length of time it takes to get the right resource to the right customer. When resources (food, housing, evacuation assistance, medical care, financial assistance, transportation, information, etc) do not reach disaster victims promptly the response mission is viewed as less than successful. We need to take a page from the private-sector playbook when it comes to designing timely and effective supply chains. Fed Ex, UPS, Wal-Mart and DHL all have nimble systems and processes in place for deploying assets quickly to meet ever-changing needs.

Similarly, the military model offers us a number of applicable operating principles. First, underlying the capability/outcomes approach, there needs to be a system based on identifying the need rather than specifying the request. Instead of asking for 30,000 MRE's to feed 10,000 people three meals a day, pursuant to the military's way of doing business, a requirements based-request would state the need to feed, however possible, those individuals. It allows for a flexible, creative response drawing on whatever assets are close at hand to extend far beyond those of governments.

A stellar performer during Hurricane Katrina response was the U.S. Coast Guard. A review of why this agency stood out as a success story provides us with a model for interagency coordination. The Coast Guard functions on a daily basis as a true, interagency joint asset – the Coast Guard "thinks purple" every day of the year.

The challenge of successfully executing interagency coordination is age-old. Although we probably should never transpose a military model into the civilian context, at least not wholesale, there is to my mind substantial merit in looking to the military context in this case. Here I refer specifically to the Goldwater-Nichols Act of 1986 which reorganized the Department of Defense (DoD) and constituted its most significant organizational

change since the National Security Act of 1947. In essence, Goldwater-Nichols institutionalized the concept of "jointness" in the military context. From an operational and organizational perspective, the defense structure was streamlined and unified, and budgets were realigned accordingly. Over time, the positive ripple effects have been impressive as greater cohesion has yielded fruit in the form of heightened effectiveness measured, for instance, in terms of agility and responsiveness. More recently, in terms of civil support and in the spirit of an efficient and coordinated response, Northern Command (NORTHCOM) was stood up as a combatant command with operational responsibility for the Continental United States.

It seems to me that we may need a Goldwater-Nichols equivalent for the homeland context – and not only at the federal level, but also between and among the States themselves. While I would not go so far as to suggest that such change be mandated at the State level, I do think that we need to get our house in order at the federal level, so as to serve as an example for partners at the State level and beyond. Put bluntly, to the extent that the various moving parts in preparedness and response are either not working well together or are not doing so in an optimal way, we need to remedy that, because the price to be paid for not doing so is simply too high (and the costs are not simply monetary).

Recommendation #2: Regionalizing DHS in a robust way would further the twin purposes of empowering those on the front lines to act, while reserving a role for the federal government in appropriate circumstances.

Experience has shown us, time and again, that effective response cannot be micromanaged from Washington. As a practical matter the vast majority of disasters will be responded to by state and local governments, with the federal government stepping in to provide support only in unique circumstances. Therefore, it only makes sense to push decisions to the frontlines, where situational awareness is most acute and local knowledge in the broader sense is greatest. Only by marrying up that consciousness and expertise with the authority to act, do we create a solid foundation upon which to build a truly effective and integrated national system of response.

Nor should we be exchanging business cards on game day. This structure needs to be in place now, before another event, so that working relationships have not only been forged but cemented, trust has been built, and plans have been exercised, tested, and revamped according to lessons learned. A regional approach best serves these ends.

There need to be some fundamental tenets or principles guiding us as we move forward in this regard. Under a regional framework, all parties play to their strengths – and outcomes should be affected accordingly. Washington has a clear and critical role to play. When parties in the field are taking or requesting diametrically opposed measures, for instance, the matter must plainly be elevated in order to "de-conflict" plans and chart a coherent course forward. The federal presence, in the form of headquarters, is invoked for functional reasons in this system, and serves as an arbiter of last resort, just as the Founding Fathers intended.

In fact, regionalizing our national preparedness system is the very linchpin that connects all of the elements of our preparedness and response. Involvement of state and local officials and entities in the regionalization process, engages them as true partners, not simply outsiders trying to access the system.[4] Robust regionalization works in the best interests of the States and their governors, by providing the latter with "one-stop shopping" or, if you will, a federal "bellybutton." Not only does it offer States an all-purpose federal access point close to home, that federal point of contact is also steeped, and therefore well-versed, in the specifics and particularities of the relevant area. A federal leader in the field, with authority to access federal interagency resources to support preparedness and response capacities at the state and local levels, provides distinct advantages. First, this individual would be a known quantity to state and local officials. He or she could provide the DHS Secretary with important feedback and insight into the progress being made to advance preparedness efforts. They would be able to draw not only upon DHS-wide assets during a heightened alert or response, but to also access federal government wide resources. Additionally, this pool of key officials would provide knowledgeable and experienced candidates to serve as the Principal Federal Official (PFO) during future crises.

As Congress and the Administration consider regionalization, strong consideration needs to be given to how these regions link to DoD and Department of Health and Human Services (HHS) assets. Consideration should be given to co-locating field components of DoD with regional components of DHS, or that DoD always have designated a "ready brigade" within each DHS region that can assist with response. I am not suggesting that DHS regional offices control DoD assets, but that they forge strong partnerships at the regional level before disaster strikes. Given DoD's planning, logistical and transportation experience, there is much that DHS, and state and local governments can learn and incorporate from the DoD culture. With regard to HHS, consideration should also be given to co-locating Regional Health Administrators with DoD and DHS. This example is only illustrative, but is particularly important as it pertains to the management and deployment of the Strategic National Stockpile and the National Disaster Medical System (NDMS).

In order to operationalize a muscular regionalized system, however, we need a comprehensive inventory of assets at all levels of government as well as regionally. Without that, we will not achieve lift-off. All capacities must be accounted for, including equipment and personnel. Moreover, interstate agreements must be developed and concluded ahead of time, to ensure access to these assets (both at the level of principle and in terms of the actual mechanics), in time of need. Such a framework institutionalizes, and has embedded in it, the sound logic and practice that States and regional assets be marshaled and mobilized efficiently, at least to the extent possible in a given scenario, before drawing down on the federal stock.

Placing such a system in larger context, we must also have the ability to prioritize funding across multiple jurisdictions. Not every jurisdiction will require all of the same

[4] Major Chris Hornbarger, Combating Terrorism Center, United States Military Academy.

"hardware." To succeed, the prevailing mindset in the Nation must be one of cooperation and complementarity, rather than contest and competition between and among jurisdictions. Undoubtedly, tough choices will arise as we try, through the Office of Grants and Training, to put our money – finite financial resources, after all – where our mouth is. But we cannot allow parochialism to trump here. The mission is simply too important to allow that to happen. And there is reason for encouragement: we have done it before. In fighting wildfires in the West, for example, the federal and State levels have worked together virtually seamlessly, with impressive results. I am confident that we can, and will, transpose that model to the challenging context before us today. No further reminders of the fact that we are all in this together are necessary. Neither hurricanes nor terrorists know respect for State borders. Accordingly we must think of our assets, infrastructure, and vulnerabilities and so on, as shared elements – across State lines, into regions, and beyond.

Recommendation #3: Building a culture of preparedness starts with individuals and communities.

The White House plans to undertake 11 specific activities before June 1st and the start of hurricane season. Notably, there is no activity to engage the public in hurricane-prone states in these efforts. Time and again, research has confirmed that only a fraction of the American public has taken the basic steps to prepare themselves and their families to be independent of community and local government help for the first few days following a disaster or attack. Timing is everything – with the impact of Hurricanes Katrina, Rita and Wilma fresh in the minds of Gulf Coast families, the willingness to take action may be greater than before.

Experience indicates that empowering the public to know how to care for themselves and their families in the first few days following disaster will lessen the burdens upon a first response community and the 9-1-1 system. Consistent with these efforts, government officials at all levels need to recalibrate and manage public expectations about what can realistically be expected in terms of services and support during the immediate hours and days following a catastrophic disaster.

The recommendations included in the White House report concerning Citizen and Community Preparedness[5] are, for the most part, commendable, especially the efforts to build a baseline of needed skills, capabilities and tools to train, exercise and engage the public and their communities in local preparedness efforts. We would caution however, against interpreting the lesson learned on Citizen and Community Preparedness to mean that it is necessary to focus limited time and resources on combining existing private and public sector campaigns into a "single national campaign."[6] Research done to better understand the barriers to public action and to identify strategies to motivate citizens to become better prepared, indicates that if these messages are to be effective they need to be conveyed by trusted messengers targeted to reach different communities – it is not a matter of "one size fits all." This is especially true when it comes to vulnerable

[5] White House *The Federal Response to Hurricane Katrina. Lessons Learned.*
[6] Ibid, p. 80

populations including the disabled and lower income families who are at greater risk and may not have the necessary wherewithal to prepare. The National Organization on Disabilities is doing excellent work through its "Emergency Preparedness Initiative," targeted to meeting the needs of the disabled community.

At the same time, innovation and best practices should be recognized and rewarded. Consideration should be given to establishing a Baldrige-like award to commend States, localities, NGOs and private sector entities. Recommended by the DHS Homeland Security Advisory Council, such an award would also serve as an incentive to encourage others to adopt similar exemplary practices and processes.

Conclusion

Policy and strategy without resources is rhetoric. The process of building capabilities and capacities at all levels will require sustained funding, leadership and political will to provide the requisite funding. Congress should act to make regions a reality by amending the Homeland Security Act of 2002 (P.L. 107-296). Even with resolve, we cannot accomplish everything overnight. We will have to prioritize our aims and objectives over the shorter and longer term, bearing in mind the nature and probability of the threats at hand, using an all hazards, risk-based approach. As we move forward, we must further define how we measure success, remembering that what gets measured gets done. We will need to keep our eye on the ball and make sure that we are measuring what matters.

In closing, I would like to recognize the Committee and their staff for their professionalism, and The George Washington University Homeland Security Policy Institute extend an open offer to continue to work closely with them. Thank you and I would be pleased to try to answer any questions you may have.

Katrina as Prelude:

Preparing for and Responding to Katrina-Class Disturbances in the United States

Testimony before the
U.S. Senate Homeland Security and
Governmental Affairs Committee

March 8, 2006

Submitted by

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Hurricane Katrina was the largest and most severe natural disaster to befall the United States in at least a century. Scale for disasters is a combination of the intensity of damage, the size of the impact zone, and the amount of value – lives and property – in the area of impact. By that standard, Katrina dwarfs even significant events of the recent past – even notable events like Hurricane Andrew in 1992 and the Missouri River floods in 1993. In Katrina, significant damage (enough to hinder transportation, create power outages, and so on) occurred over an area of about 100,000 square miles – roughly the area of the UK. By contrast, a very large wildfire – a significant natural disturbance in its own right – might burn an area of 500,000 acres, or about 1,000 square miles … *one percent* of the area affected by Hurricane Katrina.

Conditions on the ground along the Gulf Coast and in the New Orleans area when the storm hit contributed significantly to the catastrophe. The partially successful but (inevitably) incomplete evacuation in advance of the storm – who had and who had not self-evacuated or been evacuated – coupled with the severity of the storm itself (most especially, the enormous storm surge along a significant expanse of the Gulf Coast, together with the high winds and torrential rains over a wide area) and its after-effects (principally, the overtopping of the St. Bernard's Parish levees and the breaching of the New Orleans levees) created a nightmare scenario: large numbers of people, many with infirmities or other challenges that would render them unable to care for themselves or conduct self-rescue, trapped in life-threatening situations in the midst of an impact zone with essentially no functioning communications or even observation infrastructure. In the middle of the most severely affected areas, society was, in the immediate aftermath, blind, deaf, and mute: we couldn't see what was happening, we couldn't hear from the affected population, and we couldn't communicate to them what they could do to stay safe and contribute to their rescue. It was difficult to assess who faced the greatest immediate dangers, and where, so it was nearly impossible to prioritize responses. And the scale of the needed rescues – thousands of elderly patients trapped in nursing homes, thousands of inmates trapped in jails, thousands of residents trapped in their houses or on their roofs or in apartment complexes, thousands of visitors trapped in downtown hotels – together with the ongoing support (food, shelter, medical care, …) of those rescued, completely overwhelmed available resources.

The inescapable reality is that the United States – its governmental units and its society as a whole – *is not now and never has been* prepared adequately to deal with a disaster of the scale of Hurricane Katrina. Given the pre-existing conditions of preparation in the nation and in the region – infrastructure, capabilities, systems, and people – as of the middle of August 2005, and given what the storm was going to do, it is therefore important to realize that *no one could have led the response to this storm in a way that could have produced a high performance … or even, perhaps, an adequate performance*. To be sure, we could (and should) have done many things better, even starting only days before the storm hit, and we have a number of suggestions about how that performance could have been improved. But even inspired leadership in the moment cannot overcome a fundamental lack of preparedness. We were simply not ready – and we are still not ready – to face a cataclysm.

If that is so – and we believe it is *clearly* so – then the search for individual culprits and malfeasants is not likely to help us much to improve performance in the disasters yet to come. Yes, there were mistakes that were made in Katrina that could have been avoided, and there is deserved criticism for some of the actions taken (and, more especially, not taken). But while there were individual failures involved, the story is not principally a story of individual failures – it is, instead, a story of failures of *systems* and of failures *to construct systems in advance* that would have permitted and helped to produce better performance and outcomes. It is very important not to let the reflexive instinct to find someone to blame distract us from the larger and more important – and more difficult – challenges: how do we build, resource, and hone the nation's capability – combining

federal government, state and local government, NGO, private sector, and citizen efforts – to face more effectively the large scale disturbances we may yet have to face?

Expectations and FEMA's performance

FEMA – as an agency, and in the person of its former director, Michael Brown – has been widely criticized for its performance in the face of Katrina. As the immensity of the catastrophe and suffering became increasingly clear in the days following the storm, and as the response was painfully slow in getting essential help where it was needed, and as the lack of coordinated and streamlined response dismayed observers at every hand, many felt that the federal government should step in and play a central coordinating and directing role. While it might indeed have been useful for a single agency to bring coherent command, control, and direction to the response efforts, there are at least four features that make it an unreasonable expectation in the context of the August 2005 situation:

First, **FEMA was not designed, resourced, or authorized** to take such a role.

Second, as indicated above, **the scale of disaster that FEMA was designed for was considerably smaller than that produced by Katrina.**

Third, to the extent that FEMA had (as it had been directed to do and as it said it had done) designed a National Response Plan, **the NRP was only a plan – it was not a functioning, practiced, operable system**.

Fourth, **the constitutional structure of the United States makes it quite difficult to construct an agency for such a role – and the infrastructure for that role had not been constructed as of the time Katrina hit**.

FEMA's Role FEMA is not designed to be a central, in-charge, director of a response effort. Perhaps it (or another successor agency) could or should be. But it has not been, and it is not, to now, designed for or prepared for that role. It is, instead, designed to be what we might refer to as a *supply-chain broker*. It has only limited resources of its own. It is designed to be an order-filling enterprise – it is supposed to know where to get things, to know who has what and where it is located and how it can be moved, and to operate an order-delivery process connecting requests for assistance – people, materiel, equipment, and so on – with ultimate suppliers of those resources.

FEMA, as it existed in the middle of August of 2005, had neither the mandate, nor the resources, nor the structure, nor the legal authority, to step into a "command" position. The operating philosophy of the nation's emergency response system was that response should be led by state and local agencies, with their greater knowledge of local conditions, priorities, circumstances, norms, rules, laws, and authority. The envisioned federal role is to backstop, from a resources standpoint, the on-scene agencies, providing

commodities, specialized teams (like USAR and medical teams), and people or groups with special capabilities (through the Emergency Management Assistance Compact).

Note that, crucially, this presupposes that there will be a functioning collection of other agencies – state and local government units – in a position to assess what they need, make coherent requests, receive requested resources, and deploy them effectively. This may be a problematic assumption -- state and local government units vary widely in their capabilities and preparedness, and in particularly intense disturbances may also be subject to significant destruction of their capacities to respond. It may, therefore, make sense, going forward in building our capacity to confront truly catastrophic events, to develop a response capability – a new mode, if you will, of federal response – that would allow for greater centralization, use of authority, command, and direction. But it was unreasonable to expect that FEMA – the agency, or its leaders – would be able to produce that performance in the aftermath of Katrina given that it was not specified as part of the mission given in advance.

Scale and Preparation We have, to be sure, prepared as a nation (albeit somewhat inconsistently over time) to address the more modest and routine scale disasters. We were not adequately prepared for Hurricane Andrew in 1992 – a storm of unexpectedly high intensity that exposed major shortcomings in the nimbleness of the federal response backstopping state agencies – but work in the intervening years had improved FEMA's capacity to respond to what we would term an "ordinary" disaster (of which Andrew was a particularly severe example). Thus, when the hurricane season in 2004 brought four major storms in succession sweeping across Florida, the response was by no means perfect – it never is – but it was nonetheless reasonably effective. Our response capability for ordinary disasters has waxed and waned, but, to a first approximation, it could be described as generally adequate.

Hurricane Katrina, however, was of an entirely different scale and scope. A much larger area with communications, transport, and other utilities severely compromised. Along the Gulf Coast, whole towns leveled by a 25-foot wall of water, with debris scattered miles inland. In New Orleans, many thousands of people, many of them infirm or otherwise in need of general help, suddenly in situations of immediate threat to life and safety, scattered over a vast area with few identifiable truly safe areas to which people could be moved and in which they could be safely supported, and with long lines of communication to any dry and functional "staging area" for basing rescue operations and receiving rescued people. This is not just "a little more of the same" – this is a disaster that is so quantitatively different as to be qualitatively different as well. The United States has not before, in the modern highly-urbanized period, faced such a disaster, and it was (and is) not prepared, organized, or ready.

The NRP was a Plan and a Plan Only The National Response Plan, promulgated officially by FEMA in December 2004, embodies many useful and appropriate systems and procedures for organizing emergency response (on a wide range of scales). Promulgating the plan, however, does not enact it as a functioning, smoothly operating system. To become a system in practice (rather than on paper and on the shelf), it needs

years of training, practice, drill, and exercises by all of the agencies and people that it contemplates might be assembled in an emergency – which is a wide range indeed. Moreover, while it embraces the concepts and structure of incident management (in the form of the National Incident Management System), it overlays this structure on the pre-existing Emergency Support Function system of organization within FEMA – and the result is an incomplete and uncomfortably unresolved "real" structure through which FEMA would (and, in the case of Katrina, did) organize its actual efforts. Empirically, the ESF form of organization seemed to dominate (at least in the Louisiana response, though apparently to a lesser degree in the Mississippi response). In any case, full implementation of the NRP will require much more work in developing regional structures and practicing how agencies will actually coordinate than had even begun to be contemplated before Katrina struck.

The Constitutional Challenge More durably, the constitutional structure and philosophy of government in the United States generally militates against having the federal government assert a centralized authoritarian role in coordinating and directing disaster response. A peculiar (and, many think, wonderful) feature of our structure – one I'm sure no one needs to explain to the members of this committee, who must contemplate it nearly every day – is that the US has non-subordinate hierarchies of authority based in the states, on the one hand, and the federal government, on the other. This arises historically because, contrary to the experience of most other nation states, here the states created the federal government, retaining important powers for themselves. There is thus no natural hierarchy or subordination of state and local powers under federal jurisdiction (or vice versa). States make, and their law enforcement agencies enforce, local laws – and the federal government has little to say about them, and no authority to enforce them (except in those limited instances where the state action would infringe on federally guaranteed rights or Constitutionally specified national authority).

This is a durable feature of our system. It may be something that can (and should) be engineered around, to permit the future establishment of a more coordinated and directable integrated response to future catastrophes. But, at a minimum, its existence as of August 2005 forms an important part of the context for why it would have been unreasonable to expect FEMA to be able to step into a dominant coordinating and directing role.

Thus, the operating philosophy of the nation's emergency response system, the design and resourcing and legal mandate of FEMA, the scaling of our response capabilities (to disasters significantly smaller than Katrina), the realities underlying the promulgated National Response Plan, and the constitutional structure of our nation's governments all lined up against FEMA occupying the role that many came to desire of it, expect of it, and criticize it for not taking. None of this is intended to defend FEMA's performance, nor to excuse the many and obvious failures of the response. Many of the challenges that existed in the middle of August that would prevent an excellent response to Katrina were of FEMA's (or DHS') making. The may have been FEMA's responsibility – but they were not fixable after Katrina rolled ashore. We are not trying to exculpate FEMA – we

are only pointing out that if we are going to perform significantly better, we need to understand the real roots of past failure.

The failures evidenced in Katrina were *not* principally of individual or agency action once the storm broke, but rather failures of both *preparation and execution*. To the extent that there were failures of preparation, the failures were to construct systems and resources that would be up to the challenge of a disaster of the scale of Katrina. To the extent to which they were failures of execution, they were largely failures of systems, often arising from the mismatch between the scale of action contemplated in advance and the scale demanded by Katrina.

Our challenge is to design, build, practice, and maintain an integrated system of national response that is up to the task of a Katrina-class event. It is to this challenge that we will now turn.

Leadership and Serious Preparation for and Response to Large Scale Disturbances

The leadership failures that contributed to the events we witnessed on the Gulf Coast last August and September began long, long before Katrina came ashore. It literally took centuries to make the mistakes that rolled together to make Katrina such a vast natural and human-made calamity. First, for hundreds of years, people have been constructing and placing large amounts of precious (human lives) and expensive (infrastructure, homes, communities) value in New Orleans and along the Gulf Coast in the known path of severe storms. Second, for decades, we have been living with inadequately designed, built, or maintained man-made protections (levees, building codes, pumps, and so on), and have pursued policies and interventions that actively contributed to the destruction of the natural buffers (salt marshes, dunes, and other natural barriers) against the hazards created by placing value in harm's way. Third, for years – at least since 9/11, but even before that – we have known that we had systems of preparation and response that would prove inadequate against truly large scale disasters. Fourth, in the days and hours before Katrina's landfall, we failed to mobilize as effectively as we might have those systems that we did have in place. And fifth, in the days following the impact, we did not execute even the things that we were prepared to do as quickly and smoothly as we should have.

Katrina is not a unique event in the sense of exploiting long-accumulating vulnerabilities to catastrophe – it is just the only one we have actually witnessed. Other large scale events – a major earthquake on the West Coast, for example, or a terrorist incident with a weapon of significant scale in a major city – would create stories with many of the same elements. Looking back, we might find ourselves observing that we have planted huge amounts of value over long periods in harm's way, failed adequately to devise or implement means to protect it, failed to create systems up to the task of dealing with the resulting catastrophe, and failed to mobilize or use those systems that we had constructed as well as we might have been able to.

How do we not, in the future, find ourselves again with those same regrets? Our work needs to begin with a judicious and honest assessment of threats, followed by investments

in prevention and mitigation and by construction of response systems that will be equal to a larger class of disturbances than we have previously allowed ourselves to contemplate.

Building a More Robust Capacity to Confront Large Scale Disasters

There are four essential elements to producing an effective large-scale emergency response – and a corresponding imperative that preparations be made to guarantee the availability of each of them in moment of crisis.

Capabilities. First, no response can be made without the relevant capabilities. Equipment, materiel, commodities, transportation, trained responders with the skills and equipment they need, and the capacity to sustain themselves for an appropriate duration in the field – all of these elements are essential. Even in the face of a disaster of the scale of Katrina, however, it is our view that as a nation we have most of the capabilities we need. Depending on the nature of the disturbance or event, there may be areas where critical resources might not be available in adequate supply. But for hazards like storms and floods, most of the required materiel consists of things that are routinely required anyway (food, water, means of shelter, and so on), and in a country as large as this these are available in vast quantities. The challenge lies, of course, in being able swiftly to locate and move them – and to coordinate that – but in general terms these capabilities also exist. While more work needs to be done on developing a smoother emergency supply chain management process, in our view the existence of the capabilities necessary to respond even to a very large disaster is not likely to be the binding constraint on performance.

Structures and Systems for Direction and Coordination. Emergency managers have developed an effective, scalable process for organizing emergency responses variously known as the Incident Management System (IMS) or Incident Command System (ICS). This approach has been endorsed by Congress, which mandated that FEMA promulgate it and establish it as the basis for organizing emergency response in any federally-involved event. In December 2004, FEMA released the National Response Plan, which announces and is based around the National Incident Management form of organization for emergency response. At a nominal level, thus, the nation's emergency response system is organized around a proven organizational approach that can be scaled to address emergencies of widely varying scope and intensity. In a practical sense, however, the national system is still an idea rather than a reality. We have, in the NIMS, a template for the right kind of organizational structure that can surge rapidly, scale up (and down) as necessary, and maintain awareness, conduct analysis and planning, and direct operations. Different enterprises operating in the same space on the same disaster response can, under this system, in principle at least, coordinate with one another. To get beyond the nominal plan and make this a real national system, much more practice and training is necessary so that agencies and individuals are not, in the middle of a real disaster, experiencing for the first time how the system is supposed to work.

People with the Requisite Training and Experience – The "Red Card" System. The system can enable people to do things well – to understand the situation, analyze it,

develop options, create a plan, and execute the plan effectively – but it is the people who have to actually do all of those things. This implies that an imperative of excellence in emergency response is having a cadre of people who are familiar with the systems, understand the roles they are being asked to act in, and practiced at doing what those roles require of them. They will be operating under stress, with lives in the balance – and the response to a disaster is no time for amateurs to be occupying new roles and beginning to accumulate experience. Wildland firefighting agencies, in which the modern form of the IMS was devised, have developed a system for building the skills and experience necessary for people to be able successfully to occupy their assigned roles on an IMS team. The system – known as the "Red Card" system, a reference to the color of the form on which an individual accumulates his or her professional resume – emphasizes the interplay of training, simulation, and direct experience in building leaders who can successfully occupy the key roles on an IMS team. If you do not have the red card qualifications to occupy a specific IMS role – whether it be operations chief or incident commander or logistics chief – you simply cannot occupy that role. In addition, people accumulate experience and training and red card credentials outside of the day to day hierarchy within which they function ordinarily. Thus, during a disaster, someone with more junior day to day rank may, by virtue of having developed expertise and experience as an emergency manager, have direction during an emergency over a team of technically higher-ranking officials from her or his own agency or from other agencies. During an emergency, what counts is your experience and expertise and qualifications as an emergency IMS leader – and that is all that counts.

Two important things happen as people make their way up through the red card qualifications system (or through other hierarchies – like the military operations commands – with similar organizational structures, training, and experiences). First, the individual people develop better skills through the training and the experience. Second, and perhaps more importantly, *people who turn out to be better at this (somewhat unusual) collection of tasks and activities tend to be the ones selected for higher leadership positions*. Thus, the people who emerge through the red card qualifications are trained and experienced at their roles and tasks – and *selected for being good at them*. By virtue of both learning and selection, the red card qualifications system provides leaders with appropriate skills and capacities.

FEMA has generally been resistant to the development or adoption of a system that would correspond to firefighting's red card system. As a result, FEMA managers tend to be appointed on the basis of daytime rank and seniority. The person with the highest rank in a given office, chosen for capacity to build the organization and its capabilities for response, is not necessarily the person best qualified to lead it in a moment of intense stress and disruption. There is no reason why he or she *couldn't* be the best qualified, but there is little to guarantee that he or she *will be*. FEMA should build a system for developing people practiced at managing IMS roles under stress – and should build response teams around people with the best available training, experience, and prior performance.

Coordination. Perhaps the most notable and important missing element in the response to Katrina was the inability of different governmental units, nonprofit organizations, and private organizations to coordinate and harmonize their knowledge, plans, and actions. In our constitutional system, any large-scale disaster will necessarily involve multiple jurisdictions, levels of government, agencies and organizations outside government, and the public at large. Two forms of coordination are necessary for excellent performance. First, the *technical* work – assessing the situation, developing options, choosing responses, establishing plans for operations, directing operations, and tracking results – needs to be shared and coordinated across multiple enterprises that are often not even within the same hierarchy of authority, and don't necessarily recognize each others' authority. Second, it will in general be better if the *political* response(s) – explaining what is happening, helping people understand what they should do and how they should interpret and adapt to the situation, and, once immediate life-safety issues have been attended to, making decisions about what priorities should take precedence in claiming resources and attention – are reasonably harmonized as well.

Coordinating the technical work: The IMS approach – in part because it was developed to deal with situations in which large scale, multi-agency, multi-juridictional events are common – has mechanisms for coping with the coordination of the technical work across agencies, organizations, and jurisdictions. Rather than trying to create a single unitary command structure – with all units involves subordinated to a single command structure, the IMS approach calls for the formation of "unified command" – a more or less voluntary agreement to operate the response through a committee of individuals, each acting on his or her own authority and leading his or her own agency and voluntarily agreeing to coordinate action with the others represented. This process generally works surprisingly well – especially when the participants have had prior experience in the use of the IMS approach and when the agencies involved subscribe to and regularly practice and use the IMS. In a system where there are two (and sometimes more) non-subordinate lines of authority – for example, the state patrol and federal law enforcement officials have constitutionally separate authority – a coordination system like unified command is a useful instrument, and probably about the best that we are likely to be able to achieve.

Success of a unified command system rests heavily on the ability, under stress, for the agencies in question to work cooperate, sharing information, plans, and coordinating the deployment of resources. *This is likely to work dramatically better when it has been thought about in advance* – rather than having to be invented in the moment. Even a few days of warning about who might need to be coordinated might permit the development of some capacity to harmonize – better, by far, would be a series of exercises in which different combinations of agencies came together, worked and planned side by side, and got to know one another as individuals and as agencies. The mechanism for technical coordination exists, and is embedded in the IMS approach; it remains to be much better developed in practice, as part of training and exercising the NIMS – and this should be a high national and regional priority.

Coordinating the political work: IMS was developed in wildland firefighting, a setting where life safety was the overwhelming priority, and the values of all participants – protecting lives, property, and natural resource values – were widely shared. In a world where there is a high degree of harmony in values, political work is relatively easy. In the early stages of a disaster, where lives are at risk, values are similarly likely to be harmonized. As the life safety issues are addressed, however, other, more divisive issues come to the fore. Where are the displaced persons going to be housed? Who is going to pay for public services for them? Which areas are going to get attention most quickly? What resources are going to be made available for recovery – and who is going to get access to them first? Whose voices will be heard in designing the recovery process or painting the vision of the recovered place? One doesn't have to look at the conversation about the redevelopment of the World Trade Center site in lower Manhattan for very long to realize that the issues are intensely political – and that the political issues soon dwarf the technical issues.

The greatest weakness of IMS, we believe, is that it does not provide any mechanism or guidance for trying to facilitate political coordination. In disasters, political leaders feel the imperative of being involved, of giving direction. Since most are not technical experts, their generally have little ability to direct the technical response. But since the IMS approach doesn't routinely distinguish between technical and political matters and questions, politicians and operational leaders often find themselves in a confusing conversation about the technical facts and options – a role for which political leaders are not likely to be routinely helpful. The recently released tapes, which include a conversation between the President and the Governor of Louisiana about whether the levees have been breached, is a case in point.

We need to develop a political analogue to the technical side of IMS, a way for political leaders (a) to identify the critical political issues and priorities; (b) to coordinate their decision-making about those issues; and (c) to harmonize their communication about those decisions and warrant them to the public. Obviously, this is challenging in circumstances where multiple jurisdictions, led by politicians who may represent different parties and who may have long histories of antagonism, are involved. Nonetheless, it is another area where working in advance on how processes – press statements, for example – might be coordinated could go a long way to allowing political leaders to play a more useful role in guiding what is happening and in explaining to the public what is going on.

Can Effective Large Scale Disaster Response Be Built Within DHS?

We see no intrinsic reason why the kinds of capabilities we are describing cannot be constructed within the Department of Homeland Security. First, we believe that it is important for preparedness and response not to be severed – preparedness and response need to be strongly aligned with one another, and carrying them out in disparate agencies is unlikely to produce the degree of integrated planning and preparation that would produce high performance in the next major disaster. Every thought about a response capability that would be useful in a particular setting has an almost immediate

implication for a form of preparation in advance that would be needed to enable that response in the moment – separating the operation of response from its planning and preparation seems likely to make attaining the appropriate degree of integration more difficult.

Second, the task of preparation against disasters seems a natural fit with the overall mission of DHS. If the Department is to be held accountable for enhancing security for Americans and the American way of life, and takes seriously the broad array of possible threats, then preparing against natural disasters (and operating the response mechanisms in the event of a crisis) should fit as well as preparation against and response to other threats. To put it another way, preparing for and responding to natural disasters like Katrina can be handled either well or poorly either inside or outside of DHS. Provide leadership that understands and assesses the full range of threats to security and that knows how to help its constituent organizations develop excellence, and there is no reason why preparation for and response to disasters needs to be in its own enclave (or in a different agency).

Third, it seems to us that most of the preparations against significant disturbances are more similar to one another than they are different – more or less irrespective of the source of the disturbance. Obviously, they differ in detail – earthquakes are different from floods are different from dirty bombs. And we need to contemplate and to prepare against each of the plausible scenarios that we can imagine and that seem non-trivially likely. But many of the core functions of government and that governments would be expected to coordinate would be similar across many different kinds of Katrina-class events. Significant displacement of (and needed support for) residents, sudden stress on the medical system, extraordinary effort needed to address the challenges faced by the infirm, the less mobile, and other specially vulnerable groups – all of these and many other features will be shared across most large-scale events. Developing generic capabilities to cope with disturbances over a wide range of intensities, scopes, and scales while also developing customized responses for different scenarios seems like something that one agency should be able to do more efficiently than many.

The question, then, boils down to the question of whether DHS can create within it a reasonable and appropriate balance among the efforts to counter a wide range of threats – and not be unduly dominated by focus on terrorist threats alone. DHS was born of a fear – and the reality – that insufficient attention had been focused on terrorism. That was surely an imbalance that needed to be redressed. Katrina clearly demonstrated – as some had long argued – that other threats were also significant and demanded careful planning and resourcing. If DHS truly internalizes that view, then there is nothing that should prevent it from being the right place to carry out this analysis and these preparations.

The existing architecture of DHS, it should be said, expresses some ambivalence on this score. The Department's "Strategic Plan" – promulgated in 2004, and still disseminated through its website – is potentially revealing about the Department's orientation. The overall vision statement seems right – the Department dedicates itself to "Preserving our freedoms, protecting America – we secure our homeland" – which seems to embrace an

"all hazards" orientation. Similarly, the mission statement and guiding principles are broadly drawn. "Securing our homeland" is a major organizing theme of the plan, and under it are listed seven major summary tasks – each also broadly drawn in an all-hazards frame. It is when we go below the summary, and begin looking at the individual objectives listed under each task, that the balance in the orientation seems to shift substantially toward dominance by the "protection against terrorism" narrative. Strategic Goal 1 ("Awareness") identifies four objectives, all of which treat terrorism as the active threat. Similarly, Strategic Goal 2 ("Prevention") outlines six objectives, none of which mentions natural disasters explicitly. It is not until we reach objective 3.5 (continuity of government in the face of crisis or disaster) that we find an explicit mention of natural disasters – and this follows objectives focused on the threats posed by illegal drugs, counterfeit currency, and cybercrimes. The all-hazards language is more prevalent as we go farther back in the list of objectives – but it would be a fair reading to say that while the strategic plan is permissive with regard to all-hazard work, by far the dominant components of the discourse are focused on terrorist threats. This balance may have been reset in the aftermath of Katrina, but if it has been then that has not yet become visible on the Department's website.

If DHS is to remain the host for the nation's development of response and coordination capability and the nexus for mobilizing and coordinating the response in the event of a large catastrophe, it needs to undertake an honest and systematic evaluation of the wide range of threats to American security.

Building Excellence at DHS

More generally, the challenge for DHS is to rise to the promise of its own vision – "Preserving our freedoms, protecting America – we secure our homeland." DHS needs to produce excellence in its appointed task. What do we know about organizations – public and private – that achieve excellence?

First, they have **clear values**. They articulate what they stand for and care about, they inculcate these values, they attract people who share them, and they systematically deselect those who don't. Their values provide a fundamental orientation and motivation for those who work in the organization.

Second, they exhibit **focus**. They have a clear idea of what they want to achieve, and they devote their efforts and resources to it, cutting out the things that don't contribute or that aren't essential to it. The German philosopher Friedrich Nietzsche famously observed, "The most common form of human stupidity is forgetting what we were trying to accomplish." Focusing on *exactly* what we are trying to do is the first component of excellence.

Third, they have **a system for enacting their chosen focus**. These systems come in different varieties and with different nomenclatures – but they have an essential element in common: they define "performance" in clear terms, and they provide information to people in the organization that helps them detect the relationship between their actions

and the outcomes that are being produced. This is variously called performance measurement or performance management (and by other labels). One common system for embodying it is called a "balanced scorecard" – a method that allows the organization to track progress on components of their overall performance goal. But, in one form or another, excellent organizations find ways to define their performance goals with clarity and help people in the organization figure out how to contribute to achieving them.

Fourth, excellent organizations **identify the distinctive skills they need** to produce their most important performances, and systematically build those skills in their people. These key competencies are derived from their understanding of the performance they want to produce – and their best assessment of what is necessary to produce it. This defines a set of learning objectives for people in the organization – and as these objectives are met, performance naturally improves.

Finally, excellent organizations exhibit **leadership** – not just at the top, but throughout. This can take various forms – from more authority-driven to more inspirational. But though it may be carried out in different ways, in excellent organizations it always means some of the same things. In particular, leadership always emphasizes the values, the focus, the idea of what good performance is, the system for how performance is monitored and improved, and the key competencies and skills needed by the organization. In other words, however it is conducted, leadership acts as a force multiplier for the other characteristics of excellence.

Some Specific Areas for Improvement

While we have focused principally on the general problem of response to large-scale disaster, there are a few specific weaknesses exposed by Katrina that are worth focusing on here briefly.

Evacuations need to be much better designed and resourced. The incomplete evacuation of New Orleans was a major contributor to the human tragedy that unfolded in the aftermath of the storm. A very large number of people – something between a million and a million and a half residents – did evacuate to safe(r) locations in advance of the storm from the New Orleans and surrounding areas in a relatively short time, so in this sense the evacuation can be viewed as at least a partial success. But most of that was the result of people who had the resources to do so taking care of themselves. Government was, for them, effective only in persuading them that they should leave and in taking some modest capacity-enhancing actions (like arranging contra-flow on the highways leading out of the area). The problem, of course, is that this left a small fraction – but a large number – of people *not* evacuated … and these were precisely the people who might most be expected to need the help of the government in arranging evacuation. Those who are not willing or able to self-evacuate were a very different group than those who were self-propelled. They were less mobile, less attentive, less interested, less healthy – or actively interested in taking advantage of the fact that most everyone else is going to be gone. They were different from those who are willing and

able to leave – and they were also very different from each other as well. Some were in nursing homes or hospitals; some were incarcerated in jails or other institutions; some were in home or hospice care. They had markedly different access to transport. We need to take seriously that the only success of New Orleans' evacuation – the mobilization of the self-propelled – left behind those who most needed government assistance. We need a much higher standard for what a real evacuation plan needs to include – and much more work on planning and engineering in advance to achieve evacuation of those who can reasonably be moved, and safe sheltering in place for those who cannot.

Security is a first order prerequisite to all other aspects of response. In the aftermath of Katrina, there were widely reported (and re-reported) instances of police officers and rescue workers being assaulted by armed gangs engaged in looting. It appears that these reports were substantially exaggerated – but they had a significant effect on reducing the flow of resources into the affected region (which, in New Orleans, really began to arrive at the Superdome and Convention Center in earnest only when accompanied by military escorts, which took several days to arrange). In a major disruption, the capacity to re-establish a law enforcement / security presence will be a significant determinant of the rate at which other parts of the response can be deployed.

Robust reconnaissance and observation apparatus for establishing situational awareness is a crucial ingredient to rapid response. In advance of Katrina's strike, evacuation thinned the forward-deployed assets that would have been useful in the immediate aftermath of the storm to assess the situation. A defining feature of severe-impact events is that they take down ordinary communications and observation assets. This is especially true when one of the preparations made in advance is to move people and resources to safe harbors to weather the impact. Of course, emergency workers need to be protected from the storm's impacts. But in the face of what was anticipated to be the largest threat to the integrity of the New Orleans levee system in modern memory, there was no apparent action to pre-position observers, equipment, robust communications, or other assets that might have enabled response coordinators more rapidly to understand the evolving situation as the levees gave way and water rose in different locations. When an event can be anticipated – and, if it occurs, is likely to produce chaos – it is useful to position some robust capacity for observation so that coordinators can more immediately and completely track the situation.

Communications systems for emergency response remain tragically weak, fractionated, non-interoperable, and not very robust. A hallmark of effective response to a large scale disaster will be the ability of people and agencies in different hierarchies and different jurisdictions to share information, develop a common and accurate awareness of the situation, discover what each other are doing, and coordinate their actions. An essential precondition to being able to do any of this is the ability to communicate effectively with one another. Nearly five years after 9/11, this should not remain as challenging as it is – but the modern form of the Tower of Babel is the failure to produce seamless interoperability among communications for agencies that might reasonably be expected suddenly to have to work together.

"Forward lean" for critical response capabilities is essential. In the days immediately preceding Katrina's landfall, some responses were mobilized. The President declared an emergency, providing access to some federal resources and authorizing federal mobilization before the event. This is an example of creating "forward lean" – moving resources toward where they will be needed, pre-positioning people and capabilities where they might come to be needed (rather than waiting until after the fact, assessing, and then moving). Forward lean can be expensive, and it can also be dangerous – exposing assets to greater harm by moving them in advance into what is expected to be an impact zone. On the other hand, there is no effective substitute for critical resources actually in the impact zone in the immediate aftermath of a significant disaster. Ordinary communications can be expected to be down; local resources may be damaged or scattered; local first responders may have become victims or may be preoccupied by their own and their families' problems. It is in the nature of high-intensity emergencies that situational awareness will be near zero in the immediate aftermath; that re-establishing some reasonably comprehensive understanding of the situation and its implications and the resulting priorities for action is the essential immediate challenge; that the situation on the ground will be chaotic; that the affected people will be confused and not necessarily very functional; that opportunities will present themselves for looting and exploitation of the situation; and, for all of these reasons and more, that having a forward-leaning deployment of essential assets – security, observation and analysis, and communications – is worth the risk and the cost.

IMS (/ICS) works, and needs to be more universally developed, trained, practiced, and enacted. In areas of the Katrina response where the incident management or incident command system methodology was employed by people who were familiar with it, who had trained extensively in it and who had used it before, the results were generally very strong. Incident command provides a logical, scalable approach that can allow different groups that are familiar with it to align their planning and operations to allow coordination and joint action. Some agencies (firefighting, EMS) are much more familiar with it than others. While it has been articulated as the national standard for organizing response to any emergency, it has not been universally adopted (beyond the nominal acceptance required to participate in federal disaster relief). To be effective, it needs to be embraced, trained, and practiced by individual agencies and by agencies exercising in concert with one another.

Coordination with the private sector needs to be much better developed in advance. A notable feature of the more effective parts of the response to Katrina was that they often involved private firms. Many modern firms are built around excellence in the management of their supply chains, giving them a high degree of precision in knowledge about what they have and where it is, together with the capacity to move it efficiently to where it needs to be delivered. Wal-Mart, Lowes, Home Depot, Office Depot, UPS, FedEx and many other firms "stepped up" – making available facilities, commodities, transportation services, and other essential emergency response inputs, and directing their operations efficiently and effectively to roll relief supplies toward affected areas. These companies in many instances not only worked assiduously and effectively on providing help to their own employees, but also encouraged their employees to help others, and

supported relief efforts by providing goods and services to the government and nonprofit organizations that were directly involved in operating relief efforts. Other private organizations – universities, construction companies, contractors, and others – might have been able to contribute more effectively if they had been coordinated with in advance and asked to play a positive role in the moment. The capacity to work smoothly, quickly, and efficiently with private sector organizations that have needed resources – commodities, transport capabilities, pharmaceuticals and medical supplies, and so on – will be especially crucial in the event of another large-scale disaster (because a large fraction of the resources needed to address the calamity will be located in the private sector). A number of companies have told us that they were significantly delayed in their capacity to help by bureaucratic systems and a lack of a well-defined point of contact and coordination with government agencies. They could see what was needed, they had it available, they loaded it on trucks, and they were prepared to deliver it – but they couldn't get instructions or authorization about how and where to deliver it, and in a number of cases trucks full of needed supplies were turned around at security checkpoints. A great deal more work needs to be done, therefore, to establish an infrastructure of contracts, information sharing, and systems integration that would allow more rapid and effective mobilization, coordination, and redirection of goods and services that can be provided by private firms.

Directions for Excellence in Preparation for and Response to Large Scale Disasters

Our analysis suggests both long- and short-term imperatives for improving our readiness for and response to large scale disasters.

First, we need to take seriously the idea that the best opportunity to reduce damage from a calamity often comes in the time when we can **prevent or mitigate** it **in advance**. We need to insure that policies don't encourage us to plant more value in intrinsically vulnerable situations – and we need to provide adequate protections when we have.

Second, we need to work with energy to **build the features of more effective response**:

We need to **install IMS as a real paradigm for action**, and not only as a plan.

We need to **develop the training and experience and qualifications system** for those who will lead the disaster responses yet to come.

We need to **expand dramatically the level of advance planning for coordination and the practicing of coordination** through simulations and exercises for regional groupings of agencies that may be called upon to work together in crisis situations.

We need to **build agreements and methods for political coordination in advance** on a regional basis to permit greater harmonization of political decision-making and political communication.

Third, we need to **address specific weaknesses in our response capability**, most notably including:

Developing the capacity for **forward-leaning security, awareness, and communications**
Developing greater **advance coordination with private organizations**

And finally, if DHS is to continue to be the host organization for our planning and operation of response capability, we need to **help DHS to become an excellent organization embracing its own vision of protecting the American way of life and Americans against a broad spectrum of hazards**.

This may appear an ambitious and potentially expensive agenda. Ambitious it surely is. But much of it need not be expensive. The most expensive element of disaster planning is arranging for physical capabilities. But, for the most part, new physical capabilities are *not* a part of this agenda. Most of what we have described involves establishing systems of coordination and establishing agreements – and practicing how organizations would work together in the event of catastrophe. Practicing, building coordination structures, and setting up agreements can be time consuming and complicated – which is why it needs to be done in advance! – but it is not resource-intensive. And the additional coordinating structures and agreements that we have suggested will have payoffs not only in the case of major catastrophe – but also in more limited emergencies as well.

Political Control and Operational Command: Building a Balanced Disaster Response System

Supplemental testimony provided to the
U.S. Senate Homeland Security and
Governmental Affairs Committee

March 22, 2006

Submitted by

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Who should be in charge of orchestrating the federal government response in the event of a catastrophic disaster?

As a result of clear failures of preparation and performance in the wake of Hurricane Katrina, this question has recently received a good deal of attention by policy makers, commentators, the media, and the public.

We believe that this question is wrongly posed, that it is founded on incorrect premises, and that accepting its presumptions and trying to give a single answer to it – whether

through executive order or through legislation or through custom and practice – would be ill-advised.

Posing the question in this way – *"Who should be in charge?"* – misdirects attention because it presumes that there is one overall set of issues and actions to be in charge of, and that one person can and should be the nexus of responsibility for all of these issues, taken together. In the sense of accountability, that may be so – people will naturally look to one person (the President, ultimately, or some designee) as having "responsibility" for the effectiveness of the response. But in the sense of actual command, coordination, and direction, we believe it is not advisable to try to create one position with a span of control that extends across the array of challenges that a major catastrophe will present.

In this discussion, we are focused on the federal government and the organization of its response to catastrophic circumstances. We would make largely the same point, however, with reference to the management of crises by state and local governments – and especially in any circumstance where multiple levels of government are involved – that the emphasis on having a single official, charged with responsibility for all aspects of the response, is misplaced.

We think it is crucial to draw a distinction between two broadly different types of challenges that arise in major disasters. First, there is a set of largely *technical* issues that must be identified, confronted, and resolved. Who can reach the disaster area most quickly? What supplies are needed, and where are they now located? How can we best organize delivery of needed medical supplies? The distinguishing characteristic of technical issues is that, to a first approximation, and especially in the early hours and days of a catastrophe (when saving lives is the paramount imperative), *people largely agree on the priorities and values at stake* – and the issues, therefore, are mostly of a operational and tactical and logistical nature, focusing on the most efficient way to address the most critical agreed priorities. Capabilities, structures, systems, trained people, and effective operational leadership will be needed to address the challenges – but the objectives and order of priorities are largely shared and agreed.

By contrast, there is a second set of issues that are largely *political* in nature. In the immediate aftermath of catastrophe, the degree of alignment between the political values and interests of those involved in a disaster tends to be very high, but disagreements about political values and priorities tend to build as time moves along, reducing the harmony of interests that generally characterizes the early moments of a response. These issues – the priorities and values, the allocation of credit and blame, the positioning about competence and effectiveness and leadership – are emphatically *not* technical issues – they are, instead, fundamentally *political* issues.

As a catastrophic event evolves, other political functions also become crucial to effective handling of the situation. Once decisions have been reached, they need to be explained and warranted as the right decision; the public needs help in interpreting the events it is witnessing, and direction at how it should respond (think of Mayor Giuliani in the immediate aftermath of 9/11). Sometimes, sacrifices need to be asked for, and difficult

decisions need to be justified and popular support needs to be rallied in favor of the chosen course of action. All of these are, within our system, largely political actions – again, because they involve the balancing of competing political values and interests.

Thus, while there are surely technical issues that need to be faced, there are just as surely political issues that need to be addressed. We believe it imperative to distinguish these two different types of issues: (1) the *technical operational issues and operational command*, on the one hand, and (2) the *political issues and political direction of effort*, on the other. Effective management of both of these kinds of issues is crucial to overall excellence in disaster response performance – but these issues are of fundamentally different types; and they require different kinds of expertise, background, experience, and leadership style and action. It is possible that these two skill sets might reside in a single person, but it is at best uncommon, and it is unwise to base our hopes for assuring consistent excellence on the ability to locate a single individual with such disparate capacities. Moreover, any major disaster will create more than enough work of both types to occupy any designated leader fully – and having one person responsible for both will inevitably cause one set of challenges to compete with the other. In the aftermath of 9/11, Mayor Giuliani was a *consummate* political leader – while he was frequently depicted as heading the technical emergency response efforts, he in fact spent most of his time managing fundamentally political aspects of the events (providing interpretation and psychological motivation, modeling coping with trauma and loss, and generally addressing the larger values issues at stake). And he was able to do this – he was freed from the myriad of technical decisions that could otherwise have come to him – because he had a competent and practiced technical emergency response organization that was effectively processing the flow of technical decision-making (instead of delegating it upward, to him).

Proposal: designing a structure for both political and operational excellence

We propose, therefore, that:

(1) **the federal response to disaster needs not *one* designated leader, but *two*** – one with political leadership authority and responsibility, and the other with operational command and coordination authority and responsibility;

(2) **the official who has operational responsibility should be a trained professional with significant prior disaster management experience and expertise** – and we would recommend that the most senior official in this role, the head of FEMA or its successor agency, have a long-term appointment (like that of the FBI Director);

(3) **the official who has political responsibility should be a senior and respected Cabinet-level (or higher) official** who can, where necessary, successfully direct other senior political officials in other agencies and

parts of the government to cooperate operationally with disaster response activities;

(4) as a structural matter, **the senior operational official should be subordinate to and should report to the senior political official**;

(5) **these two officials must have a close and mutually respectful working relationship** in which each understands and values the (different) role played by the other, and in which both work to maintain the distinction between the kinds of issues that lie in their respective domains; and

(6) **the response system (and training for work within it) should be designed to help clarify which issues are principally of an operational type and which are importantly political**, and to separate and parse them to their respective leaders.

Need for a professionally-qualified operational incident commander

There can be little doubt about the need for clarity of operational command for a given organization – be it a single entity or a joint effort by a collection of government agencies – in disaster situations. Crucially, the technical challenges faced by operational commanders are often complex and urgent. Fortunately, people with appropriate training and experience are generally able to handle them – or, at the very least, they handle them dramatically better than amateurs. Such people exist, and can be systematically developed. The middle of the operational command post for a catastrophic event is no place for the inexperienced or the untrained – it should be occupied only by trained, experienced, tried and true professionals in the operational management of disaster response.

The process of training a cadre of professional crisis response leaders and developing their experience through a sequence of assignments works in two related ways to build excellence in leadership for future events. First, undergoing the training and garnering the experience develops the skills of the individuals – they get better at handling operations in high-intensity, high-stress, rapidly evolving, time-critical situations. Second, and probably of even greater importance, their prior experience and performance allows us to choose and to advance those who, as a result of their training, experience, and talents, are most capable. Individual learning, combined with careful selection, is what provides assurance that we will have capable professionals whose performance will be dramatically better than that of amateurs.

Experience in the development of military and firefighting leaders bears out the importance of both the training and the selection processes as important contributors to leadership excellence and organizational performance. In both settings, high emphasis is placed on extensive training and practice. Over the course of a career, individual leaders accumulate training and experience, but their effectiveness in action is also observed

directly, and they are promoted in part on the basis of selection rooted in performance and results. The consequence is that those who emerge into senior leadership positions are those whose combination of training and experience and personal attributes, skills, and talents have proven most effective in smaller scale, but related, challenges.

Need for a respected and powerful political "commander"

In the early hours of a disaster, most participants in almost all capacities will broadly share a set of pre-eminent goals – saving and protecting lives, reducing damage to property, and so on. There are, of course, other interests at stake, but in the early moments these generally seem to almost everyone to be subordinate to the central concerns; the immediate life-safety issues trump other interests and concerns. As the over-arching goals are addressed, however, two other sets of issues tend to come to the fore. First, there come to be disagreements about the remaining priorities. Is it more important to direct transport resources to further aiding internally displaced people, or to begin repairs to infrastructure? If we can't address all critical infrastructure issues at once, whose assets will be fixed first? These are fundamentally questions about values, and in our society these questions are largely addressed and played out in the political arena. Once immediate safety issues have been addressed, it is no longer a technical matter to determine whether, for example, displaced people should be further dispersed to other cities, or whether they should be housed in shelters or in hotels. These choices will have operational implications, but the operational issues embedded in them are not so crucial as to be dispositive (the way the earlier life-safety issues were in the first hours of the response). These issues involve making what are essentially political calls – what level of resources, attention, and concern should be provided for and to the various competing interests?

The second set of issues that tends to become more prominent is the competing personal and bureaucratic interests of the various people and agencies involved. Again, in the short run after a disaster, these interests are generally suppressed, silent, and latent. As more critical concerns are resolved, the underlying bureaucratic interests tend to be asserted. Which agency will get the resources – and the reputation – associated with having carried out critical parts of the response effort? Who (and what agencies) are seen as competent, and are being cited in the media as the heroes (and as the goats)? Obviously, these are also not technical matters – they are in effect internal political issues, having to do with the reputation and standing of different agencies (and individuals). They are *bureaucratic* politics, but politics, all the same.

Balancing the competing political value interests of different constituencies – whether of the public or of government or other agencies – is the distinctive competence of the political system and its senior officials – and it is emphatically *not* generally a good role for operational officials to play. Thus, in addition to experienced and professional operational direction, we need a designated *political* official to identify, examine, and resolve the competing political interests … and to make sure that the actions required to carry out the political decisions are conveyed (1) to the operational people who will make

them happen; (2) to the constituencies affected; and (3) to the public at large. Political officials will, ultimately, be held responsible for the balancing of the competing interests – that is how and why they were chosen ahead of their competition in the last election – and they therefore need to be in a position to identify and engage these issues and render their determinations about them.

In our view, this implies the need for a senior and respected *political* official to "direct" the federal government's political response to a catastrophic situation. Because response to a major catastrophe will necessarily involve the coordinated action by multiple federal agencies, it seems imperative that there be a mechanism for establishing, when necessary, a senior Cabinet-level official (or, possibly, in some instances, an even higher level official -- the Vice President) as the designated federal political official in charge of the nation's political decision-making about the evolving event. (Obviously, there is always one such official – the President. The idea is to permit the President to designate, where possible, a lower-level official to carry the burdens of a particular incident, with consultation with the President as the President may see fit.) That the designated official needs to be of Cabinet rank or above follows from the need to be able to enforce both political and operational coordination across the agencies – the capability, for example, to cut through a bureaucratic dispute between agencies by prevailing upon a fellow Cabinet colleague to invoke his or her authority to get things moving in an agency that is dragging its feet. To have the requisite capability, the designated official will have to have the rank, the relationships, and the respect necessary to mobilize his or her Cabinet colleagues. Importantly, this is a challenge of exercising influence and not an operational task – and expertise in operational crisis management is neither necessary to it nor necessarily even particularly helpful in achieving it.

Any large scale event in this country will almost automatically involve multiple jurisdictions and multiple levels of government, and this provides another strong reason to insure that the senior federal political official has significant influence, authority, stature, and rank. In our Constitutional system, Mayors and Governors do not directly report to federal officials – they occupy, in their own systems, the apex of existing stature and authority. When political issues arise that require coordination across these different hierarchies of authority – as they inevitably will and do in any significant disaster – the senior federal official in charge of managing the political decision-making for the event needs to be of a stature that allows him or her to deal directly with the most senior officials in other hierarchies – without giving insult to their sensibilities. This requires someone with seniority, influence – and tact.

Relationship between political and operational commanders

In our system, political officials are given the ultimate authority, so as a structural matter the senior operational official should report to the senior designated political official. We envision an arrangement like that embodied in the military chain of command. Structurally, the President and the Secretary of Defense are at the top of the chain of command, and from a technical perspective they can therefore issue any orders they

want. Realistically, however, this structure is designed not to encourage the substitution of civilian judgment for professional military judgment of generals and admirals, but rather to provide for civilian *oversight*, from a policy (rather than from an operational) perspective, of the nation's military actions. By analogy, the senior operational disaster response official could technically be overruled by the senior political official to whom he or she technically reports – but in practice this should be (extremely) rare.

We believe that it would be advisable to have the senior operational official serve for a fixed term, to vest a degree of independent, professional authority in the office. Statutory qualifications for the job should include prior training, experience – and success – in the operational command of disaster response.

While it is possible that in some cases the senior political and senior operational official could be the same person, we do not see a prospect that the nation will very often have as one of its senior political officials someone with the requisite operational experience, training, skills and expertise to combine the operational and political functions we have identified – and, at the very least, we think it would be a bad idea to rely on this consistently being possible. Conversely, we think it unlikely that people with the requisite operational background, training, skills, and expertise will very often also enjoy the respect *as a political decision-maker* of the most senior federal political officials – and, at a minimum, we think it risky to assume that such an individual can always be in the relevant role at the right time.

Furthermore, we believe it is both possible and desirable largely to separate the technical operational issues from the political issues. At the edges, of course, there will always be overlap – serving one set of interests rather than another (a political call) will have operational implications, and operational choices will influence how possible or easy it is to serve different constituencies. Thus, at the margin, the *policy and values* decisions will influence the *technical and operational* decisions, and vice versa. It is, therefore, in some sense, a fiction that they can be completely separated. But it is in our view a *useful* fiction, in the sense that *working on trying to separate them is useful and likely to improve both political and operational decision-making*.

The senior operational official and the senior designated political official will need to work in very close concert. In particular, many of the issues with significant political content will first arise as operational questions, and will come up through the operational "chain of command." The question of how best to house the displaced people will, in the first instance, be confronted by technical managers. If, from a technical perspective, there is no real alternative (or if the best alternative is so much better from a technical perspective than the next best that any possible political implications would be small by comparison), then the decision is a technical one and should be made by the operational command. By contrast, when decisions about this issue will have significant political consequences, and there are real choices among viable technical alternatives with different political interests, the political elements need to be identified as a feature of the issue, and those aspects of the decision need to be examined by those responsible for balancing political considerations. This implies that, at all levels of the operational

command, the identification of political concerns is an important part of defining the issues.

As political issues surface – whether through the operational channels or otherwise – they have to be framed and resolved by the politically-responsible officials. This will necessitate close coordination between the senior political official and the senior operational official. Key to this relationship is mutual respect for the importance of the respective issues and respect for each other's differing responsibilities and skills. Operational officials need to help frame the political issues that are arising and seek guidance about them. They need to keep political officials informed about the operational situation and the operational decisions they are making. Operational officials need to avoid treating as technical matters issues that have deep political content. (Conversely, political officials need to refrain from asking operational officials to pretend that issues with political content have to be resolved on technical grounds.) And political officials need to keep from interfering with what are largely technical decisions, reserving their authority for the issues where political concerns are of great importance. And on the issues where there are both important political *and* operational issues at stake, the two need to work together to resolve the questions.

We are not naïve enough to imagine that such an idealistic description will be self-executing. Making the system work in this way will not always be perceived as in the immediate self interest of the participants. It will require three inter-related elements:

> First, *structural relationships* – a set of rules and expectations and norms about how people in these roles will behave – both independently and with regard to one another – and what constitutes legitimate and professional behavior;
>
> Second, *practice* – repeated opportunities to enact the rule, expectations, and norms and carry out (either in simulations or in real situations); and
>
> Third, *personal relationships* – the development of trust and mutual respect between people in different roles, based on appreciation of the importance of the role played by the other.

In short, this calls for an operational official who is sensitive to political matters – that is, who can recognize the political concerns and help frame them for a political decision-maker. It also calls for a political official who has some familiarity with operational disaster response – at least enough to understand how severe the risks will be if he or she starts second-guessing operational decisions.

Conclusion

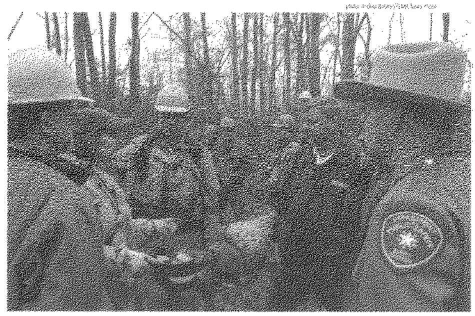
Since, in any major catastrophe, there is more than enough work to do of both operational and political kinds to keep multiple senior officials fully engaged, and since the political and operational issues can usually be reasonably readily divided, and since the skills and

background necessary for these two roles are significantly different, it makes sense to have different officials working on them – in close coordination with one another, but separately. Both roles require a high degree of professionalism – but professionalism of different kinds. In a complex, urgent, confusing, high-intensity, rapidly-evolving, high-stress catastrophic event, the nation needs to have the services of a political professional to manage the conflicting priorities and values and to warrant and communicate the political decisions to a wide array of constituencies **and** the services of a seasoned, trained, experienced professional, proved in the crucible of earlier experiences, to command the operational response.

We hope that in your committee's work to redesign and oversee DHS, you will provide for both – for two answers, rather than one, to the question, *"Who should be in charge?"*

A command system for all agencies?

The United States is building a national emergency response system to handle large-scale emergencies, write **Arnold M Howitt** and **Herman B 'Dutch' Leonard**. But there are shortcomings that need to be addressed if failure or incomplete adoption are to be avoided



With devastating swiftness in late December 2004 the Indian Ocean tsunami demonstrated how emergency management systems could be stretched to breaking point. With no advance warning, emergency responders had to mobilise many forms of disaster aid in highly dispersed places, use personnel and resources from many organisations, effectively integrating them so that help would not be delayed or compromised by poor co-ordination or turf disputes among responders, and sustain responders and emergency aid in the field until local governments were capable of taking over again.

The tsunami affected more people, extended across a wider geographic area, and left impacts that will last far longer than the response system was prepared to handle. This was not simply a result of a severe natural disaster striking developing nations. Other crises that might plausibly hit developed countries potentially share these features – eg an epidemic caused by an emergent infectious disease like SARS or bird flu, catastrophic system [illegible] a nuclear plant, or a terrorist attack with [illegible] mass destruction.

National system

It is to face such situations that the United States, spurred by the terrorist assaults of September 2001 and the anthrax letter attacks that followed shortly thereafter, is seeking to build a national emergency response [illegible] handling novel, large-scale emergencies. [illegible] Incident Management System [illegible] mandated by the US Congress in the Homeland Security Act of 2002, seeks to diffuse and extend an innovative system of operational co-ordination for emergency responders. President Bush has now directed all federal emergency response agencies to [illegible] NIMS. States and localities, too, must adopt NIMS as a condition of receiving federal [illegible] preparedness grants.

NIMS has enormous promise for improving crisis response. Yet successful implementation, which requires collaborative action across the boundaries of professional disciplines, jurisdictions, and levels of government, is by no means assured. Notwithstanding the Congressional mandate, presidential directives to federal agencies, and regulatory requirements and financial incentives for state and local governments, obstacles abound along the path to NIMS implementation. It will take sustained commitment, energy, and skill – by senior emergency response officials at all governmental levels, probably over a decade or more – to make NIMS fully functional. Moreover, there is a [illegible] political legitimacy and authority in [illegible] emergency situations that has not yet been [illegible] addressed.

The Incident Management System referred to in this article was initially devised 35 years ago in California to fight wildland fires but has since spread to other states and other emergency professions

Requirements

At root, NIMS is a national requirement that emergency response organisations adopt a form of the Incident Command System (ICS) or Incident Management System (IMS). This system was devised to fight wildland fires but has since spread to other states and other emergency professions. IMS is a flexible template for leading crisis operations which, rapidly assembled, enables organisations to frame and rapidly implement response actions under enormous pressure.

IMS has important strengths in organising emergency response. It factors critical emergency tasks, establishing a clear division of labour and assignment of functional responsibility. It unambiguously defines the chain-of-command, provides a manageable span of control for each function, and establishes a resource allocation decision-making structure – critically important to avoid dispute about "who's in charge" and to enable rapid deployment and direction of personnel and equipment. It systematically promotes information flows up, down and across the organisation – and to the public.

As a result, IMS is highly flexible in response to incident type, scale, and location. It has been applied to wildland and urban fires, industrial explosions, earthquake response, hospital emergency room operations, and hostage scenarios – even to the recovery of debris from the doomed space shuttle Columbia. IMS, more [illegible] designed to be boundary spanning. It [illegible] operation between different [illegible] and makes sure that their [illegible] major matters of substantive and managerial concern does not waver as a result of the disorder and stress of disaster settings.

Challenge of Diffusion

These features help explain why IMS [illegible] proven versatile and effective in [illegible]. Looking across professions and jurisdictions in the United States, however, one sees considerable variation in IMS "market penetration." IMS has taken deep root in wildland and urban/structural firefighting, as well as among emergency medical services and disaster management co-ordinators. By contrast, although IMS has been formally adapted for hospital-based emergency responders, it has not been widely adopted in this setting. Law enforcement agencies have often been sceptical or hostile. Moreover, some professional groups likely to be key responders in certain future crises – eg public health infectious disease specialists coping with a bioterror attack or a newly emergent flu strain – have little or no experience with IMS.

Several states have formally required all emergency response agencies to utilise IMS or closely related systems. California has been most successful, but after more than a decade, the roots of IMS are still shallow in some professions. Other states have pressed their IMS mandates less [illegible], therefore have had less impact.

Making NIMS [illegible] truly national system thus presents [illegible] challenges. IMS must be promoted in geographic areas where it is novel or not widely used, extended to professions like policing which have previously resisted commitment, and introduced to individual responders who have not been exposed to IMS.

Genuine professional commitment, not just formal adherence, must be earned. It is too easy to attribute reluctance to adopt or use IMS as mere professional conservatism, turf protection, or not-invented-here pique, although elements of each may be manifest in some circumstances. Deeper causes are at work

Support must be mobilised within these areas and professions, resources secured to cover the non-trivial costs of training and exercising at all levels and principles and practices must be drilled down through response agencies to rank-and-file responders.

Genuine professional commitment, not just formal adherence, must be earned. It is too easy to attribute reluctance to adopt or use IMS as mere professional conservatism, turf protection or not-invented-here pique (although elements of each may be manifest in some circumstances). Deeper causes are at work.

What is the question?

One way to think about this problem is to ask, "What is the question to which IMS is the answer?" For wildland and urban/structural firefighters, the answer is clear. Their work regularly requires clarity of command and assignment of responsibility, collaboration among responders and mutual aid providers who may never have worked together before, scalable organisational practices for fires of varying types and sizes, and in-the-moment allocation of scarce personnel and equipment resources. Overall flexibility is critical, but so is a high degree of standardisation. The pieces must fit together when the scale of action changes or, as is often true for wildland fires, the emergency lasts for weeks, requiring regular relief and substitution of key personnel.

For firefighters, IMS was a creative – even necessary – managerial invention that addressed core professional problems. It made good sense to train and exercise all personnel in the system and use it regularly even to respond to small events. IMS became virtually second nature when emergent crises made it essential.

For law enforcement in the US, by contrast, the answer is less certain. Comparing policing to firefighting, one notes that active field co-ordination involving significant numbers of officers occurs much less regularly (though it does occur [illegible] in security for large events, hostage [illegible] and drug busts). Collaboration [illegible] mutual aid providers from other jurisdictions is quite rare. Hence, the need for IMS may seem less compelling, and the costs of preparing personnel and the organisation as a whole may seem more burdensome, perhaps unjustified. Similarly, other response professions, particularly public health and hospital-based emergency medicine, may, for varying reasons, find it difficult to identify the key operational questions for which IMS is the answer.

As implementation of NIMS proceeds, therefore, it is important [illegible] to make a compelling case for need. Professional leaders in fields like policing and public health must become convinced and persuasively argue to their peers and subordinates that more highly integrated, capable emergency response systems that cut across professional disciplines and jurisdictions are essential. Even if their agencies' daily work does not involve such challenges, in the future they may have to cope with novel, large-scale crises that arrive with the speed and relentlessness of the tsunami. Other future crises – such as a pandemic flu – may begin more gradually but spread rapidly and widely and affect our lives over a sustained period.

Recognising the need for IMS is a necessary but not likely sufficient condition to drive change in those professions that have not already bought into the concept. Many forms of organisational innovation are relatively simple compared to the sort that implementing NIMS involves. Often change can be effected mainly by altering management policies, shifting budget or personnel resources from one unit to another, or creating an independent unit to undertake new functions – strategies that require commitment [illegible] only in some parts of an organisation. [illegible] requires pervasive systems [illegible]. Success demands new learning and adaptation of routines by rank-and-file personnel, so it must be established through a comprehensive training and exercising programme. This type of change is time intensive, hence costly in personnel terms, and it may compete with other operational priorities.

Establishing NIMS, moreover, requires more than internal organisational change. Fully realised, NIMS co-ordinates networks of organisations. Some are within a single jurisdiction, but others must be linked across jurisdictions and government levels. Because common executive authority does not hierarchically connect these agencies, organisational co-ordination requires bargaining and mutual adjustment. It will not be created merely because of a national statutory mandate.

Driving Change

It is quite possible that the energy animating the NIMS initiative will dissipate, leaving failure or incomplete adoption. If the NIMS diffusion process is to be successful, proponents will have to devise a multi-layered strategy to make the vision a reality.

At the federal level, where the impetus for creating NIMS originated, officials cannot depend on the efficacy of the regulatory mandate in the Homeland Security Act. It will no doubt prove necessary to provide a federal "carrot" as well as this "stick". In reality, the threat to withhold financial aid from local governments will prove

difficult to impose given likely Congressional pressure. Both the federal government and the states could encourage local jurisdictional commitment by providing financial incentives to defray at least some of the training and exercising costs involved, though current federal budget politics make this problematic, and high quality technical assistance will be essential for localities with limited experience.

Adaptation

Leadership from professional associations and prominent members of emergency management disciplines will also be important. Part of that effort must be devoted to the constructive redesign and adaptation of IMS principles and practices to fit the operating circumstances of professions that have not been among the original participants in the spread of IMS. While constrained by the need for NIMS to operate across agencies and professional disciplines, each professional group must also thoughtfully customise the elements of IMS to fit its own needs. If that does not happen, NIMS will be regarded as an alien intrusion unsuited to the profession's operating environment and tolerated only to the extent that federal pressure requires.

Even if such adaptation is accomplished, NIMS must become embedded in the professional culture of each discipline. That will result only when respected professional leaders see that committed agencies and individuals earn positive recognition and professional status. As steps in that direction, the associations can showcase NIMS 'best practice' at professional meetings and make NIMS a required element in professional training and certification.

At city or agency level, senior officials must endorse the need for NIMS and keep attention focused. Agencies have to develop skilled and confident personnel through ample training and by creating opportunities to apply IMS methods in exercises and actual operations. They can showcase effective applications internally and provide career recognition and rewards to individuals. If NIMS is to become a cross-professional and inter-jurisdictional system genuinely capable of responding in a significant emergency, it will have to construct those relationships methodically in advance. That means making sure that interagency exercises are regularly conducted and that planning and training activities are carried out with adjacent communities and within the region.

Missing Element

Making the NIMS vision operational, however, involves more than a massive implementation campaign. As effective as IMS has been in handling many types of large-scale crisis responses, it is not a complete tool kit for organising all types of emergency interventions. Even in the field where it was born, IMS exhibits shortcomings under some circumstances, and these problems are likely to loom larger in some kinds of future crises for which NIMS advocates are preparing. These shortcomings need to be diagnosed more carefully, and complementary systems of emergency decision-making must be put in place and co-ordinated with NIMS.

IMS functions best when it is directed at a well defined, reasonably consistent, or clearly prioritised set of purposes. By contrast, where goals are unclear or in conflict – when difficult, controversial trade-offs must be made – IMS lacks the political and moral authority to make the hard choices that present themselves.

Criticism and discord

When a dozen major forest fires menaced southern California in Autumn 2003, the strategy developed by firefighting organisations was subjected to criticism by local, state, and federal elected officials who disagreed with both the professionals and each other about the objectives and technical means of fighting the fires. There was no adequate institutional forum in which the issues could be credibly engaged and resolved. The emergency response nearly faltered because of discord.

But it is precisely for such complex situations that NIMS is designed. If a pandemic flu, bio-terrorist attack, or nuclear plant disaster occurred, do the responders in command of NIMS – police commanders, fire chiefs, or public health directors – have legitimate authority to decide which areas should get resources and which not, perhaps even to make choices that in effect determine who will live and who will die? Do they have the community standing and ability to mobilise public sentiment behind a difficult decision or rally supportive action?

We elect leaders to make such decisions for society and to rally their communities, much as President Bush and New York's Mayor Giuliani did in the 9/11 crisis. But in a future emergency that cuts across organisational, jurisdictional, and level of government boundaries – particularly if government has been partially disabled by the crisis – it may be unclear who has this authority and difficult to assemble them.

So, as NIMS develops as an emergency response system, we must create parallel structures for making critical decisions that the public will regard as legitimate and compelling. The temporary emergency operations structure of NIMS must be paired with institutions that do have ready connections to key stakeholders and legitimate decision-making authority. The United States has not yet confronted this need, let alone fully thought it through and invented the emergency policy making institutions it requires. That is a step that must still be taken.

So, as NIMS develops as an emergency response system, we must create parallel structures for making critical decisions that the public will regard as legitimate and compelling

Conclusion

The National Incident Management System that the US Congress has mandated for federal, as well as state and local, emergency response has great promise for improving societal capacity to deal with large-scale, acute crises. But this mandate is not sufficient to assure that such benefits will indeed be achieved. Implementing NIMS requires solving problems of cross-professional and inter-jurisdictional diffusion of IMS practices. That requires committed action by the federal government, by the leaders and professional associations of emergency response disciplines, and by elected and professional leaders in specific communities.

As important as NIMS is to prepare more effectively for major natural and technology disasters or terrorist attacks, another critical element of emergency response has not been given sufficient attention. NIMS is a technical system that can make decisions effectively mainly when its goals in a particular situation are consistent and coherent.

When situations present complex value conflicts or trade-offs, NIMS lacks capacity to make politically legitimate decisions and to mobilise public support for subsequent action. As a result, we need to develop parallel and interconnected emergency decision-making systems that can make publicly acceptable value trade-offs and set policies that will command support. It may be critical but too late to establish such structures in the heat of the moment.

Authors

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Statement for the Record

Committee on Homeland Security
United States Senate

March 8, 2006

FIXING FEMA

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Exhaustive studies of the government's response to Hurricane Katrina consistently tell a sad tale. The response ranks as one of the worst failures of government administration in the nation's history. The tragedy is compounded by two things. First, following the September 11 terrorist attacks, the nation had invested four years—and leadership by the nation's top officials—to ensure that the nation would be ready the next time. It was not. Second, the problems occurred despite the enormous efforts of everyone involved, from top federal officials to local officials on the front lines, to do their very best. Despite that, citizens needlessly suffered, and some unquestionably died because their government did not serve them.

When that happens, despite best efforts, the inescapable diagnosis is that the system failed. The certain prescription is that it needs a radical overhaul. What follows is a plan of action that would restore FEMA's effectiveness.

Three Principles

Three principles ought to guide the effort to fix FEMA.

First Principle: Reform the Culture, Don't Obsess on the Structure

The central question is whether the lead government agency, the Federal Emergency Management Agency, ought to be moved out of the Department of Homeland Security to an independent super-agency charged with emergency preparedness and response. If we had the decision to make over again, we might well not have put FEMA into DHS to begin with. There is substantial evidence that the move disrupted FEMA's organization and led to the departure of a large number of its most skilled employees.

However, the last thing FEMA needs now is yet another fundamental disruption in its organization and operations. Over the decades, it has bounced like a ping pong ball around the federal bureaucracy. Deciding now to make FEMA independent of DHS would solve some problems. It would just as surely create new ones. And it certainly would stir up more turmoil just as the agency is trying to regain its feet.

More important, to focus on FEMA's structure is to miss the fundamental lesson that lies between the lines of the House Select Committee Report, the White House's report, and the host of independent studies that have already surfaced on the management of the disaster. ***FEMA's fundamental failure was one of coordination.***

There is no reason to believe that a fundamental restructuring of FEMA would solve its coordination problems. A different structure would bring new advantages—and new disadvantages. It would also perpetuate the myth that the complex and wildly varying nature of problems FEMA faces can be solved through structural changes. ***What FEMA most needs is strong leadership devoted to collaboration, and political support from the highest levels of government—in the White House and in Congress—for this mission.***

Consider the boundaries separating FEMA's regions and the path of Hurricane Katrina (see Figure 1). Katrina showed an uncanny instinct for finding the cracks between the FEMA's regional boundaries. If FEMA now restructured its boundaries to prevent a recurrence of the confusion that surrounded Katrina, the next storm might well outwit the structural designers yet again. Biological hazards might well pose very different problems than natural disasters, and terrorist attacks could pose yet more confounding problems. Structure unquestionably matters. Some structures are better than others. But responding to every problem with a new structure is certain only to destabilize the organization's operations and undermine its ability to respond to new crises. And it would divert attention from the more important imperative of building a new coordinating strategy.

There is nothing inherent in FEMA's current structure that prevents coordination from occurring. What FEMA most needs now is not another shuffle in the deck of the government's organization charts. It need strong and effective leadership to build new systems of coordination. Hence,

- ***FEMA's fundamental problem is not structural. It needs an instinct and culture, running from top to bottom, that focuses on coordination as job one.***

Second Principle: Build an All-Hazard System

At the core of FEMA's struggle after Katrina was the narrowing and distortion of its mission: a focus on terrorism, to the exclusion of other hazards; and an emphasis on response, to the exclusion of remediation and other strategies of reducing risks in advance of events. The narrow focus produced a tunnel vision that dramatically reduced FEMA's capacity to respond to natural disasters like Katrina.

This is not to suggest that FEMA should turn away from terrorism or reduce its capacity for dealing with events caused by terrorists. Rather, it is to recognize that, when major events occur, the effectiveness of the response does not depend significantly on what caused them. Many of the canine search and rescue teams that worked in the horrible conditions of Ground Zero in New York joined the search in New Orleans. For the dogs searching for victims, it did not matter whether terrorists or hurricanes had toppled the buildings. For victims trapped on rooftops in New Orleans, it did not matter whether terrorists or flooding had chased them there. When disasters occur, people need help.

It makes far more sense to create the capacity to respond, quickly and effectively, to disasters, whatever their cause. Experts call this an "all-hazard" approach. Enhancing the capacity to respond to hurricane victims surely does not diminish the capacity to respond to terrorist attacks. Indeed, it would only strengthen it. On the other hand, despite FEMA's focus on terrorism, its response to Katrina does not inspire confidence that its response to a terrorist attack would have been any better. What FEMA needs to respond well to *any* disaster is what it needs to respond well to *all* disasters. This was a central part of the FEMA approach before its move to DHS. That capacity was seriously weakened by steps taken after its move.

- ***FEMA should refocus its mission and operational strategies on an all-hazard approach.***

Third Principle: Build an Effective Intergovernmental-Interorganizational Culture

The enormous complications of merging 22 different federal agencies, including FEMA, into DHS have understandably preoccupied top leaders. They have devoted an enormous amount of energy simply to trying to synchronize the operations of its disparate agencies. That process, however, has created an inward-looking culture with an extremely narrow tunnel vision, devoted to controlling activities dealing with homeland security. Its mission demands a flexible, outward-facing culture devoted to building partnerships with the vast range of organizations—public, private, and nonprofit; federal, state, and local—whose operations, put together, define how well the nation's response works.

To twist Tip O'Neill's famous aphorism, all homeland security events are local. On the morning of September 11, the government's response began with firefighters from the New York City Fire Department rolling to what appeared to be the crash of a single plane into the World Trade Center. The first clues that levees had broken in New Orleans came

from Louisiana National Guard troops who, while reporting in to headquarters in Baton Rouge, noticed that water was quickly rising outside their front door. A sharp-eyed physician helped stem a monkeypox outbreak in Wisconsin in 2003. And the difference between some postal workers in the Washington area who lived—and some who died—were doctors who suspected the workers had been exposed to a dangerous substance and prescribed Cipro.

The nation's response to the hazards it faces—whether from humans seeking to inflict damage, storms that go where they go, or microbes that take advantage of weaknesses in our immune systems—depends first on the response of local officials.

The central question is whether the lead government agency, the Federal Emergency Management Agency, ought to be moved from the Department of Homeland Security to an independent super-agency charged with emergency preparedness and response. If we had the decision to make over again, we might well not have put FEMA into DHS to begin with. There is substantial evidence that the move disrupted FEMA's organization and led to the departure of a large number of its most skilled employees.

FEMA once had a strong intergovernmental nervous system. This principle became lost in its move to DHS, as FEMA began taking a top-down, command-oriented approach to disaster response. When Katrina hit, the top-down approach foundered, and FEMA found it had not developed the partnerships with state and local officials that it needed to manage an effective response.

- ***An effective response system must be engineered from the top down so that it works from the bottom up.***

Moreover, no organization can possibly build enough capacity to deal with a serious disaster. An effective FEMA response requires coordination with a wide range of organizations: sometimes with the military, sometimes with health agencies, sometimes with other government organizations; always with private organizations, nonprofit organizations, and state and local governments. FEMA's move to DHS reduced its instinct for such partnerships, and that weakness undermined its ability to respond to Katrina.

- ***An effective response system must be engineered with collaboration as its driving culture.***

Building Coordination

FEMA's core problem is its inability to secure effective coordination among all of those who help is needed to build an effective response. An organization with a fixed hierarchy and a fixed pattern of response will always be overwhelmed by events that do not match its structure. Since the array of homeland security events are unpredictable by their very nature, that approach dooms an organization with such a strategy to failure. That is precisely what happened in Katrina.

The steps to building an effective system of coordination should not be seen as a problem of structure, which requires a structural solution. Rather, it needs to be seen as an issue of partnership, which requires leadership.

FEMA needs to act as the conductor of a well-tuned orchestra, not as the commander of a hierarchy. In Katrina, there was an unseemly fight for the baton.

Such leadership, in turn, requires:

- Establishing FEMA as a reservoir of expertise, for both remediation and response.
- Creating within FEMA the locus of strong command. That command should focus bringing together the needed capacity wherever it can be found—not on insisting on giving orders through a hierarchy.
- Fashioning effective partnerships among the vast array of federal agencies whose expertise and capacity might be needed in a crisis. Not all agencies will be needed in every crisis, and which agencies will be needed when is impossible to predict.
- Building an effective intergovernmental link between FEMA and state/local governments.

This requires coordination that is both vertical (from local and state governments to the federal government) and horizontal (across the range of federal agencies with the ability to contribute to government's response). Such a system must, by necessity be flexible and lithe. It must be based on a networked, not a hierarchical approach to governance. It requires strong leadership to secure coordination. A "center-edge" approach (see Figure 2) provides a model.

- *FEMA at the center.* At the center should be FEMA. Its job would be to set policy goals; steer the system to achieve these goals; and measure results. It would provide money to partners in the network, including state and local governments, to reduce risks in advance and to enhance their ability to respond when needed. It would collect information about what works best.

  In short, FEMA needs to be the conductor of a well-tuned orchestra, equipped to play the right notes depending on the score—depending on the events it must confront. That requires strong and effective leadership—leadership tirelessly devoted to building effective partnerships.

- *Federal agencies supporting the middle.* In the middle should be other federal agencies. Many agencies have the capacity to contribute to the federal government's response. The Department of Transportation can supply logistical help. Housing and Urban Development can assist with housing. Defense can provide emergency relief supplies, such as food and water, as well as helicopters and heavy equipment. Its forces, including the National Guard and federal troops,

can provide needed manpower. In disease-based and bioterror events, the Centers for Disease Control and the National Institutes of Health, among many other agencies, could play an important role.

In short, many federal agencies are potential contributors to a homeland security effort. Which agencies need to get involved depend on the nature of the event. Since events are hard to predict in advance, FEMA needs to be flexible, ready to bring in the assistance it needs, depending on the problem. It needs to be able to do so quickly, reliably, efficiently and responsively.

In each federal agency with an important—or potential—homeland security role, FEMA ought to identify a senior liaison official. This liaison ought to be prepared to deliver that agency's capacity when needed. These relationships ought to be tested and practiced, in advance, through a wide range of all-hazard exercises. The federal government needs to be prepared to respond with what is needed, when it is needed. The problem ought to define the strategy.

- *State and local governments at the edge.* Subnational governments work at the front lines. The first response system will only be as good as their response. FEMA has a central responsibility in ensuring that they are prepared to respond effectively. FEMA also has a central responsibility for bridging the gap between levels of government and between governments at the same level. For example, major communication problems have plagued every major homeland security response in recent years. FEMA has an obligation to help resolve those problems.

  To ensure the system's ability at the edge to meet the widest possible array of homeland security problems, FEMA should enhance the role of its regional offices to secure a coordinated response. To do so, FEMA's regional offices should embed senior FEMA staffers in each of the 50 state homeland security offices, and it should work with them to build a coordinated all-hazard strategy.

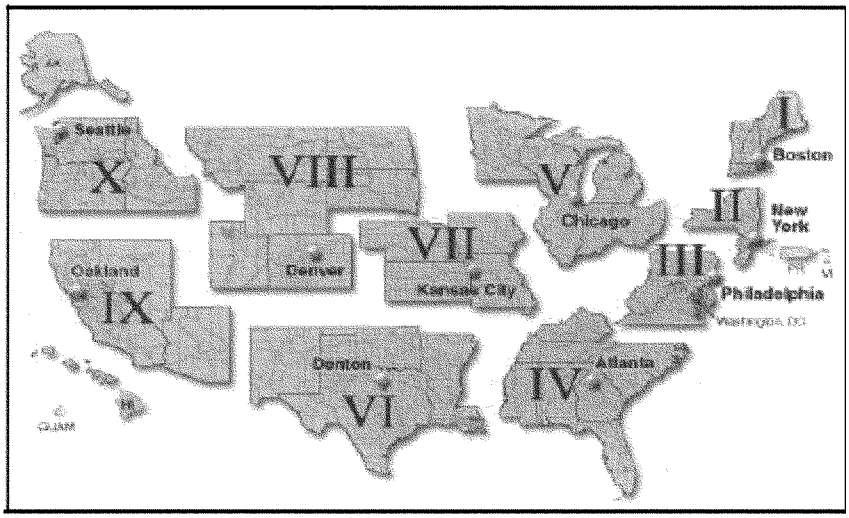
  Finally, FEMA should once again make remediation a major part of its mission, and to make grants to state and local governments a major part of its remediation strategy. In the past, critics have charged that homeland security grants were little more than patronage. In an era of high risk and tight budgets, that is unacceptable. Congress can avoid that problem by focusing the grant system on the areas and issues of highest risk, and by making the grants conditional on achieving high performance.

This is an imposing agenda. But it is not one that FEMA needs to build from scratch. The U.S. Coast Guard has already demonstrated that such an approach can work effectively. Indeed, the evidence from the Gulf Coast following Katrina's devastating strike is that such leadership is not only possible but that, when deployed, it can work remarkably

well. With the Coast Guard within DHS, along with FEMA, the two agencies have great potential for developing a synergistic partnership that could dramatically improve the nation's ability to respond to events of all types.

We know how to do this. We have evidence that it works. We have struggled with the painful consequences of failing to learn the repeated lessons of past events. The path is clear: FEMA needs to refocus its efforts on a partnership-based, performance-driven mission that builds an all-hazard approach.

Figure 1
FEMA's Regional Office Boundaries and the Path of Hurricane Katrina



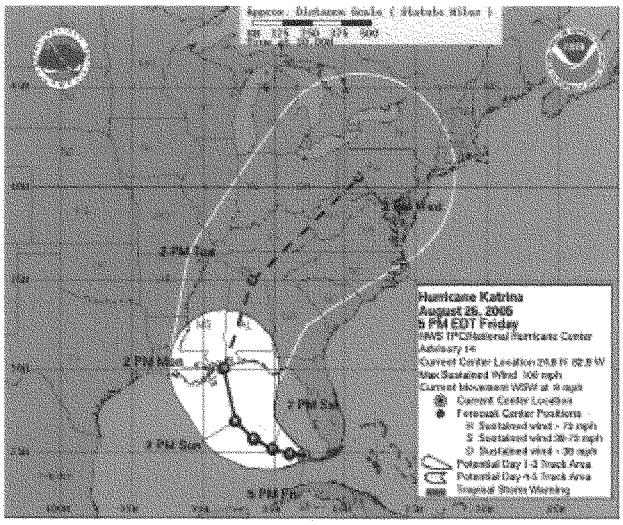
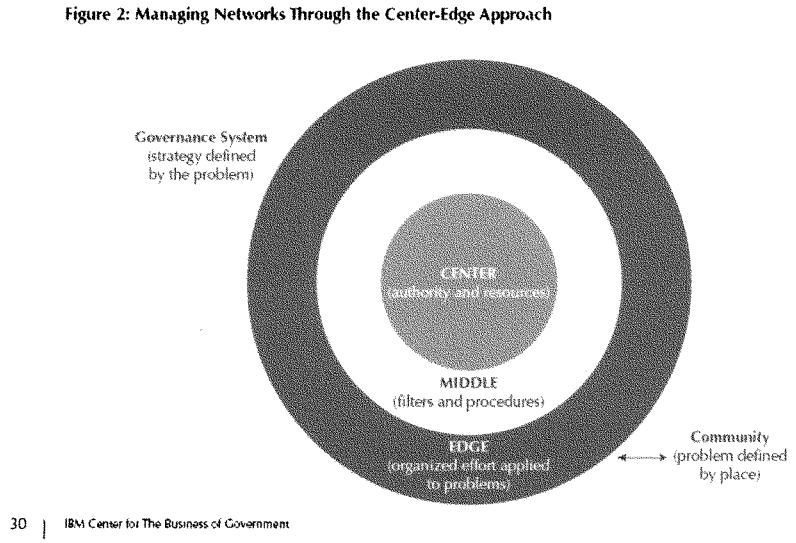


Figure 2
The Center-Edge Approach



Source: Donald F. Kettl, *The Next Government of the United States: Challenges for Performance in the 21st Century* (Washington: IBM Center for the Business of Government, 2005). See http://www.businessofgovernment.org/main/publications/grant_reports/details/index.asp?GID=235

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Testimony for the

Senate Homeland Security Government Affairs Committee
Hurricane Katrina Hearings
March 8, 2006

Restoring the National Response System
The US failed to adequately prepare for and respond to the catastrophic impacts of Hurricane Katrina and the flooding of New Orleans. We must recognize that we are no better prepared to deal with a catastrophic event today than we were last August and that if we fail to restore and re-energize our national response and recovery capability we will face even more tragic outcomes. Millions of Americans are as vulnerable today as the citizens of the Gulf Coast were on August 29, 2005. The 2006 hurricane season will begin in three months, we remain vulnerable to other natural hazards such as earthquakes, we do not have the ability to deal with pandemic flu or other public health crises, and most of us believe that the terrorist threat is real.

Two facts should guide our planning and preparation. First, the initial and most severe impacts of disasters are local. Citizens, communities and state and local governments have the primary capability to prepare for and to minimize the impacts of disasters. Second, catastrophic events are qualitatively different from even major disasters in scale, scope, and impact. I believe that the emergency management role of the Federal government is clearly and adequately defined in existing legislation. We have not yet created the systems and the capabilities necessary to adequately fulfill that role.

The Federal role
The response role of the Federal government is to provide resources and leadership in support of state and local governments, not to assert command and to control over all actions of the hundreds of organizations and thousands of individuals responding to an extreme event. The comparison of a multi-organizational response to a complex, catastrophic event to a military combat operation is inappropriate, inaccurate, and misleading. The creation of a National Response System based on the National Response Plan and the National Incident Management system was a necessary step, but doctrine and structure alone are not adequate to meet the challenge. We must now provide the capacity, capability and competence to execute this doctrine. We must be able to provide affirmative answers to the following three questions:

- Does the Federal government have adequate personnel and materiel resources available or immediately accessible to meet the needs caused by a catastrophic event? (capacity)
- Can the Federal Government rapidly mobilize and organize enough skilled personnel and can it deploy people supported by adequate resources to the places needed and coordinate their actions? (capability)

- Can the Federal Government provide the leadership, management ability, decision making ability and situational awareness necessary to management the response to a catastrophic event? (competence)

Lessons from Katrina
Hurricane Katrina was a cruel auditor of the National Response System, showing that the answer to all three of these questions was negative. We are able to extract the following ten general lessons from studying the failed response to Katrina:

1. Infrastructure is critical —Katrina totally destroyed physical and communication infrastructure, everyone in New Orleans and other impacted areas required assistance, response forces were severely constrained if not self sufficient
2. Size matters --The response system was overwhelmed by scope and complexity of event and scale post event needs
3. Competence and leadership count —Individuals at critical system nodes did not have ability to make required decisions and take actions, and did not have the experience to anticipate or to communicate an appropriate sense of urgency.
4. Information is key to agility —Technology did not support situational awareness and decision making in distributed network, decision makers were unable to process incomplete or conflicting information.
5. Communications is more than interoperability --Responders were not able to transmit information within affected area and between the affected area and key decision nodes
6. Coordination must be seamless —Massive mobilization requires effective coordination with DOD, NGOs, state/local governments, other governments. This coordination did not occur.
7. Doctrine must be understood and followed—Many key leaders and participants had little understanding of the provisions of the National Response Plan and the protocols of the National Incident Management System
8. Logistics cannot fail —The government has to be able to move large amounts of people and materiel effectively and efficiently, it could not deliver in Katrina.
9. Resilience is a key design concept —Physical and organizational systems must be robust or easily recoverable, systems must be designed to "fail gracefully" not catastrophically.
10. Its not over until it is over—Transition to recovery and adequate funding of recovery cannot be ad hoc as has been the Post Katrina response. Pre-planning and focus on recovery during response is essential.

The National Response System—intended and unintended outcomes
In order to assist legislative policy makers, the multiple reviews of the Katrina response should provide an answer to the basic question:

> Was the post 9-11 implementation of a National Response System (NRP and NIMS) part of the solution or part of the problem during the response to Hurricane Katrina?

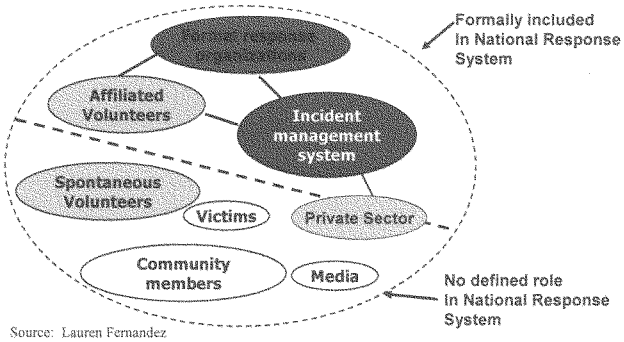
The answer will be, I believe, that the adoption of NRP and NIMS had both intended and unintended consequences.

Hurricane Katrina struck while the nation was in transition to a new, and more complex framework.
The response to the hurricanes of 2004 were the last major effort conducted under the framework of the Federal Response Plan (as preserved by the Interim National Response Plan). The final National Response Plan was signed in December, 2004 and all Federal agencies were directed to become NIMS compliant during 2005. A significant change had been made to the way the nation prepares for and responds to extreme events. This change had made the system much more of a closed, bureaucratic system; less capable of the creative, agile response necessary to deal with the unexpected consequences of extreme events.

As shown below, the new National Response system is a relatively closed system, restricting access to only those trained and certified in NIMS, excluding the local volunteers, enabled victims, and emergent groups that have historically played a very large role in the response to disasters. The NRP and NIMS sets up an artificial barrier between the formal and informal response systems, a barrier enforced by complexity of doctrine, process, and language.

The National Response System: Is it a closed system?

A system is a collection of inter-related components that work together to accomplish a common goal. Where is the system boundary? The national Response System excludes critical groups.



Source: Lauren Fernandez

Figure 1

The development of doctrine and structure after 9-11 was an extension of a 30 year trend. Since the 1970's, the U.S. emergency management community has been increasing its ability to structure and manage a large response through improved plans and by the adoption of the incident command system. The result of this evolution is the National Response System created and directed by the Department of Homeland Security based on the National Response Plan and the National Incident Management System. Over the same period, social scientists and other disaster researchers have been documenting and describing the non structural factors such as improvisation, adaptability, and creativity that are critical to coordination, collaboration, and communication and to successful problem solving. These two streams of thought are not in

opposition, but form orthogonal dimensions of discipline and agility that must both be achieved. The post 9/11 evolution of the U.S. national response system has focused almost exclusively on building discipline in a closed organizational system, and has neglected preserving the open system, agile attributes of historically successful response efforts.

It was inevitable that the restructuring of the national response system would produce both intended and unintended outcomes. Both would became apparent during the response to Hurricane Katrina in 2005. Intended outcomes include the following:

1. One structure and doctrine was provided for all organizations (however, it was not yet implemented by some federal agencies and by key state and local organizations)
2. System discipline had been increased through training and credentialing (however, insistence upon NIMS compliance and proper credentials was a problem for volunteer organizations)
3. Federal government had created new positions of authority and coordination mechanisms The DHS Secretary became the cabinet officer responsible for all incident management, the Primary Federal Official became the lead presence on scene, Homeland Security Operations Center became the primary information coordination center for the federal government. (The authority of the PFO was not clearly specified by the NRP, nor understood by state officials)
4. The process of obtaining DOD resources was modified and Northern Command (NORTHCOM) became the key coordinating command for military assistance.

The restructuring of the National Response System also had unintended consequences that would prove to be critical during the response to Hurricane Katrina:

1. The specification of detailed doctrine (NRP), structure and process (NIMS) reduced system agility, creativity and flexibility, and increased the tendency toward bureaucracy.
2. The NIMS structure implied, but did not define an information flow that would assure a common situational awareness at all levels of the distributed decision network (e.g. Joint Field Office, National Response Coordination Center, Homeland Security Operations Center, White House)
3. The new structure increased the layers between operational and political leaders. Where the Director of FEMA once had cabinet rank with direct access to the President, he was now three levels down in a very complex departmental structure. The FCO in the Joint Field office had to communicate through the PFO, the NRCC, the HSOC, and the DHS Secretary to pass time sensitive information to the White House.
4. Primary Federal Official (PFO) became the key on scene decision maker. The intent of the NRP was that the PFO would be a coordinating official, and decision making would continue to reside with the Federal Coordinating Officer. However, the PFO, as the representative of the President, would clearly be viewed as a leader, not a coordinator.
5. DHS and DOD had created parallel planning and preparedness efforts (DOD, 2003). The boundary between homeland defense and homeland security was not clearly drawn. The procedures for engaging NORTHCOM and utilizing DOD assets under DHS control were not clearly defined.

Future actions must be based on needs, not doctrine
Better planning based on potential catastrophic event scenarios is essential if we are to build adequate capacity and appropriate capabilities. This planning must be needs based, not doctrine based. More strategies, plans, and coordinating mechanisms are not going help us understand the task before us. The catastrophic planning scenarios developed by FEMA and DHS provide a good starting point, but they must now be used to determine the wide range of needs that could result from a catastrophic event. Analysis of these scenarios will generate specific examples of questions such as:

- Can our disaster medical system deal with tens of thousands of seriously injured people after a catastrophic earthquake?
- What is the best way to provide temporary and long term shelter and housing for hundreds of thousands of people whose homes have been destroyed by a natural disaster?
- How would we evacuate, shelter, feed, and relocate hundreds of thousands of people and businesses from a major urban center in the aftermath of a dirty bomb attack?
- What does it mean to say that state and local emergency management forces are "overwhelmed" and how does the Federal Government intercede in a way that rebuilds, not replaces local capabilities?

Once such questions have been asked and the needs defined, we may generate some creative answers involving increased roles of private sector, non government, and volunteer organizations. We may look to better ways of mobilizing local volunteers rather than to expanding the Federal civilian or military bureaucracy. We must define our goals based on an understanding of the needs in order to determined the investment, planning, acquisition, coordination and training that will be required.

Recommendations
The following actions should be taken by policy makers to ensure that we develop the national capacity, capability and competence to respond to and recover from the extreme events that will occur in the future:

1. Ensure that Federal leaders tasked to direct emergency management activities have access to the knowledge and skills required. Professional emergency management leadership must be present at the highest level of the government. We will face catastrophic events in the future. Preparing for and managing through these events is one of the most important functions of the Federal government.
2. Worry less about developing more doctrine and structure and focus on the ability to support agility, creativity, and improvisation. We must be prepared to react based on past experience and plans based on scenarios of the future. We know, however, that the next event will bring totally unanticipated challenges. We must be agile enough to recognize and to manage the unexpected.
3. Bring states and local governments back into their appropriate role in the national emergency management system. Bring the private sector into the planning and preparedness process in a meaningful way. Modify the top down approach to include bottoms up direction, information, and guidance. The experts in this field are not in Washington.

4. Ensure that the National Incident Management System is an open not a closed system. This cannot be a military command and control system capable of directing resources under its direct control, it must be a system capable of coordinating the actions of and communicating with hundreds of organizations and hundreds of thousands of individuals.
5. Recognize that the real objective is to increase our resilience to extreme events. We must be able to reduce our vulnerability and to recover our economic and social systems, not just provide emergency support to disaster victims.
6. Recognize that reorganizations do not solve problems. We must identify what we need to do and build the capability to do it, using DOD resources where appropriate, retaining civilian leadership of emergency management.
7. Support emergency management education and training, recognizing that this is a national, not a Federal issue. Programs, such as the FEMA higher education initiative, that reach people working in state, local, corporate and non government organizations are essential.
8. Provide an independent, non government review of the preparations for, response to, and recovery from Hurricane Katrina. This review is not about who to blame, it is essential to ensure that we identify and address the systemic problems in our National Response System. It is not success if we change people and organizational roles, but still fail.

The current debate is framed in terms of solutions: e.g. should emergency management responsibilities remain in DHS or should an independent FEMA be created? I believe that, depending on the leadership and support provided, either alternative could work or could fail. If the function remains in DHS, the minimally disruptive alternative, the responsibilities for implementing and integrating comprehensive emergency management must be assigned to and accepted by the highest levels of the department. Before an independent emergency management agency is recreated, we should thoroughly understand the causes of the historical shortcomings and limitations of FEMA as well as the reasons for its more recent successes. Your committee is addressing issues critical to the survival and livelihood of millions of American citizens. We must learn from the failures of Hurricane Katrina and build a true National Response System that coordinates all the resources of the Federal government to support our state and local governments and ensures that our communities and citizens can recover from even the most catastrophic events.

Biography of John R. Harrald, Ph.D.

Dr. John Harrald is the Director of The George Washington University Institute for Crisis, Disaster, and Risk Management (www.gwu.edu/~icdrm) and a Professor of Engineering Management and Systems Engineering in the GWU School of Engineering and Applied Science. He is the Executive Editor of the Journal of Homeland Security and Emergency Management (www.bepress.org/jhsem), and is a member of the National Academy of Sciences, National Research Council's Disaster Roundtable Advisory Committee Dr. Harrald has been actively engaged in the fields of emergency and crisis management and maritime safety and port security and as a researcher in his academic career and as a practitioner during his 22 year career as a U.S. Coast Guard officer, retiring in the grade of Captain. Dr. Harrald received his B.S. in Engineering from the U.S. Coast Guard Academy, a M.S. from the Massachusetts Institute of Technology where he was an Alfred P. Sloan Fellow, and an MBA and Ph.D. from Rensselaer Polytechnic Institute.

POST HEARING QUESTIONS FOR THE RECORD
SUBMITTED TO THE HONORABLE DAVID M. WALKER

Hurricane Katrina raised serious questions concerning the capacities of local, state, and federal governments and the national emergency management system to deal with major disasters and catastrophes. From your perspective, with regard to mitigation, planning, response, and recovery, what role should the federal government play compared to how responsible state and local governments should be for these functions?

Response:
State and local government officials and emergency and homeland security managers must take the lead in developing strategic and operational plans and identifying the basic capabilities each jurisdiction might need to meet local, regional, and state prevention, mitigation, response, and recovery expectations—whether defined by federal guidance or by state and local assessments. That is because local officials are most knowledgeable of their communities, including their needs and capabilities. In addition, local emergency first responders—police, fire fighters, emergency medical personnel and others such as public health and hospital personnel—will still be the first on the scene of an incident.

The federal government can assist state and local governments in implementing an all-hazards risk management framework that includes actions to mitigate identified risks and reduce the potential loss of human life and damage to property and key public infrastructure. For non-catastrophic disasters, the Federal government should be in a support and assist role, providing resources and other assistance to enable state and local governments to carry out their responsibilities. However, with respect to catastrophic disasters which can overwhelm the ability of state and local and voluntary agencies to adequately provide victims with essential services, the federal government should be more pro-active, anticipating state and local needs, prepositioning resources, and pushing selected resources down where they are needed or likely to be needed. The federal government must develop more capabilities and expertise to "lean forward" when a catastrophic disaster is imminent or occurs.

Based on all of the work that GAO has conducted and the recommendations you have reviewed, including those presented at the hearing on March 8, what broad recommendations do you suggest for strengthening the national emergency management system? What is the basis for your views?

Response:
As we stated in our full testimony, three major issues have emerged from our preliminary work:

i. The lessons from the preparation and response to Hurricane Katrina are similar to lessons learned from past catastrophic disasters. These include the

critical importance of (1) clearly defining and communicating leadership roles, responsibilities, and lines of authority for catastrophic response in advance of such events, (2) clarifying the procedures for activating the National Response Plan and applying them to emerging catastrophic disasters, (3) conducting strong advance planning and robust training and exercise programs, and (4) strengthening response and recovery capabilities for a catastrophic disaster.

ii. A risk management decision making approach is vital to develop the nation's capabilities and expertise to respond to a catastrophic disaster. Given the likely costs, Congress should consider using such an approach in deciding how best to invest in specific capabilities for a catastrophic disaster.

iii. Because of FEMA's mission performance during Hurricane Katrina, concerns have been raised regarding the agency's organizational placement, including whether it should be disbanded and functions moved to other agencies, remain within the Department of Homeland Security, or become an independent agency. However, other factors such as FEMA's key leadership and resource levels are likely to more important to FEMA's future success than its organizational placement.

Based on how you think the national emergency management system should be structured, are there changes needed to the Stafford Act so that there are no statutory impediments to carrying out the preparedness and response functions?

Response:
In 1993, GAO issued a series of reports that addressed the federal response to another catastrophic disaster, Hurricane Andrew, which revealed weaknesses in the national response framework similar to those exposed during Hurricane Katrina. In addition to making recommendations to the executive branch following Hurricane Andrew, we also suggested that Congress consider amending the Stafford Act to explicitly authorize agencies to take actions to prepare for a catastrophic disaster when there is warning. In particular, in a July 1993 report, we noted that encouraging agencies to do as much catastrophic disaster preparation as possible in advance of a Stafford Act declaration could reduce the federal response time to the ensuing catastrophe. We stated that when there is early warning, as there is with hurricanes, federal agencies must mobilize resources and deploy personnel before the catastrophe strikes. However, the Stafford Act did not, and still does not, explicitly authorize such pre-declaration activities. As a result, federal agencies may fail to undertake extensive pre-declaration preparations because of uncertainty over whether FEMA will request their assistance under the Stafford Act and ultimately reimburse their pre-declaration costs. Therefore, we continue to believe that Congress should consider giving federal agencies explicit authority under the Stafford Act to take actions to prepare for a catastrophic disaster when there is warning. This would include providing explicit authority to federal agencies, including DOD, to incur reimbursable pre-declaration costs for functions that would enhance response capabilities, when there is advance warning of a catastrophic disaster.

The Coast Guard, which many believe responded quickly and effectively during Katrina, has several attributes that do not currently exist or are not strong within FEMA. The Coast Guard's model of organization includes strong leadership and coordination at the state and local level, where they conduct

training and exercises and approve grants, allowing relationship building, visibility and oversight of grants, and the ability to tailor training, exercises and funding to a particular locality's needs. Would FEMA benefit from such a structure?

Response:
Coast Guard characteristics that could benefit FEMA include strong leadership and partnership/coordination processes and the tailoring of training, exercises, and funding to local needs (such as differences in terrain) within a national framework. Some, if not all of these elements, can already be achieved within FEMA's current organizational structure and mission. However, other supporting factors will be important in implementing and sustaining management improvement initiatives within these elements. For example, we have pointed out several factors that are important in successful improvement initiatives such as (1) a demonstrated leadership commitment and accountability for change, (2) the integration of management improvement initiatives into programmatic decision-making, (3) thoughtful and rigorous planning to guide decisions, and (4) improved organizational alignment to streamline operations and clarify accountability.

What do you believe have been the benefits and detriments to splitting off the planning, preparation and grant-making functions originally administered by FEMA?

Response:
When DHS was created, we raised a concern about the separation of FEMA's preparedness and response activities into two directorates. In January 2003, we observed that this organizational arrangement would challenge FEMA in ensuring the effective coordination of preparedness and response efforts and enhancing the provision and management of disaster assistance for efficient and effective response. Such a division of responsibility exists under the recently announced DHS reorganization in which FEMA would focus on response and recovery and a new Preparedness Directorate would be created. We believe this division of responsibility should be reconsidered.

Where should FEMA be in the organizational structure of DHS to be a more effective coordinator of federal resources and to be better able to support the states in preparing for, responding to, and recovering from disasters or catastrophic events?

Response:
As we stated in our testimony, other factors such as FEMA's key leadership and resource levels may be more important to FEMA's future success than its organizational placement. Organizational changes, such as separating FEMA from DHS, are often viewed as a quick fix to address performance issues. Based on our institutional knowledge regarding organizational performance factors, organizational changes alone may not adequately address underlying systemic conditions that result in an organization's performance problem. Conditions underlying FEMA's performance during Hurricane Katrina could involve the experience and training of DHS or FEMA leadership; the clarity of FEMA's mission and related responsibilities

and authorities to achieve mission performance expectations; the adequacy of its human, financial, and technological resources; and the effectiveness of its planning, exercises, and related partnerships.

What changes would be required to make the FEMA Director's position one that would be sought by highly-qualified emergency management professionals?

Response:
As stated during the March 8th hearing, we believe that the FEMA Director's position and other key leadership and managerial positions within FEMA and DHS could benefit from having statutory professional qualifications requirements. In addition, Congress could consider a term appointment for the FEMA Director and selected other positions. The attractiveness of the FEMA Director's position—or any high-level leadership position for that matter—hinges on the support a new director will have within DHS, the White House, Congress, and for assessing and making changes for the better.

In spite of early warnings to federal officials, DHS waited for states to request help and then was slow in delivering it. What can be done to position the federal government to provide assistance proactively and more quickly, before state and local governments fail?

Response:
As we stated in response to your third question, there are legislative changes that Congress might consider to encourage federal agencies to provide catastrophic disaster assistance proactively and more quickly, before state and local governments fail. In particular, in a July 1993 report following Hurricane Andrew, we stated that when there is early warning, as there is with hurricanes, federal agencies must mobilize resources and deploy personnel before a catastrophic disaster strikes. However, because the Stafford Act did not, and still does not, explicitly authorize such pre-declaration activities, federal agencies may fail to undertake extensive pre-declaration preparations owing to uncertainty over whether FEMA will request their assistance under the Stafford Act and ultimately reimburse their pre-declaration costs. Therefore, we continue to believe that Congress should consider giving federal agencies explicit authority under the Stafford Act to take actions to prepare for a catastrophic disaster when there is warning. This would include providing explicit authority to federal agencies, including DOD, to incur reimbursable pre-declaration costs for functions that would enhance response capabilities, when there is advance warning of a catastrophic disaster.

With respect to DOD, we also recommended in 1993 that Congress consider removing statutory restrictions on activating reserve component units for catastrophic disaster relief. We believe this recommendation remains valid. Current DOD strategy calls for reliance on the reserve components (National Guard and Reserves) for civil support missions. However, section 12304 of Title 10 prohibits the activation of a unit or member of a reserve component for a catastrophe, unless it involves a threatened or actual terrorist attack or weapon of mass destruction. Modifying statutory restrictions to allow the President to activate a unit or member of a reserve component for catastrophes, whether natural or manmade, would provide greater access to reserve component units in the event they are needed for future

catastrophic responses.

In addition, the NRP's catastrophic incident supplement can be structured based on actual responses to catastrophic disasters. If this is done, the military would have a much larger list of responsibilities than it has in the current supplement. The supplement should also be exercised through a robust exercise program with realistic assumptions that includes all of the likely respondents.

What can be done to encourage state and local communities to adequately plan, prepare, and train for the hazards that pose serious risk to their own communities? If the carrot approach does not work, what should be done to assure that states comply with minimum federal emergency management standards? Should they be cut off from federal funding? What more can we do to assure that the federal funding slated for emergency management preparedness and response is spent wisely?

Response:
It is important that states and local jurisdictions be able to demonstrate that they have effectively used their federal grant dollars to reduce identified risks and enhance their emergency preparedness and response capabilities. DHS has initiated some efforts in this area. For example, DHS is requiring that applicants for certain FY 2006 risk-based grant monies demonstrate how they will use their FY 2006 grant monies effectively to reduce their risk and enhance their capabilities. It would also be useful if the spending of guaranteed minimum grant awards (such as those under the State Homeland Security grants) were also required to demonstrate how they have spent their grant funds effectively to enhance emergency preparedness and response capabilities. In addition, GAO has made recommendations for assuring that monies for interoperable communications are spent effectively. For example, in our 2004 report (GAO-04-740)[1] we recommended that each state establish a body to develop a comprehensive statewide interoperable communications plan, and that once the plan is in place grant monies for interoperable communications equipment within the state be awarded only upon certification by this statewide body that the planned use of the monies conforms with the statewide plan.

In addition, our prior work on first responder preparedness (GAO-05-652)[2] noted that DHS has, in compliance with Homeland Security Presidential Directive-8, developed a National Preparedness Goal which includes a list of critical tasks and capabilities needed to prepare for, respond to, and initiate recovery from a range of major emergency incidents. To implement the Goal, DHS has created a decision framework to allow all levels of government to assess needs, update preparedness strategies, and allocate resources to address capability gaps and make the greatest improvements in preparedness. To support this effort, DHS has developed program implementation plans that include a national assessment and reporting of the status of government capability and an approach for maintaining the proper level of federal, state and local

[1] GAO, Homeland Security: Federal Leadership and Intergovernmental Cooperation Required to Achieve First Responder Interoperable Communications, GAO-04-740, (Washington, D.C.: July 20, 2004)

[2] GAO, Homeland Security: DHS' Efforts to Enhance First Responders' All-Hazards Capabilities Continue to Evolve, GAO-05-652, (Washington, D.C.: July 11, 2005)

investments in these capabilities. These are ambitious endeavors. A key challenge will be establishing a standardized approach for measuring and reporting the risks faced by diverse states and localities in order to effectively prioritize and allocate federal resources. Within the DHS framework, it is not yet clear how DHS will prioritize investments in capability gaps on a national level. DHS does not expect to fully implement its balanced investment program before October 2008. In the interim, it is important that there be some means of assessment and reporting on how state and local grant recipients are spending their funds effectively to reduce their risks and enhance their preparedness and response capabilities.

Organizationally, what problems would be created if we were to once again make FEMA an independent agency? Is there a danger to constantly reorganizing homeland security functions?

Response:
We believe there is a danger in constantly reorganizing to respond to the last disaster. The Department of Homeland Security, barely three years old, was stood up primarily because of the threat of terrorism. Separating FEMA from DHS could potentially jeopardize clear federal leadership and assistance to state and local governments. There would no longer be a single organization with the responsibility for preparedness, response, and recovery. In addition, state and local governments would have two primary points of contact for guidance, funding, assistance, and oversight.

As a result, we believe the Administration and the Congress should carefully assess if further organizational changes are immediately necessary. As discussed in our full testimony, specific criteria should be considered to evaluate whether individual agencies or programs should be included or excluded from the proposed department. Those criteria included, for example, mission relevancy, similar goals and objectives, leveraging the effectiveness of other agencies and programs or the new department as a whole, and gains in efficiency and effectiveness through eliminating duplications and overlaps. Congress should consider not only the mission and roles that agencies fulfill today, but the mission and role that they should fulfill in the coming years.

What recommendations in the recent Katrina reports, or reports on previous disasters, stand out to you as being particularly useful in addressing the national emergency management system's challenges today? Are there any recommendations that you absolutely disagree with?

Response:
Generally, those White House's recommendations pertaining to (1) leadership roles, responsibilities, and lines of authority; (2) conducting strong advance planning and robust training and exercise programs, (3) strengthening response and recovery capabilities, and (4) utilizing risk management decision-making, would be consistent with our preliminary observations. For example, two of the White House report's recommendations are similar to those we have made, and we think would be useful in improving DHS's efforts:

- Revise the NRP to address situations that render state and local governments incapable of an effective response. The report recognizes that the NRP does

not adequately anticipate that the Federal government may need to temporarily assume some inherently State and local responsibilities during a catastrophic incident.

- Give the Principal Federal Official operational authority to manage and coordinate federal response, assets and, in a multi-state disaster, to oversee the multiple federal coordinating officers operating in the various states.

In addition, the following recommendations from the White House report would be useful in improving the coordination of DOD resources:

- DHS should develop "force packages" that would force agencies to do detailed planning for different scenarios. This would occur as part of the recommendation that DHS should lead in the development of an integrated interagency planning and execution system to meet the needs of a revised NRP. This would be a positive step but the agencies must develop these packages in a collaborative process and not in isolation
- DHS should develop, establish and maintain a National Inventory of Capabilities to require the types of pre-event planning and coordination that we have been advocating, and
- DOD and DHS should plan and prepare for a significant DOD supporting role during a catastrophic incident. This acknowledges that DOD has provided a significant presence not only in response to Hurricane Katrina but in response to other past disasters.

Please note that at this time we have not identified any recommendations that we absolutely disagree with. Our ongoing engagements may result in recommendations that have not been previously addressed. For example, our current work examining the management of contractors who responded to Hurricanes Katrina and Rita noted that response and recovery efforts suffered from inadequate planning and preparation to anticipate goods and services, lack of communicated responsibilities, and insufficient numbers and inadequate deployment of federal personnel responsible for contractor oversight[3]. Finally, our testimony noted that there will be challenges to determine if the recommendations and initial and longer-term actions will truly close the gap in needed preparedness or add to the problem through additional bureaucracy, complex processes, and inflexible policies. Also, the key question remains if the revised policies and procedures, even if sound, will be effectively implemented.

The next response and recovery challenge this nation will face, whether from terrorism or natural disaster, is unpredictable and the possibilities are infinite. How do we encourage agility and innovation in preparing to deal with the next major disaster event?

Response:
The current framework of emergency preparedness and homeland security offers the guiding principles needed to respond to any future incident, whether natural or man-made. First, all incidents are typically managed at the lowest possible geographic, organizational, and jurisdictional level. Secondly, incident management activities

[3] GAO, *Agency Management of Contractors Responding to Hurricanes Katrina and Rita*, GAO-06-461R (Washington, D.C.: March 16, 2006)

should be initiated and conducted using the principles contained in the NIMS, which provides a flexible and scalable means for a variety of governments and organizations to work together. Finally, the nation's preparedness should balance those efforts to prepare for emergency incidents resulting from terrorism and natural disasters or man-made accidents.

As our testimony suggests, DHS should continue to train and exercise NRP and NIMS at all levels of government and develop operating procedures that clearly define individual and organizational roles and responsibilities under the NRP. We would see this training and exercising effort as recognizing the role of joint decision making and not result in a centralized, top-down process. Also, DHS should consider performing a complete inventory of response capabilities that are available and identify how quickly these capabilities can be deployed to an incident site, and then design scalable response packages to deal with a wide range of possible scenarios.

What steps can we take to allow for more efficient and effective private sector and volunteer involvement the next time disaster strikes?

Response:
First, there must be greater inclusion of private sector and nonprofit organizations in emergency response planning and exercises that are performed at all levels of government. Prior to responding to incidents, governments need to identify what private and nonprofit organizations' capabilities and limitations so governments know beforehand what private and nonprofit organizations are prepared and committed to do. For example, some charities do not work at night; or do not send employees into any area where safety is not assured. A catastrophic planning process also needs to consider that local volunteers may themselves be victims of the disaster, so governments must identify resources that could be brought in from outside the affected area. In order to better determine the extent these issues are systemic, planning and preparedness activities at all levels of governments should evaluate these liability issues or concerns that may limit activities that private and volunteer organizations are willing to undertake.

Do you believe there is some reasonably objective way to measure whether an agency has a managerial staff adequate to its mission, such as a certain number of procurement officers, logisticians and management personnel per $100 million of obligations incurred by FEMA or the Preparedness Directorate?

Response:
We testified in 2005,[4] that government-wide strategic and performance plans could provide a framework for examining existing federal programs and policies. This could help decision makers articulate the role, goals, objectives, and effectiveness of the federal government. Performance budgeting holds promise as a means for facilitating a reexamination effort. It can help enhance the government's capacity to assess competing claims for federal dollars by arming decision makers with better information both on the results of individual programs as well as on entire portfolios of tools and programs addressing common goals. Existing performance budgeting efforts, such as or the Administration's Program Assessment Rating Tool (PART), provide a means for facilitating a baseline review of certain federal policies, programs, functions, and activities. Successful application of these initiatives in this reexamination process rests on:

- Building a supply of credible and reliable performance information,
- Encouraging demand for that information by garnering congressional buy-in on what is measured and how it is presented, and
- Developing a comprehensive and crosscutting approach to assessing the performance of all major federal programs and policies encompassing spending, tax expenditures, and regulatory actions.

[4] GAO, *21st Century Challenges: Performance Budgeting Could Help Promote Necessary Reexamination*, GAO-05-709T, (Washington, D.C.: June 14, 2005)

Post Hearing Questions for the Record
Submitted to the Honorable Richard L. Skinner
From Senator Susan M. Collins

"Hurricane Katrina: Recommendations for Reform"

March 8, 2006

1. **Hurricane Katrina raised serious questions concerning the capacities of local, state, and federal governments and the national emergency management system to deal with major disasters and catastrophes. From your perspective, with regard to mitigation, planning, response, and recovery, what role should the federal government play compared to how responsible state and local governments should be for these functions?**

A. State and local governments and volunteers have always been the first responders and are the cornerstone of the emergency management system. State and local resources include emergency managers; police, firefighters, public health and emergency medical services and other personnel; private sector support, voluntary organizations, and state mutual aid agreements such as the Emergency Management Assistance Compact (EMAC). Authority to declare evacuations and enforce state and local laws are state and local concerns. States are required to activate their emergency plans as a prerequisite to requesting federal assistance under the *Stafford Act*. State and local officials have the best understanding of a community's disaster response needs and capabilities, and they have established relationships and proximity to speed their response. Therefore, state and local governments are and should remain responsible for as much of the preparation, response, and recovery from an event as they are capable of handling. States and localities also are responsible for mitigating future disasters by setting zoning and building codes and ordinances that strengthen or enhance structures against known risks, such as flooding and earthquakes.

The federal government cannot and should not take over these roles from states and localities. Each level of government has a different, but equally critical role.

Mitigation. Within the Department of Homeland Security (DHS), there has been a lack of discussion and resources to support national mitigation efforts. Mitigation was a top priority for the Federal Emergency Management Agency (FEMA) in the mid 1990's and resulted in measurable reduction in the cost of disaster effects on local communities. FEMA set standards for making homes more disaster-resistant through the National Flood Insurance Program and Community Rating System. Project Impact raised community awareness and provided tools and opportunities for government, citizens, and the private sector to undertake mitigation measures. As a result, people elevated homes in flood plains, reinforced structures in earthquake zones, and built safe rooms in tornado-prone areas, for example. Furthermore, the *Disaster Mitigation Act of 2000* made mitigation grant funding available before a disaster, no longer requiring communities to wait until they were struck with a disaster to apply for federal mitigation funds.

Currently, there is no "National Mitigation Strategy." In the Gulf Coast area, mitigation must be a critical part of reconstruction efforts, for the Gulf Coast remains exposed to hurricanes. Overall, mitigation requires renewed attention and investment. FEMA's Flood Mapping program requires an infusion of resources to update and create new flood maps that are true to the flood risk altered by land development and topographical changes. Mitigation standards need to be tied to measurable program results and revised. Additionally, DHS needs to undertake a public awareness and education campaign so that citizens know their risk and know how to protect themselves and their property, not only from terrorism but also from common natural hazards including flooding, earthquakes, and tornadoes.

Preparedness. Three areas of preparedness appear critical to us at this point. First, the federal government must develop an understanding of state and local capabilities for response, and a mechanism for ensuring they develop a minimum response capacity. Although the seven components of DHS' National Preparedness System establish goals and targets for preparedness, they do not assess current state or federal capabilities in terms of plans, equipment, staff, training, and resources. FEMA has not had a system to determine when a disaster is beyond the capabilities of state and local governments; and systems to assess state capabilities remain unable to determine the point at which the state will need federal assistance. Currently, there is no baseline of preparedness for either the states or the nation, though there have been several attempts to develop baselines. Such assessments are needed to identify and remediate shortfalls and to plan response efforts.

Second, testing, exercising, and validating plans and roles need greater attention. The response to Hurricane Katrina demonstrated that the federal government, including senior leaders, had an incomplete understanding of their roles, responsibilities, and reporting and communication lines under the National Incident Management System (NIMS) and the National Response Plan (NRP). Before the next major or catastrophic disaster, roles need to be defined clearly and exercised by those who will fill them.

Third, the federal government must do more to provide for interagency cooperation before disasters strike. One form this should take is developing an inventory of the response assets that federal partners can provide, from rescue boats to logistics sites to volunteers. The response to Hurricane Katrina showed the depth and diversity of the federal response capacity, and emergency managers need a better understanding and awareness of available resources. Another form that interagency cooperation should take is developing interagency agreements for data sharing. The legal tools to ease cooperation, such as memoranda of understanding and agreement, need to be developed and employed before the next disaster strikes in order to aid in tasks such as finding missing children and identifying fraudulent or duplicative benefits applications.

Response. For past responses, the federal government has played a supporting, not leading, role. Generally speaking, the federal government has not equipped, planned, trained, or exercised to

be a first responder during disasters. The *Stafford Act* relies on states and localities "pulling down" resources from the federal level as needed. Although FEMA routinely pre-stages teams, equipment, and commodities in anticipation of predicable events such as hurricanes, there is no tried mechanism for "pushing down" resources from the federal to the state level during catastrophic events. We need to develop and exercise this mechanism. The Supplement to the Catastrophic Annex to the NRP was in draft at the time of Hurricane Katrina's landfall, and is now issued. In it, the DHS Secretary has to invoke authority to activate the Catastrophic Incident Annex. But the Supplement does not do a good job in tailoring the response for the scale of events, and it cannot be invoked until there is a complete and clear collapse of the state government structure. When to trigger this annex needs to be better defined so that a "pushing" mechanism exists for events similar to Hurricane Katrina.

Recovery. The federal government plays a significant role in assisting individuals, states, and local governments to recover from a disaster, though it may not make them "whole." We believe the *Stafford Act* provides sufficient authority and an orderly structure for the federal government to alleviate the suffering and damage which result from declared disasters. However, the *Stafford Act* does not address: (1) individual physical loss from an event that results in widespread physical catastrophic damages; and (2) individual economic loss from an event that results in widespread economic disruption. In events where entire communities have been affected and the vast majority of housing stock destroyed, there is no other current mechanism, aside from FEMA's Individual and Households Program, for the federal government to address individual needs for persons without insurance or persons unable to obtain a loan. Congressional consideration may be warranted to better position the federal government to address widespread physical catastrophic damages and economic loss issues of individuals affected by disasters.

2. Based on all of the work that the DHS-IG has conducted and the recommendations you have reviewed, including those presented at the hearing on March 8, what broad recommendations do you suggest for strengthening the national emergency management system? What is the basis for your views?

A. In my testimony on March 8, 2006, I recommended that DHS and the federal government focus on six areas for improvement: 1) clarifying command and control; 2) coordinating the federal response of agencies other than DHS; 3) gaining visibility of assets flowing to the disaster area; 4) ensuring reliable communication of disaster information; 5) incorporating the media in public information efforts; and 6) turning lessons learned into problems solved. Several reports about the Hurricane Katrina response have highlighted these areas. Our conclusions are based on OIG work including our September 2005 audit on the deficiencies with existing information technology used by FEMA, *Emergency Preparedness and Response Could Better Integrate Information Technology with Incident Response and Recovery;* an evaluation of the April 2005 Top Officials 3 exercise, *A Review of the TOPOFF 3 Exercise*, November 2005, which highlighted issues with command and control and roles and responsibilities under the NRP; and our soon-to-be-released report, *A Performance Review of FEMA's Disaster Management*

Activities in Response to Hurricane Katrina. This last report details FEMA's responsibilities for three of the four major phases of disaster management – Preparedness, Response, and Recovery – during the first five weeks of the federal response and also evaluates FEMA's preparedness and readiness efforts over the past ten years to determine its organizational capability and posture prior to Hurricane Katrina.

One issue that I believe has not yet received adequate attention is making the resources available to remediate the deficiencies observed during Hurricane Katrina and previous disasters. For example, FEMA has long requested additional funds to create and update Flood Insurance Rate Maps, a key step in identifying and mitigating flood risk. In many cases, FEMA was aware of weaknesses in its preparedness, response, and recovery programs, and attempted to remediate them. But FEMA was not able to obtain sufficient funding before Hurricane Katrina struck. For example:

- Catastrophic planning. FEMA spent $1.5 million to conduct the Hurricane Pam planning exercise with Louisiana, but had difficulty obtaining funding to complete the first phase of the exercise and was unable to obtain the funding for the second phase. As a result, aspects of the Southeast Louisiana Catastrophic Hurricane Plan were not developed before Hurricane Katrina. These included transportation, communications, feeding, security, external affairs and public relations, financial and personal records, and missing persons/family reunification. These areas of focus proposed for Hurricane Pam's second phase were not only essential issues, as demonstrated by problems that emerged after Hurricane Katrina, but they were problems for which little to no other planning had been conducted. Other FEMA catastrophic planning efforts, such as preparing a plan for an earthquake on the New Madrid fault line, had not been funded when Hurricane Katrina struck.

- Assistance to disaster victims. In April 2003, FEMA's Recovery Division prepared a narrative justification for what it termed "over-target" requests for additional funding in FY 2005. Over-target funding for FY2005 was to provide a foundation for its program and process improvements to meet milestones it had set for FY2006–FY2009 to be more responsive to large-scale disasters; $3.9 million was requested. The funding would allow FEMA to enhance its base capability, which FEMA stated was deficient and not in keeping with standard business practices to effectively provide assistance to disaster victims. In the narrative FEMA foreshadowed, "The failure to provide funding to ensure scalable recovery capability will result in a crisis of unimaginable proportions not only for individual victims and their communities and States, but also for the country as a whole." No additional funding was provided to FEMA in FY 2005 or FY 2006 to enhance its Recovery Division's existing capability. During the hurricanes of 2004, FEMA faced challenges in augmenting its ability to handle the volume of applicant calls for assistance. During the response to Hurricane Katrina, FEMA ultimately added 15 call centers to its standing capacity of 4 centers. For online applications, FEMA doubled its user capacity

on September 15, 2005 because the existing information technology infrastructure was unable to support the number of applicants applying on-line.

As of September 2005, FEMA had requested but not received funds to meet other emergency response needs, such as (1) developing a workforce plan and organization structure to manage surge staffing; (2) improving the information technology infrastructure, including NEMIS, to track requests and deployed resources; and (3) upgrading outdated disaster communications equipment.

A necessary step in ensuring FEMA and DHS has the appropriate resources for emergency management is defining our expectations of these agencies. What response and recovery capacity do we expect them to have during a catastrophic disaster? We also need to identify and inventory how other federal agencies can meet response needs. Together, these steps should clarify in what ways FEMA and DHS resources need to be augmented to ensure they have adequate response capacity. But Hurricane Katrina has already demonstrated to us that at least some augmentation will need to be done.

3. Based on how you think the national emergency management system should be structured, are there changes needed to the Stafford Act so that there are no statutory impediments to carrying out the preparedness and response functions?

A. In general, the authorities of the *Stafford Act* are adequate to deliver the necessary assistance required for disaster preparedness and response functions before and after a catastrophic event. However, with respect to carrying out recovery functions, we note areas where individual needs have been demonstrated but authorities do not provide: (1) the ability to address individual physical loss from an event that results in widespread physical catastrophic damages; and (2) the ability to address individual economic loss from an event that results in widespread economic disruption.

FEMA's Individuals and Households Program has a maximum financial cap of $26,200. The program's direct federal assistance provision may not be extended past 18-months after the date of a declared major disaster, except when the President extends that period due to extraordinary circumstances that would be in the public interest. In events where entire communities have been affected and the vast majority of housing stock destroyed, there is no other current mechanism, aside from FEMA's IHP, for the federal government to address individual needs for persons without insurance or persons unable to obtain a loan. Congressional consideration may be warranted to better position the federal government to address widespread physical catastrophic damages and economic loss issues of individuals affected disasters. The following characteristics need to be considered in developing a program that addresses economic loss and financial hardship:

- Distinguishes between physical and economic loss;
- Has fair and equitable eligibility criteria and operational procedures and does not appear arbitrary;
- Reaches diverse ethnic populations in dense urban areas to provide assistance in a timely fashion;
- Simplifies documentation requirements and addresses the inability of some disaster victims to produce traditional documentation of ability to pay a mortgage or rent;
- Recognizes the hardships of extremely low-income populations by developing a comprehensive mechanism to define "economic loss" and "financial hardship" in relation to victims' ability to pay rent or mortgage;
- Distinguishes clearly between pre- and post-disaster economic conditions;
- Is flexible in defining the time period during which assistance will be provided; and
- Is easy to implement even though infrequently used and does not require specialized training.

4. The Coast Guard, which many believe responded quickly and effectively during Katrina, has several attributes that do not currently exist or are not strong within FEMA. The Coast Guard's model of organization includes strong leadership and coordination at the state and local level, where they conduct training and exercises and approve grants, allowing relationship building, visibility and oversight of grants, and the ability to tailor training, exercises and funding to a particular locality's needs. Would FEMA benefit from such a structure?

A. The Coast Guard was successful in its primary mission during the Hurricane Katrina response – conducting search and rescue operations. Much of its success can be attributed to the fact that the Coast Guard was performing a mission it typically trains for and performs on a day-to-day basis. As a result, shifting to perform the same responsibilities during a domestic disaster response is a natural transition. On the other hand, FEMA is not a first responder. Full-time FEMA personnel usually work day-to-day in non-disaster positions that are sometimes much different than the positions they are assigned to during a disaster response. In addition, FEMA's full-time staffing levels are much lower, and FEMA personnel do not regularly train in their disaster responsibilities. FEMA could benefit from training its personnel for the responsibilities each would hold during disaster events. Also, responsibility for many preparedness functions, such as planning and conducting exercises and approval and oversight of most preparedness grants, have transferred from within FEMA to DHS' Preparedness Directorate, outside of FEMA. We are recommending that the Director of FEMA and Under Secretary for Preparedness jointly develop a formal mechanism to ensure continuity between preparedness, response, and recovery by including FEMA regional staff in the Preparedness Division's relationships with state emergency management agencies for grants, exercises, planning, technical assistance, and training.

In addition, the Coast Guard is familiar with and regularly operates within an integrated command system (ICS) structure. FEMA operates under an ICS structure only during a response. However, ICS has not been fully implemented throughout FEMA, and requirements and operations do not always work from the bottom up as intended by an ICS structure.

5. What do you believe have been the benefits and detriments to splitting off the planning, preparation and grant-making functions originally administered by FEMA?

A. DHS is better served by merging its preparedness activities outside of FEMA for the following six reasons.

1. A "one-stop shop" makes it easier to prioritize and balance programs involving many DHS components. The Preparedness Directorate, as a separately functioning DHS component, will allow for an increased effectiveness in department-wide priority setting of funds and resources that are available for grants, training, exercises, equipment, personnel, and other preparedness activities. Many DHS components have preparedness needs—not just FEMA but the U.S. Coast Guard, the U.S. Secret Service, and the Transportation Security Administration, for example. The Preparedness Directorate will be able to draw upon department-wide assets, take the department's broad set of responsibilities into consideration, and efficiently improve the Nation's capacity to be prepared for incidents of national significance regardless of cause, size, or complexity.

2. A one-stop shop makes it easier to prioritize and balance programs among all hazards. Such an approach considers the risks of not only natural and accidental disasters, but also events that result from terrorism, and National Special Security Events. DHS' implementation of Homeland Security Presidential Directive-8 through its new Preparedness Directorate requires the department to coordinate the development of a national all-hazards preparedness goal that would establish measurable readiness priorities and targets that balance the potential threat of terrorist attacks and large-scale disasters with the resources required to prevent, respond to, and recover from them.

3. A one-stop shop makes it easier to prioritize and balance programs among state, local, and tribal needs. The consolidated or one-stop shop nature of these activities diminishes the possibility of gaps or duplication in allocating funds and resources on a risk-oriented basis. Unlike its previous designation where distinct components within DHS endeavored to separately assist state, local, and tribal governments in preparedness functions, the Preparedness Directorate is positioned to effectively target DHS' cumulative resources, such as grants to urban areas for increased security and assistance to firefighters, in an integrated and complementary manner.

4. A directorate dedicated to preparedness full-time will lessen the diversion of resources to disaster responses. The Preparedness Directorate will be able to continue to address preparedness activities even when incidents of national significance occur. Traditionally, preparedness activities under FEMA, such as planning, training, and exercising, have been interrupted or cancelled due to disaster-related activity.

5. A full-time preparedness directorate can better manage implementing lessons learned. The Preparedness Directorate will be able to provide continuous support to the remedial action process, contributing to a cycle of lessons learned to effectuate problems resolved. The ability to monitor the department's increased readiness will also enable DHS to hone in on remaining national priorities and target areas, thus continually refining and improving national preparedness.

6. A Preparedness Directorate simplifies preparedness relationships. The Preparedness Directorate will be able to build relationships by reaching out to all DHS components and other federal agencies in the course of addressing directorate responsibilities. With all of its preparedness activities and resources consolidated, DHS is also better positioned to assist state, local, and tribal entities, and embrace the capabilities of voluntary organizations and the private sector in adopting an all-hazards approach to national preparedness. Consolidated support should result in stronger customer service to federal, state, local, tribal, and voluntary organizations. However, to achieve this gain, the new directorate must work hard to forge these relationships, including with the FEMA regions and headquarters.

As was mentioned in the previous question, the Coast Guard benefits from its ability to coordinate activities at the state and local level, allowing relationship building, visibility and oversight of grants, and the ability to tailor training, exercises and funding to a particular locality's needs. Therefore, the drawback of removing the planning, preparation, and grant-making functions from FEMA reverses the effect of what the Coast Guard is currently able to leverage. Proper integration of DHS' Preparedness Directorate to support all DHS components is essential.

6. Where should FEMA be in the organizational structure of DHS to be a more effective coordinator of federal resources and to be better able to support the states in preparing for, responding to, and recovering from disasters or catastrophic events?

A. FEMA is appropriately positioned within DHS as a component reporting directly to the DHS Secretary. FEMA should remain a separate organization within DHS, and not be returned to independent agency status, for the following reasons:

- Moving FEMA would not solve the problems that surfaced in response to Hurricane Katrina, because those problems have existed within FEMA for many years. Little catastrophic planning, limited surge capacity in staffing and other resources, and inadequate automation for tracking requests and commodities are all issues that pre-date the creation of DHS. Given the magnitude of Hurricane Katrina, FEMA would have been overwhelmed regardless if it were an independent agency or part of DHS.
- Keeping FEMA in DHS creates the opportunity for synergy among DHS components with roles in mitigation, preparedness, response, and recovery. By itself, FEMA has a role in 17 of the National Response Plan's 31 annexes, but DHS has a role in all. Within DHS, FEMA is more closely aligned with the U.S. Coast Guard, Customs and Border Protection, Immigration and Customs Enforcement, the Infrastructure Protection Directorate, and other components that can bring important expertise and resources to bear when FEMA is coordinating response, recovery, and mitigation activities.
- DHS has begun to centralize planning and preparedness capabilities, which will eliminate separate, stove-piped systems within DHS components and make it easier to integrate risk-based preparedness measures. Separating FEMA from DHS will be taking a step backward in this integration.
- Through the DHS Secretary, FEMA has a level-one Cabinet official to represent its interests. This access is an important aid to FEMA's coordination with the White House; the Departments of Defense, Health and Human Services, Housing and Urban Development; and other Cabinet-level agencies. It is very unlikely that FEMA's Director, if head of an independent agency, would be on par with the cabinet secretaries with whom he or she is expected to coordinate.

7. What changes would be required to make the FEMA Director's position one that would be sought by highly-qualified emergency management professionals?

A. FEMA's role, and scope of authority should be clearly defined in order to attract the caliber of person needed. Currently there is a lot of confusion about where FEMA is headed, its organizational structure and resources, and an uncertainty about its budget. For example, although the Second Stage Review separates preparedness activities from FEMA, the Secretary of Homeland Security intends to provide additional support to those functions that remain with FEMA. In essence, with the creation of a separate Directorate for Preparedness, the responsibility of administering the full cycle of emergency management has shifted from FEMA's Director to the Secretary of Homeland Security. Without having direct oversight over the Preparedness element of emergency management, it will be important to clearly delineate the expectations of FEMA regarding the remaining elements of response, recovery, and mitigation. It should also be noted that the White House report recommends transferring significant elements of the recovery function to other federal departments.

It is also unclear what role or authority the FEMA Director will have in future response operations given the roles of the Principal Federal Official and Federal Resource Coordinator (for

non-*Stafford Act* incidents of national significance), both DHS Secretary designees under the NRP, and the Federal Coordinating Officer, the President's designee under the *Stafford Act*.

Until all of these issues are addressed, it will be challenging to make the FEMA Director position one that will be sought by highly qualified emergency management professionals. One aspect of the FEMA Director position we do recommend is that it has a 7-10-year term.

8. Given that the National Response Plan (NRP) and the National Incident Management System (NIMS) were not fully implemented or widely understood as Katrina struck, it appears that these new federal emergency management procedures may have added to the confusion of government officials at all levels. How can we speed the implementation of the NRP and NIMS horizontally across the federal government and vertically with state and local governments?

A. Hurricane Katrina made landfall only months after both the NRP and NIMS were approved for full implementation. As a result, many federal agencies, non-government organizations and state and local governments were still making procedural changes to implement these watershed response documents while at the same time responding to the most catastrophic and geographically widespread event in recent U.S. history. FEMA's initial response was significantly impeded by the adjustments it was making in implementing its responsibilities under the NRP.

Although the response demonstrated some positive features of the incident command structure under NIMS, which FEMA and state staff led in Mississippi and Alabama, it also highlighted severe deficiencies and multiple areas where FEMA and DHS headquarters must make adjustments. To this end, DHS needs to provide the necessary emergency management leadership to other federal departments, agencies, state and local governments and other organizations when responding to incidents of national significance. Tangible steps include:

1. Revising the NRP to aggressively address deficiencies;

2. Developing, streamlining, clarifying, and enhancing processes, protocols, and procedures so as not to delay critical decision-making; and incorporate lessons learned from Hurricane Katrina; and

3. Ensuring NRP and NIMS training is current and available to all in the emergency management community and that top federal agency executives support and participate in future training and exercise activities such as the Top Officials Exercise series.

Can this be done prior to the 2006 hurricane season, and if not, what are the most critical steps that we should take immediately?

A. In our review of FEMA's performance in response to Hurricane Katrina, we are making 38 recommendations for DHS to address and implement. These recommendations fall into the three basic categories. First, 14 recommendations require that roles, responsibilities and expectations be defined, clarified, or reviewed. In instances where roles, responsibilities, and expectations are defined, we recommend that they be adhered to. The nature of these recommendations suggests that most should be able to be addressed prior to this upcoming hurricane season and within existing resources and funding levels. For example, some of the recommendations are that:

- National Response Plan guidelines be clarified for federal, headquarters-level collection and synthesis of situational and operational information;
- The format and methodology for collecting and reporting information be standardized;
- The roles of the Principal Federal Official, the Federal Coordinating Officer, the Federal Resource Coordinator, and the Disaster Recovery Manager be clarified;
- The roles and responsibilities of mass care, housing, and human services support function agencies be better defined and coordinated;
- Urban search and rescue capabilities and responsibilities be reviewed and possibly redistributed or expanded;
- External Affairs develop a definitive and scalable organizational chart;
- Levels of coordination and expectations be developed with Department of Defense entities to enhance coordination during future domestic incident responses;
- Mobile Emergency Response Support equipment, staffing and mission support requirements be defined;
- The tasking of any contractor be coordinated and approved by the Contracting Officer;
- Roles, responsibilities, relationships and reporting requirements of the Housing Area Command be defined;
- New methods and technology be explored to verify damage, occupancy, and ownership, when traditional methods of inspection are not responsive; and
- The Remedial Action Management Program is actively monitored and that interim remediation plans be developed for issues that have a remediation completion date of greater than one year.

Second, 18 recommendations relate to the development, refinement or completion of programs, systems, processes, plans, procedures, and initiatives to make response and recovery activities more efficient and effective. These recommendations may require additional time to be fully addressed and many will require an initial and sustained funding commitment by DHS and Congress to be fully implemented. For example, some recommendations are that:

- Procedures be developed for the timely activation of the Principal Federal Official, the Federal Coordinating Officer, the Federal Resource Coordinator, and the Disaster Recovery Manager;
- An information management system be developed that allows users to track and share information more openly and efficiently;
- Mass care, housing, and human services develop and implement standard operating procedures and a concept of operations plan for response activities that address all levels of disasters;
- A DHS Public Affairs state outreach program for external affairs be fully developed and implemented;
- The resource ordering and tracking process be standardized and streamlined;
- A resource tracking system be developed and implemented that is capable of documenting whether resources were delivered and the efficiency with which the resources were provided;
- A system be developed that automates and tracks the selection, deployment, training, and demobilization of responders;
- A contract mechanism be developed that clearly defines contractor roles, responsibilities, deliverables, and performance measures;
- Lessons learned during Hurricane Katrina be incorporated into the Southeast Louisiana Catastrophic Hurricane Plan and that this plan be finalized and distributed;
- Funding, resources, and institutional support be requested or provided to agency components and to state and local partners to complete draft or proposed catastrophic planning initiatives for natural disasters;
- A formal mechanism be developed to ensure continuity between preparedness, response, and recovery by including FEMA regional staff in the Preparedness Division's relationships with state emergency management agencies for grants, exercises, planning, technical assistance, and training;
- A system be developed to assess state capability to respond to a disaster, without federal assistance and in respect to a minimum level of preparedness based on the Emergency Management Accreditation Program standard; and
- A method is developed for determining the level of readiness of FEMA to respond to a disaster that exceeds a state's capabilities.

Third, six recommendations relate to training deficiencies that need to be addressed. Again these recommendations may require a sustained funding commitment of both DHS leadership and Congress to be fully addressed. For example:

- Training should be provided to additional National Processing Service Center staff and contractors;
- Individual development plans (or a similar process) and a consolidated records system should be implemented;

- DHS needs to provide states with training on the applicability of the National Preparedness System and preparedness grants to all hazards, including natural disaster; and
- All DHS employees should receive training on DHS responsibilities under the NRP and NIMS.

9. What can be done to encourage state and local communities to adequately plan, prepare, and train for the hazards that pose serious risk to their own communities?

A. One step that needs to be taken is to encourage states and localities to use existing grants for emergency management and terrorism preparedness to develop all-hazards capabilities. The majority of preparedness grants appear reserved for terrorism-related activities. In addition to Emergency Management Performance Grants (EMPGs), the Preparedness Directorate distributes funds through the State Homeland Security Program, the Urban Area Security Initiative, and the Law Enforcement Terrorism Prevention Program. These other three grants focus on improving state and local terrorism preparedness, and in places, they limit use of the grants to terrorism-preparedness measures, such as the purchase of specific personal protective equipment. Plus, the prevalence of terrorism-related items in the National Preparedness System fosters a perception that the preparedness for and response to a terrorist event is different from that of a naturally occurring event. Nevertheless, the incident management techniques and resources for terrorist events and natural disasters are more similar than different: use of the incident command structure, communications and information techniques, and applying federal assistance under the *Stafford Act*. The Preparedness Directorate should communicate more directly with states and localities about how existing grants can be applied to address their unique risks and vulnerabilities.

Other measures that the federal government can take include: 1) promoting risk-based mitigation measures; 2) requiring state participation in an emergency management assessment and accreditation process; and 3) providing training for officials, whether newly elected or hired, who assume unfamiliar emergency management roles.

If the carrot approach does not work, what should be done to assure that states comply with minimum federal emergency management standards? Should they be cut off from federal funding?

A. First, the Preparedness Directorate must measure state compliance with the minimum standards and revise the standards as needed. The Preparedness Directorate does not yet require states to complete accreditation through the Emergency Management Accreditation Program in order to remain eligible for grant funding, but the directorate is moving in this direction and should issue the requirement. Second, the standards and results of the accreditation must be transparent, so that citizens can identify their state's preparedness. Third, the federal government should pursue means to reduce the federal

cost-share of recovery efforts when states do not comply with minimum standards.

What more can we do to assure that the federal funding slated for emergency management preparedness and response is spent wisely?

A. Over the last decade, FEMA used three different mechanisms for providing funds and technical assistance to state and local governments to enhance all-hazards preparedness. With each iteration, FEMA gradually relinquished its ability to prioritize or direct state activities. As a result, FEMA had limited visibility and no required evaluation of the states' overall preparedness goals or their day-to-day activities. There was no formal mechanism for FEMA personnel to provide feedback on both the development of funding guidance and the use of preparedness funds, which distanced FEMA from state activities. In the future, as preparedness responsibilities move and are integrated within the Preparedness Directorate, it will be important for DHS to reestablish a more active role in monitoring the use of preparedness funds.

Providing preparedness funds should result in an increased readiness and an enhanced response capability. We are not aware of funds directly tied to response activities other than those provided in accordance with *Stafford Act* assistance. Jurisdictions are required to comply fully with NIMS guidelines by September 30, 2006, in order to remain eligible for DHS preparedness grants. Similarly, another approach worth exploring is recognizing and rewarding states that develop and implement enhanced emergency management and response plans similar to mitigation plans developed by states. State mitigation plans must be approved by FEMA. If a state implements certain additional planning measures (enhanced plans), FEMA is authorized to provide those states a significantly greater amount of hazard mitigation grant funding following major disasters. Additionally, local governments must also have FEMA approved mitigation plans before they are eligible to receive mitigation funding. Applying a similar approach to state emergency management and response plans would not only allow DHS to take a more active role in reviewing those plans but it would also provide a means to recognize steps taken by a state to enhance its readiness.

10. What recommendations in the recent Katrina reports, or reports on previous disasters, stand out to you as being particularly useful in addressing the national emergency management system's challenges today?

A. The White House report, *The Federal Response to Hurricane Katrina Lessons Learned February 2006,* identifies deficiencies in the federal government's response and presents lessons learned and recommendations for corrective action. We agree with and endorse the 17 critical challenges identified in the report. Five areas critical to addressing the national emergency management system's challenges include command and control, coordination of federal government response efforts, visibility of deployed assets, reliability of communication systems,

and media relations.

Are there any recommendations that you absolutely disagree with?

A. We advise that careful consideration should be afforded to how, the federal government, in coordination and cooperation with its partners (state and local governments, nongovernmental organizations, and the private sector), embraces and implements two critical challenges: Human Services and Mass Care and Housing.

The report correctly identifies these two critical challenges as deficiencies in the federal response to Hurricane Katrina. However, the accompanying lessons learned and recommendations, as proposed, may create a greater bifurcation in the timely and consistent provision of assistance to victims of disaster. As proposed, FEMA will retain its responsibility along with the American Red Cross for mass care and sheltering during disasters. In this role, FEMA is directly positioned to coordinate with state governments and nongovernmental organizations to assist victims as they transition to more temporary, interim, and longer-term housing. FEMA has long-standing and established relationships with states and with voluntary agencies that provide disaster relief assistance and address victims' unmet needs.

FEMA authorities allow for the provision of financial assistance and, if necessary, direct services to eligible individuals and households who, as a direct result of a major disaster, have necessary expenses and serious needs and are unable to meet such expenses or needs through other means. FEMA administers the Individuals and Households Program to provide this assistance and funds 100 percent of the housing assistance component and co-administers with states the other needs assistance component under a 75/25 percent cost share. This program is FEMA's primary mechanism to assist individuals and households recover from damages or losses sustained as a direct result of a disaster.

Transferring FEMA's human services programs and role in the provision of housing assistance to another federal entity could significantly affect the continuity of assistance to disaster victims. Rather than defining FEMA's role as only responsible for mass care and sheltering, more attention and resources should be focused on FEMA's coordination and case management activities with other federal and nongovernmental partners to facilitate and expedite a disaster victim's recovery.

Of the 125 recommendations in the White House report, how many and which ones specifically does DHS intend to fully implement before the beginning of the next hurricane season?

A. It is my understanding that DHS is reviewing the recommendations in the White House report to determine which, of those directed to DHS, will be implemented before

the start of the 2006 hurricane season.

11. The next response and recovery challenge this nation will face, whether from terrorism or natural disaster, is unpredictable and the possibilities are infinite. How do we encourage agility and innovation in preparing to deal with the next major disaster event?

A. Hurricane Katrina reinforced the need for every federal agency to be ever ready for the next major event. Readiness is attained through building relationships, addressing individual agency preparedness responsibilities, aggressively supporting response activities, and, to the extent possible, correcting deficiencies of past responses.

Departments and agencies should be afforded both personnel and funds to train, exercise, plan, and detail staff to disaster response activities to enable better execution of their roles and responsibilities and plans and procedures. In our review of the most recent Top Officials exercise, conducted in April 2005, we reported concerns expressed by other federal agencies that federal departments and agencies must use funds from their base operating budgets to plan and participate in the exercise, which may have resulted in limiting the resources they could commit. In effect, they have to cannibalize from other programs to find resources for their planning and participation efforts. We must construct a better mechanism to identify funding expressly for response exercising by federal agencies and perhaps place more priority to grants to states for the same purpose.

Under the NRP, 32 federal departments and service agencies have agreed to support NRP concepts, processes, and structures and carrying out their assigned functional responsibilities. Because the NRP assigns coordinating and primary Emergency Support Function (ESF) roles to various federal agencies, those agencies must be able to effectively coordinate their activities with other federal agencies. It is imperative that every federal agency, especially those that have committed to supporting the concepts, processes, and structures of the NRP, maintain a readiness posture consistent with their responsibilities under the plan. As the White House report on Hurricane Katrina lessons learned points out:

> Each primary department or agency for each ESF and support annex should develop a detailed operations plan on how they will become operational and coordinate with other annexes and ESFs during a major incident. These operational plans should conform to NIMS and be consistent with the recommended reconfiguration of the ESF structure. These plans should be exercised yearly through either National, departmental, or agency exercises.

Following Hurricane Katrina, federal agencies recognized the need to staff multiple coordination or operational centers such as the Interagency Incident Management Group, the Homeland Security Operations Center, the National Response Coordination Center, the Regional Response

Coordination Centers, and the Joint Field Offices, at times, on a 24-hour basis. It is important that a cadre of agency personnel be specialized to support these activities in both an advisory as well as a decision-making capacity. Exercises such as TOPOFF provided DHS and other federal planners and participants with an opportunity to exercise decision making within the framework of the newly implemented NRP and NIMS.

Finally, "lessons learned" must no longer be ignored as simply "lessons recognized." Solutions to response deficiencies must be actively pursued. As seen by lessons learned from Hurricane Andrew, problems continue to recur over a decade after they were first recognized. Stronger mechanisms are needed to ensure that changes are implemented.

12. What steps can we take to allow for more efficient and effective private sector and volunteer involvement the next time disaster strikes?

Answer: To ensure the private sector is fully engaged the next time a disaster strikes requires DHS to work closely with private sector critical infrastructure and key resource experts knowledgeable of business and industry requirements and capabilities relative to the operability of the NRP. This is particularly true for the NRP's Incident Annexes for which private sector expertise and capabilities could prove invaluable during a terrorist threat or an incident of national significance. As such, we concur with the White House report that states, "The Department of Homeland Security (DHS), working collaboratively with the private sector, should revise the National Response Plan and finalize the Interim National Infrastructure Protection Plan to be able to rapidly assess the impact of a disaster on critical infrastructure." This is especially important given that the private sector owns about 85 percent of our nation's critical infrastructure.

13. Federal funds, especially grant funding, can create incentives for state and local governments to accomplish some minimum level of preparedness across the United States. What more can we do to make sure taxpayer dollars are spent wisely and to minimize potential for fraud, waste, and abuse?

Answer: DHS has not yet provided base line preparedness goals and measures for state and local governments. Although it is a difficult task, and DHS is working on it, it is necessary to enable state and local governments to benchmark their capabilities and prioritize their spending. DHS must work with state and local governments in defining preparedness capabilities, and to build a scalable response to all disasters irrespective of size, cause, or complexity. Then DHS can work toward leveling capabilities across the nation. While it is true that state and local governments know best what their needs are, competing priorities often cause funds to be spent on something less than the highest priority preparedness requirements. Federal guidance on prioritization of preparedness grant spending will be a significant help to the state and local governments and will help ensure that taxpayer funds are spent wisely.

14. Do you believe there is some reasonably objective way to measure whether an agency has a managerial staff adequate to its mission, such as a certain number of procurement officers, logisticians and management personnel per $100 million of obligations incurred by FEMA or the Preparedness Directorate?

Answer: Yes, we believe that there are objective ways to measure whether an agency has managerial, procurement, and logistical staff adequate to its mission in relation to obligation rates. Such measurements for FEMA, or the Preparedness Directorate should reflect the inherent difficulties of operations at a disaster location versus the relative stability of operating at a fixed location with adequate infrastructure.

Responses to Post Hearing Questions for the Record
Submitted to Bruce P. Baughman
From Senator Susan M. Collins

"Hurricane Katrina: Recommendations for Reform"

Hearing Date: March 8, 2006, Responses Submitted March 24, 2006

1. Hurricane Katrina raised serious questions concerning the capacities of local, state, and federal governments and the national emergency management system to deal with major disasters and catastrophes. From your perspective, with regard to mitigation, planning, response, and recovery, what role should the federal government play compared to how responsible state and local governments should be for these functions?

   State and local governments should continue to remain the lead during disasters, regardless of the size or type of disaster. The federal government should augment and supplement state and local governments with assistance in planning, guidance, and financial support prior to a disaster. The bottom line is that state and local planning cannot be done at the federal level. It is also the responsibility of the federal government to provide supplemental assistance when a disaster occurs beyond the capabilities of state and local governments.

2. What is the best use of the Federal government's resources after a disaster or catastrophic event occurs?

   The federal government resources should supplement and plug into state and local plans for disasters. Thought should be given to pre-positioning of federal resources prior to a disaster.

3. Based on how you think the national emergency management system should be structured, are there changes needed to the Stafford Act so that there are no statutory impediments to carrying out the preparedness and response functions?

   What do you believe have been the benefits and detriments to splitting off the planning, preparation and grant-making functions originally administered by FEMA?

   NEMA believes that there are not significant impediments in the Stafford Act to warrant a massive overhaul of the legislation. However, minor changes to the Stafford Act may be necessary to clarify issues like the repair cap and to restore the post-disaster Hazard Mitigation Grant Program formula to 15 percent. Restoring the cap amount will allow a greater amount of disaster victims to get directly back into their homes. The change to the post-disaster mitigation formula will double the amount of mitigation after a disaster by implementing lessons learned.

NEMA is concerned about the split between preparedness and response and recovery functions that were once administered by FEMA. Further, the moving of grants in addition to reorganization of functions have left state and local governments meeting FEMA only at a time when a disaster occurs, rather than before in the planning and preparation phases.

4. In spite of early warnings to federal officials, DHS waited for states to request help and then was slow in delivering it. What can be done to position the federal government to provide assistance proactively and more quickly, before state and local governments fail?

DHS and FEMA must work to develop plans on a state by state basis to determine what kinds of critical resources are needed in disasters and the time frame in which the resources are needed prior to a disaster. Planning should include timing for force deployments as well.

5. Given that the National Response Plan (NRP) and the National Incident Management System (NIMS) were not fully implemented or widely understood as Katrina struck, it appears that these new federal emergency management procedures may have added to the confusion of government officials at all levels. How can we speed the implementation of the NRP and NIMS horizontally across the federal government and vertically with states and locals beyond what we are currently doing?

Can this be done prior to the 2006 hurricane season, and if not, what are the most critical steps that we should take immediately?

NIMS is being embraced by state and local governments in Alabama with train the trainer courses, online course, and face to face courses. Over 5000 people have taken the courses in Alabama. I believe the issue at the state and local level is funding and the mandates to get training accomplished. At the federal level, all vertical and horizontal players need training and an understanding of their roles. Clearly issues like the role of the Federal Coordinating Officer need to be clarified, as well as elimination of concepts like the Principal Federal Official and the Incident of National Significance label. Additionally, our training system needs to be strengthened, this means support to the Emergency Management Institute.

6. What can be done to encourage state and local communities to adequately plan, prepare, and train for the hazards that pose serious risk to their own communities?

If the carrot approach does not work, what should be done to assure that states comply with minimum federal emergency management standards? Should they be cut off from federal funding?

What more can we do to assure that the federal funding slated for emergency management preparedness and response is spent wisely?

There really is no carrot and stick when there is such a shortfall in emergency management funding support from the federal government. Currently, the greatest

source of funding is homeland security grants, however those grants are awarded on the basis of terrorism. These grants do not drive training on all hazard emergency management to do the necessary planning and preparation. The Emergency Management Performance Grants must be increased as a result. One of the proposals now would hire more federal employees to do preparedness functions, but do we really need federal folks? I strongly believe we need EMPG so state and locals are better prepared. NEMA supports the development of systems to measure the capabilities EMPG is building.

7. As it stands within DHS, how do we ensure the FEMA Director has the needed political authority to maximize coordination efforts horizontally across the federal government and vertically with state and local governments as the nation's emergency management systems coordinator?

   Organizationally, what problems would be created if we were to once again make FEMA an independent agency? Is there a danger to constantly reorganizing homeland security functions?

I believe that the FEMA Director must be at the same level as a Deputy Secretary and must have the authority to work directly with the President in times of emergency. Terrorism preparedness has got to be linked with response and recovery, no matter where FEMA resides.

8. Are there differences in the kind of response that would be required in a terrorist disaster, as opposed to a natural one, that would require different skills, capabilities, command and control architecture, or relief efforts that suggest we would be prudent to create parallel disaster response structures for each type of event?

Yes and No. Command and control remains the same. However, in a terrorism event the disaster becomes a crime scene and different types of assets may be brought to bear like Department of Defense teams specializing in chemical and biological response, or contractors that specialize in containment and clean-up.

9. What recommendations in the recent Katrina reports, or reports on previous disasters, stand out to you as being particularly useful in addressing the national emergency management system's challenges today?

   Are there any recommendations that you absolutely disagree with?

I am very concerned about the mandates that are outlined in these reports. Regardless of what ever enhancements are needed, federal assistance must be provided. I agree with the recommendations for logistics planning and the need to clarify the National Response Plan. I also agree that the issues in the 1993 National Academy of Public Administration report still resonate today. I recommend taking a stronger look at the recommendations that call for a greater use of the military –

there is a role for the military in disasters but we have to make sure tit is appropriation and that they are adequately trained and plugged into the plans.

10. Federal funds, especially grant funding, can create incentives for state and local governments to accomplish some minimum level of preparedness across the United States. What more can we do to make sure taxpayer dollars are spent wisely?

I would recommend implementing performance standards and I offer NEMA as a resource in this task. In Alabama we have tied EMPG grants to the Emergency Management Accreditation Program (EMAP) standards and if criteria are not met we address with remedial action plans or withhold funding.

11. To reduce the potential damage from natural disasters, what changes are needed regarding new construction or mitigation in hazardous areas.

Again, HMGP needs to be restored to the original formula of 15 percent to take advantage of lessons learned. More money is needed for mitigation and more flexibility is also needed. Mitigation is different for hurricanes and for floods. Decisions on mitigation need to be made at the state and local government level. Generators must be eligible. Hardening of emergency operations centers and shelters must be a component. Cost-benefit ratios must remain important as well to ensure appropriate investments. We also support the concept of demolish-rebuild in the Gulf Coast.

Post Hearing Questions for the Record
Submitted to Frank J. Cilluffo
From Senator Susan M. Collins

"Hurricane Katrina: Recommendations for Reform"

March 8, 2006

1. **Hurricane Katrina raised serious questions concerning the capacities of local, state, and federal governments and the national emergency management system to deal with major disasters and catastrophes. From your perspective, with regard to mitigation, planning, response, and recovery, what role should the federal government play compared to how responsible state and local governments should be for these functions?**
2. **What is the best use of the Federal government's resources after a disaster or catastrophic event occurs?**

The federal government is an essential partner to state and local governments with respect to mitigation, planning, response, and recovery. The vast majority of disasters will be responded to by state and local governments, with the federal government stepping in to provide support only in unique circumstances. Therefore, it only makes sense to push decisions and resources to the frontlines, where situational awareness is most acute and local knowledge in the broader sense is greatest. Federal efforts in a vacuum will not in and of themselves build adequate capabilities for major disaster and catastrophic incident response. These federal efforts support a system of systems. Federal guidance, leadership, and coordination are essential to assist state and local governments in adequately preparing for, responding to, recovering from, and mitigating against the effects of major disasters, emergencies, and other incidents of national significance, as well as facilitating regional and multi-state preparedness, response, recovery, and mitigation efforts.

Federal government resources play three essential roles after a disaster or catastrophic event: (1) supplementing state and local government capabilities and resources, including both commodities and essential equipment; (2) providing specialized response capabilities and surge capabilities to supplement state, local, non-governmental, and private-sector responders; and (3) providing command, control, and coordination capabilities for marshalling, packaging, and providing federal, non-governmental, international, and donated resources to affected state and local governments, in conjunction and partnership with established state and local government incident command structures.

DHS must be regionalized in a robust way. A regional homeland security structure enables the federal government to enable states and municipalities, as opposed to backstopping state and local authorities when their efforts become overwhelmed. Regionalization serves the twin purposes of empowering those on the front lines to act, while reserving a role for the federal government in appropriate circumstances. Regionalization would offer states an all-purpose federal access point close to home, and that federal point of contact would be steeped and well-versed in the specifics and particularities of the relevant area. Regional

offices should integrate relevant federal agencies, including the HHS, the National Guard and the DoD – in particular US Northern Command (NORTHCOM), and others as necessary.

A federal leader in the field, with authority to access federal interagency resources to support preparedness and response capacities at the state and local levels, would be a known quantity to state and local officials, and could provide the DHS Secretary with important feedback and insight into the progress being made to advance preparedness efforts. Additionally, this pool of key officials would provide knowledgeable and experienced candidates to serve as the Principal Federal Official (PFO) during future crises.

What is needed is a Goldwater-Nichols equivalent for the homeland context – and not only at the federal level, but also between and among the States themselves. To the extent that the various moving parts in preparedness and response are either not working well together, or are not doing so in an optimal way, must be remedied, because the price to be paid for not doing so is simply too high in dollars and even more importantly in lives. Goldwater-Nichols institutionalized the concept of "jointness" for the purpose of achieving greater cohesion, agility and responsiveness. A similar mindset – and supporting educational and professional development apparatus and framework – is needed in the homeland context. Congressional consideration of a National Homeland Security University, currently underway, represents a step in the right direction. Fostering the growth of a professional cadre with the requisite mindset would also be achieved by making advancement to the senior ranks of DHS dependent upon, among other things, a tour of duty in a regional DHS office.

3. **Based on how you think the national emergency management system should be structured, are there changes needed to the Stafford Act so that there are no statutory impediments to carrying out the preparedness and response functions?**

The law is not the heart of the problem. The Stafford Act provides the President with extremely broad powers with respect to preparedness and response. The Homeland Security Act in and of itself does not alter the fundamental nature of the Stafford Act, in that it continues to grant the vast majority of powers and authorities to the President, not to the Secretary of DHS or any other official. Thus, for the purposes of the 2006 hurricane season and the vast majority of "traditional" major disasters and emergencies, Stafford Act authorities are sufficient to empower the federal government to adequately prepare and respond.

Over the longer term, however, three key questions concerning Stafford Act powers and authorities bear consideration:

- Is there a better way for the President to delegate Stafford Act authorities to further preparedness and response functions? To this end, a Goldwater-Nichols type of allocation of authorities to the Secretary of DHS, to regional "commanders," to FEMA, and to other coordinating entities, could be examined.

- Can Stafford Act authorities be broadened to better facilitate the participation of the private sector in preparedness and response efforts? As a general matter, authorities should allow for private sector access to incident sites for response and recovery purposes, for instance, and should facilitate information sharing between the private and public sectors – all without jeopardizing corporations' ability to participate in open and fair contracting processes.

- Should the Stafford Act, the Homeland Security Act or some other relevant statute be altered, or a new law enacted, to specify how the federal government would – pursuant to its constitutional duty to provide for the common defense -- exercise authority to assume control over an incident once it reaches a certain size, scope, or threshold of destruction of State and local governmental capacity?

4. **What do you believe have been the benefits and detriments to splitting off the planning, preparation and grant-making functions originally administered by FEMA?**

The current structure of DHS attaches preparedness and grant-making functions to the Preparedness Directorate, but divides planning functions among the Preparedness Directorate, FEMA, and other DHS entities including the Homeland Security Operations Center. While this dispersed allocation of duties leverages certain strengths of the Department, it also brings with it substantial challenges.

Centralizing the preparedness and grant-making functions in the Preparedness Directorate unites responsibility and accountability in one spot, namely, the Undersecretary for Preparedness. Accordingly, one senior policy official oversees coordination of the various preparedness functions, and harmonization of the former with critical infrastructure protection and resiliency efforts. This structure is illustrative of the DHS concept writ large, which is to unite related functions under a single roof.

By contrast, separating the offices that prepare from the offices that respond can result in a significant disconnect between, on the one hand, state and local government officials (who typically both prepare and respond) and, on the other hand, the federal officials who will respond – since the latter individuals will be different from the federal preparedness officials with whom state and local governments interact on a day-to-day basis. The danger exists, moreover, that individual federal offices may develop policies and procedures in a vacuum, without involving or even consulting other entities whose mission is the implementation and execution of same. The challenge, therefore, is one of communication, coordination, and cooperation, to ensure consistency and continuity, particularly for the benefit of external partners.

5. **Where should FEMA be in the organizational structure of DHS to be a more effective coordinator of federal resources and to be better able to support the states in preparing for, responding to, and recovering from disasters or catastrophic events?**

8. **As it stands within DHS, how do we ensure the FEMA Director has the needed political authority to maximize coordination efforts horizontally across the federal government and vertically with state and local governments as the nation's emergency management systems coordinator? Organizationally, what problems would be created if we were to once again make FEMA an independent agency? Is there a danger to constantly reorganizing homeland security functions? Are there differences in the kind of response that would be required in a terrorist disaster, as opposed to a natural one, that would require different skills, capabilities, command and control architecture, or relief efforts that suggest we would be prudent to create parallel disaster response structures for each type of event?**

There has been much debate about where FEMA should be placed on the federal government's organizational chart. Far too much energy and thought has been focused on this issue, which is something of a "red herring". The problem is not one of organizational design. Rather the challenge is one of management and leadership. To pull FEMA out of the DHS now and re-create it as an independent agency would further obfuscate and bifurcate an already complicated system. It would also be in direct opposition to developing the all hazards emergency response system envisioned by Congress in the Homeland Security Act. To have state and local governments and first responders plug into one system to respond to natural disasters one day and another system to respond to terrorist attacks the next is unrealistic and ultimately counterproductive. There is no reason to have competing systems in an environment of limited resources when capabilities and needs are the same.

The future leadership of FEMA must understand that they are part of an all hazards preparedness team – that response and recovery complement preparedness and protection. At base, this requires cultural change and the inculcation of a mindset that embraces, among other things, an all hazards and risk-based approach to preparedness. FEMA supports a system of systems – our focus must be on fixing what is wrong with the four major functions originally housed within FEMA: preparedness, response, recovery, and hazard mitigation. Therefore, the debate should not center on FEMA – it must be focused on what is needed from the perspective of the "customer," meaning those on the frontlines.

Although numerous customers with different needs exist, what they have in common is the need to receive the right "thing" (service, equipment, personnel, or relief supply) at the right time and in the right place. This requires inter- and intra-agency coordination among all levels of government and the private sector. Therefore form must follow function, with a clear chain of command, unencumbered by bureaucratic obstacles and based upon timely and effective supply chains enabling the response effort. Under the Second Stage Review (2SR) plan, FEMA is an "operational component" of the DHS, similar to the Coast Guard and the Secret Service. This would allow DHS to maximize FEMA's effectiveness, and have it play an important role in executing a crucial DHS mission. Over the longer term, consideration might be given to integrating the response and recovery missions into the newly established Preparedness Directorate.

FEMA expertise should also be a critical constituent component of a robust regionalized DHS. FEMA regional personnel should closely coordinate their activities with DHS regional personnel, and the two sets of regional offices should, at least in the first instance, be co-located with one another. It bears emphasizing here that many of the tools needed to respond to terrorist acts are the same as those required for natural disasters; hence, there would be significant opportunities to generate and exploit synergies under the proposed regional model.

6. **Given that the National Response Plan (NRP) and the National Incident Management System (NIMS) were not fully implemented or widely understood as Katrina struck, it appears that these new federal emergency management procedures may have added to the confusion of government officials at all levels. How can we speed the implementation of the NRP and NIMS horizontally across the federal government and vertically with states and locals beyond what we are currently doing? Can this be done prior to the 2006 hurricane season, and if not, what are the most critical steps that we should take immediately?**

The challenge is to turn the NRP, the National Preparedness Goal (NPG), and corresponding state plans into living documents. The NRP must be scalable, as well as flexible and agile, able to morph and adapt to new technologies, new threats and new scenarios. It cannot be a "cookie cutter" approach to response – it must have the capability to integrate ad hoc entrepreneurial and creative responses when circumstances demand. Only through unified planning, training, and exercising can the requisite federal, state and local capabilities and capacities be identified and developed. Significant capabilities currently exist, including domestic military capability and effective first responder organizations at state and local levels. The most effective way to rapidly and significantly improve preparedness is to find the means to bring to bear existing capabilities now.

Prior to June 1, 2006, NRP implementation across the federal government can occur relatively rapidly, through Homeland Security Council and DHS-driven "boot camps" for senior agency officials, and robust interagency planning sessions involving, at a minimum, DHS, DoD, and HHS. Specifically, preparedness could be bolstered expeditiously and significantly through joint DoD-DHS contingency planning.

DHS also needs to coordinate with at-risk states to ensure that there is a clear understanding on the part of the Governor and his or her administration of what federal support can be provided under the NRP, and the protocols to access this support. Ensuring that officials at all levels of government understand the NRP should be the responsibility of the DHS Preparedness Directorate. To accommodate the short time line between now and the start of the 2006 hurricane season, the Preparedness Directorate could prepare an "At-A-Glance Executive Summary" that clearly and succinctly outlines the NRP process, the types of federal resources that are centrally available from the PFO/FCO in anticipation of or in response to a major disaster, emergency, or other incident of national significance, and the single expedited process and point of contact for accessing these resources.

All levels of government and private sector partners need to speak the "language" of the NIMS fluently. The bottom line is the understanding of who has authority: where, when and to what extent. NIMS implementation, both horizontal and vertical, is a more difficult task. At the federal level, agencies that have extensive experience with the Incident Command System, an essential element of the NIMS – including the Department of Agriculture, the Department of the Interior, DHS and in particular the Coast Guard – can lead efforts to ensure a minimum level of proficiency among emergency response staff at each federal agency. However, both horizontal and vertical efforts to ensure NIMS adoption and implementation must be strengthened and the timetable accelerated in order to achieve a minimally-acceptable level of operational competence by even the 2007 hurricane season. For example, Phoenix has tied its regional evacuation plan to NIMS and the NRP and built in a cycle of continuous training, exercising, and review to ensure that it becomes a living document.

Over the longer term, a National Homeland Security University, to foster the growth and development of a cadre of homeland security professionals among senior level officials (both elected and appointed) within federal, state and local government, will do much to integrate NIMS and the NRP into the emergency management culture.

7. **What can be done to encourage state and local communities to adequately plan, prepare, and train for the hazards that pose serious risk to their own communities? If the carrot approach does not work, what should be done to assure that states comply with minimum federal emergency management standards? Should they be cut off from federal funding? What more can we do to assure that the federal funding slated for emergency management preparedness and response is spent wisely?**

11. **Federal funds, especially grant funding, can create incentives for state and local governments to accomplish some minimum level of preparedness across the United States. What more can we do to make sure taxpayer dollars are spent wisely?**

The public's ability to know what to do when disaster strikes is at the foundation of community planning. It is notable that among the 11 specific activities that the White House is undertaking before June 1st, there is no activity to engage the public in hurricane-prone states in preparedness efforts. Experience indicates that empowering the public to know how to care for themselves and their families in the first few days following disaster will lessen the burdens upon a first response community and the 9-1-1 system. Consistent with these efforts, government officials at all levels need to recalibrate and manage public expectations about what can realistically be expected in terms of services and support during the immediate hours and days following a catastrophic disaster.

A minimum level of preparedness – at the local, state, regional and federal levels – requires us to be able to communicate effectively before, during and after an event. Both the White House and House reports cite the critical need for communications capabilities for situational awareness. We need to have operability, a dial tone, before we can move to interoperability, a dialogue. Importantly, the White House report has recommended that DHS establish deployable communications capability to provide a "framework" for ensuring connectivity among all levels of government utilizing interoperable off-the-shelf

equipment. Action on this recommendation is imperative to overcoming the long-standing obstacles to interoperability during an incident of national significance.

At the state and local level, agencies must be encouraged, funded or required through DHS and HHS grants to deploy interoperable emergency data communications systems linking emergency response, hospitals, shelters and all other emergency services. Radio systems alone are important, but only a part of the need. In many instances, the use of data communications can spread more information more accurately and faster than voice communications, and can ease the burden on radio systems. In the case of Katrina, data communications including Voice over Internet Protocol could still be used in certain places when voice communications failed.

Broader communications networks offer significant economies and efficiencies of scale. At the same time, interoperable communications systems are essential for multijurisdictional incident response. More generally, a muscular DHS regional framework could achieve cost savings and other efficiencies by highlighting regional redundancies and promoting consolidations across geographic boundaries. For example, not every jurisdiction will require all of the same "hardware". Plainly, tough choices will arise as the task of prioritizing funding across multiple jurisdictions moves forward. To succeed in this endeavor, the prevailing mindset in the Nation must be one of cooperation and complementarity, rather than contest and competition between and among jurisdictions.

Over the longer term, innovation and best practices should be recognized and rewarded, through a possible Baldrige-like award to commend States, localities, NGOs and private sector entities. Recommended by the DHS Homeland Security Advisory Council, such an award would also serve as an incentive to encourage others to adopt similar exemplary practices and processes.

To ensure that taxpayer dollars are wisely invested, we must further define how to measure success. What gets measured gets done – we need to ensure that we are measuring what matters by implementing outcomes-based performance measures to guide our homeland security investments. We need a unified concept of funding that ties planning, training and exercising to performance measures targeted to building capabilities at the regional, state and local levels.

9. **What recommendations in the recent Katrina reports, or reports on previous disasters, stand out to you as being particularly useful in addressing the national emergency management system's challenges today? Are there any recommendations that you absolutely disagree with?**

Both the White House and House Katrina reports present thoughtful analyses of the federal response efforts, and offer substantive insights for future action. Several recommendations and findings stand out. First, as emphasized throughout this written submission, the creation of DHS regions – called for in the Homeland Security Act of 2002, and reiterated in the White House report – is an imperative if we are to build robust preparedness and response capabilities at all levels of government and with the private sector and NGOs.

Further, the recommendations included in the White House report concerning Citizen and Community Preparedness are, for the most part, commendable, especially the efforts to build a baseline of needed skills, capabilities and tools to train, exercise and engage the public and their communities in local preparedness efforts. One cautionary note is in order, however, and that relates to interpreting the lesson learned on Citizen and Community Preparedness to mean that it is necessary to focus limited time and resources on combining existing private and public sector campaigns into a "single national campaign." Research done to better understand the barriers to public action and to identify strategies to motivate citizens to become better prepared, indicates that if these messages are to be effective they need to be conveyed by trusted messengers targeted to reach different communities – it is not a matter of "one size fits all." This is especially true when it comes to vulnerable populations including the disabled and lower income families who are at greater risk and may not have the necessary wherewithal to prepare. The National Organization on Disabilities is doing excellent work through its "Emergency Preparedness Initiative," targeted to meeting the needs of the disabled community.

Congress needs to establish a National Homeland Security University, similar to that proposed by Senator Lieberman bill (S. 2151). A National Homeland Security University would help provide a solid foundation to underpin our national emergency management system. A stated and laudable aim of S. 2151 is "to build up institutional knowledge…and cultivate leaders capable of guiding the Department and the nation when catastrophic incidents occur." It should be noted that this is an area where there is consensus as the White House Report also sited the need to establish such a university, and it is anticipated that a bill similar to Senator Lieberman's will be introduced in the House later this week.

10. Did we rely too much on the use of federal contractors for our response to Hurricane Katrina? What steps can we take to allow for more efficient and effective private sector and volunteer involvement the next time disaster strikes?

Efforts to integrate private sector resources must be redoubled and improved. The Business Roundtable's innovative Partnership for Disaster Relief offers a promising start, matching corporate donations of personnel, equipment and funding to domestic and international relief efforts. Hurricane Katrina also highlighted the need for government agencies and NGOs to take a page from the private-sector playbook – Fed Ex, UPS, Wal-Mart and DHL – when it comes to designing nimble, timely and effective supply chains.

Homeland Security Presidential Directive/HSPD-12 sets out policy for a common, secure identification standard (encompassing accreditation) for federal employees and contractors, but does not speak to the state or local level, or to private sector entities and employees that may be critical to response efforts and require immediate access to a disaster site. Yet, those with "know-how" who can make crucial contributions must not be barred from the scene. Introducing a credential modeled on the "Transportation Worker Identification Credential (TWIC)," and defining broadly the category of individuals and entities eligible for same, would go a long way towards solving this problem.

12. To reduce the potential damage from natural disasters, what changes are needed regarding new construction or mitigation in hazardous areas?

History preserves the memory of past disasters of similar magnitude. The 1871 Great Fire of Chicago incinerated most of the city, and more recently 1992's Hurricane Andrew caused death and destruction in the order of $26.5 billion across southern Florida. But these awful catastrophes also served as catalysts for major positive change in the architecture of our society. They prompted the creation of safe buildings to be encoded into law. Thanks to far-sighted fire disaster response, we can now take for granted sprinklers, fire alarms, and smoke detectors. Newly constructed buildings and homes in Florida must be able to withstand Category 4 hurricanes, including impact resistant window glass and storm shutters. These actions have led to countless lives being saved today and will continue to do so in the future.

By building safety into the foundation of our communities, preventative measures improve our capacity to respond to crises as they arise, while simultaneously limiting the potential impact of their damage in the first place. The issue cannot be centered on just fixing buildings and upgrading levees; it must be about designing communities with the participation of the people who live there. Few recall that on the same night of the Chicago fire, a fire in Wisconsin claimed even more lives. With the Gulf Coast reconstruction, we have the opportunity to build more resilient communities and invest in new infrastructure and technologies. An example of such investment is the replacement of above ground electrical systems with underground cables in areas that are prone to disaster. Through improved community planning we have the opportunity to build in back end capabilities vital to response. Early public warning, evacuation and emergency preparation, community shielding, shelter in place and distribution of the Strategic National Stockpile must be a top priority in any city's planning, not an afterthought or footnote.

Post-Hearing Questions for the Record
Submitted to Dr. Herman B. Leonard
From Senator Susan M. Collins

"Hurricane Katrina: Recommendations for Reform"

March 8, 2006
Responses prepared by

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1. Hurricane Katrina raised serious questions concerning the capacities of local, state, and federal governments and the national emergency management system to deal with major disasters and catastrophes. From your perspective, with regard to mitigation, planning, response, and recovery, what role should the federal government play compared to how responsible state and local governments should be for these functions?

Although the US system of "bottom up" emergency management, which places initial responsibility for mitigation, planning, and response in the hands of local jurisdictions and the states, makes excellent sense, the federal government has important roles to play in such a system.

Ultimately, the federal government must take responsibility for emergency response when local authorities have been overwhelmed by the scale or novelty of an event, when they require highly specialized resources to which only the federal government has ready access, or when local authorities have partially or totally collapsed.

Well before national assets are needed to intervene in major disasters, therefore, – and to minimize the extent to which such aid is required – it is clearly in the federal government's interest to play an active role in building emergency response capacity. Especially for smaller or less affluent states, federal *expertise* is an important resource in establishing an agenda of needed improvements in emergency response capability, suggesting appropriate standards against which state and municipal governments can assess themselves, and helping them plot a path that will build and sustain enhanced capacity.

Two factors also suggest that a federal *financial* role is appropriate in building state and local capacity. Some states and localities may lack the resources needed to develop emergency capabilities sufficient to handle even the early stages of major disasters; they may limit themselves to basic protection that is utilized frequently for fire and emergency medical response, rather than considering what they need for lower probability events that would have catastrophic consequences.

Even when substantial state/local capacity has been put in place, the issue of *sustainment* arises. If initial investments are not to be wasted, emergency equipment, manpower, and supplies must be kept systematically ready for deployment by maintaining that equipment, training new personnel, refreshing the skills of those previously trained, and replacing outdated or consumed supplies. Jurisdictions, however, face many competing demands for budget resources, each supported by active constituencies. Other functions of government are perhaps more prominently placed in the headlines at a given moment. As a result, some states and localities defer maintenance on their emergency response capability, betting that it will not be needed in the short term. That may well lead to poor – even catastrophic – performance at moments when robust capability is most needed.

The federal government's ability to keep focus and sustain investments in emergency response capability, even when the issue has faded from immediate public concern, is itself limited; however, the federal government is more likely than many states and localities to keep the issue in the forefront. Federal financial incentives, in turn, can make a huge difference in how well prepared states and localities will be.

2a. Based on how you think the national emergency management system should be structured, are there changes needed to the Stafford Act so that there are no statutory impediments to carrying out the preparedness and response functions?

What do you believe have been the benefits and detriments to splitting off the planning, preparation and grant-making functions originally administered by FEMA?

In our supplemental testimony, entitled "Political Control and Operational Command," we outline a suggestion for distinguishing the role of a senior *political* official from the role of a senior *operational* official (and commander). While it might be technically possible to implement such an approach within the existing authorizations of the Stafford Act, revisions may be needed (for this and for other purposes).

From our perspective, and given the focus in our testimony on the importance of cooperation among federal, state, and local agencies in the event of a crisis situation, splitting off grant-making from response capability is a potentially serious detriment to the nation's ability to develop, in advance of the next Katrina-class event, the "infrastructure of cooperation" – the relationships, agreements, and other prior experiences across agency boundaries that will, in the moment of crisis, greatly accelerate the ability to produce a coordinated and effective response.

Similarly, distinguishing preparedness from response management may hamper necessary alignment between the way in which preparedness has been designed and the way in which response needs to operate. At a minimum, it makes maintaining alignment difficult; at worst, it will result in a serious mismatch between what has been prepared and the actions the responders want to take.

The confusion may arise in part from the use of the word "preparedness" and from DHS's focus on terrorism. In preventing damage from terrorist strikes, much emphasis is placed on prevention. In the terrorism context, purely preventive actions have relatively little to do with response – these two functions can safely be distinguished, and managed separately. But with regard to natural disasters, "preparedness," to a substantial degree, means preparing to respond in the event that a disaster occurs. Preparedness for response should *not* be managed separately from the response apparatus – but prevention could be.

3. Where should FEMA be in the organizational structure of DHS to be a more effective coordinator of federal resources and to be better able to support the states in preparing for, responding to, and recovering from disasters or catastrophic events?

FEMA should be a line agency, positioned as an independent directorate of DHS, with its senior official reporting to the Secretary of DHS. The head of FEMA should, by law, have significant professional command training and operational disaster-response experience and be appointed for a specified term of office.

4. In spite of early warnings to federal officials, DHS waited for states to request help and then was slow in delivering it. What can be done to position the federal government to provide assistance proactively and more quickly, before state and local governments fail?

First, DHS and FEMA should work with state and local governments to build local agency capacity and knowledge to respond effectively and to be able to assess their needs and request assistance quickly and accurately. But there will be instances where, as a result either of weakness or failure of state and local institutions, or of destruction of the local capabilities needed to "pull" assistance. In those situations, there need to be mechanisms and structures put in place in advance that are designed to allow federal agencies to "push" assistance instead. Ideally, such instances will be very rare, but they will also be very important. This capacity is part of what needs to be developed in what we referred to as the "infrastructure of coordination" in advance of the next large scale event.

5. Given that the National Response Plan (NRP) and the National Incident Management System (NIMS) were not fully implemented or widely understood as Katrina struck, it appears that these new federal emergency management procedures may have added to the confusion of government officials at all levels. How can we speed the implementation of the NRP and NIMS horizontally across the federal government and vertically with states and locals beyond what we are currently doing?

Can this be done prior to the 2006 hurricane season, and if not, what are the most critical steps that we should take immediately?

After enactment of the Homeland Security Act of 2002, the federal government began slowly to comply with Congress' instruction to establish and promulgate the NRP and NIMS. As many had predicted – and as Katrina unalterably demonstrated – a newly

minted and unrehearsed plan is not a good basis for response to a catastrophe. In fairness to the agencies, they had only a short time to align their structures and systems with NIMS and figure out how to meld themselves into the NRP and organize themselves to respond in the implied new and different forms. They had not gotten very far on this by August of 2005, and they are probably only a bit farther along today.

This is not a reason to abandon the NRP or NIMS. While there are some design elements that need to be revisited, the basic outline of what has been developed is sound. We need consistent, sustained pressure to get agencies of all types and at all levels of government (and outside of government) into the new alignment. This means more than just additional training or study. It means exercises and simulations and interagency and cross-sectoral tabletops and field drills to expose the unaddressed challenges, provide feedback about progress, and maintain pressure to realign. We must emphatically *not* count NIMS a failure – we haven't actually implemented and used it yet. We need to recognize that the widespread adoption of this system is something that will take a long time – years, not months – but that the only way to move is forward.

We will not have a fully functional NIMS system in time for the arrival of the next hurricane season (or flood season, which is now). What we can do between now and the next hurricane season (or flood season or sudden and unpredictable earthquake) is to stay on course – rolling out the system *in practice* (and not merely as a plan) in every disaster response-related agency at every level of government and in associated nonprofit and private organizations. Obviously, it makes sense to concentrate efforts first on those parts of the system that are most likely to be needed soon. For example, working on how an incident management structure can successfully overlay the ESF structure of FEMA (or, if it can't, then how to convert from the ESF functional lines to an IMS structure) is particularly important, and working on this particularly hard in FEMA regions IV and VI would be a good place to start.

6. What can be done to encourage state and local communities to adequately plan, prepare, and train for the hazards that pose serious risk to their own communities?

If the carrot approach does not work, what should be done to assure that states comply with minimum federal emergency management standards? Should they be cut off from federal funding?

What more can we do to assure that the federal funding slated for emergency management preparedness and response is spent wisely?

At least in the near term, it seems reasonable to suppose that Katrina has made people more attentive to the importance of sensible investments in preparedness – but that is at best an incomplete and rapidly dissipating influence on decision-making. The federal

government needs to work with state and local agencies (and nongovernmental organizations) to identify the investments that are most needed and of greatest potential value. Emphasis should be on (1) developing a professional cadre of disaster managers through training and by systematically providing practice and experience in a series of increasingly responsible positions during actual emergencies, (2) making commitments to and investments in regional agreements and coordination structures established in advance, and (3) conducting exercises that involve multiple jurisdictions, agencies, levels of government, and sectors. These investments should be viewed through an "all hazards plus" lens. The basic premise is that investments that would be useful against a broad spectrum of hazards are most likely to be valuable, but it is also important to realize that we need specific preparation for some identifiable hazards that may make unusual or unique demands for response.

To make investments and commitments wisely, we need to evaluate spending in terms of its ability to reduce expected damage from a disaster event:

Expected Damage = (Probability of an event occurring) *
(Consequences if the event does occur)

The purpose of prospective investments is to change – to lower – expected damage. Investments can thus be evaluated on the basis of whether they are likely to change (1) the probability of occurrence, and/or (b) the consequences in the event of an occurrence.

If the consequences are low, reducing the probability doesn't matter much. *If the probability is low*, reducing the consequences doesn't matter much. (This is a result of the fact that the relationship is multiplicative.) Thus, we need to concentrate our attention on areas where the expected damage if we do nothing is significant – and where we have a reasonable prospect of reducing either the probability or the consequences through our intervention. For example, building organizational structures for coordination would be a high value investment in vulnerable areas because expected damage is high. For relatively small investments, future potential consequences could be significantly reduced.

7. As it stands within DHS, how do we ensure the FEMA Director has the needed political authority to maximize coordination efforts horizontally across the federal government and vertically with state and local governments as the nation's emergency management systems coordinator?

We believe that it is essential to distinguish the *technical* challenge of managing the disaster response from the *political* challenge – and to vest responsibility for these in different officials. This is analogous to civilian oversight of the professional conduct of military operations. In the supplemental testimony we have submitted, entitled "Political Control and Operational Command," we outline how these duties should be distinguished and how such a structure could work. We believe it is essential not to conflate the

technical and operational command issues, on one hand, with political judgment and policy-making, on the other. Professional operational disaster commanders should not become amateur politicians – and professional politicians should likewise not become amateur operational commanders. We – and they – would do well to distinguish these two roles carefully, to provide each with appropriate authority and responsibility, and to do everything we reasonably can to keep them working effectively together while maintaining an appropriate degree of separation.

8. **What recommendations in the recent Katrina reports, or reports on previous disasters, stand out to you as being particularly useful in addressing the national emergency management system's challenges today?**

Are there any recommendations that you absolutely disagree with?

We found most of what was contained in the official reports that we have seen to be, for the most part, fact-based, reasonably objective, and professionally presented. We found most of the recommendations broadly sensible.

9. The next response and recovery challenge this nation will face, whether from terrorism or natural disaster, is unpredictable and the possibilities are infinite. How do we encourage agility and innovation in preparing to deal with the next major disaster event?

We believe this is an inspired question. It lies at the heart of the crisis management executive program that we co-chair at Harvard's Kennedy School of Government. The essential observation is that we need, on one hand, a combination of carefully prepared *structures, procedures, and routines* that allow us to deploy our capabilities smoothly and efficiently in the event of disaster – together with the *capability to improvise* in facing new circumstances. As the question observes, in situations of significant novelty we will not have pre-specified and practiced routines to address the situation comprehensively. In these circumstances, we need to have leaders who can recognize novelty and organizational structures that are adept at assessing new demands, developing creative options, thinking rapidly through their consequences, choosing the best available course of action. Then we need skill in executing it, tracking how it is working, and improving it. Military combat organizations face a broadly similar challenge – and their operations and planning systems provide good models for how this can be addressed effectively in disaster situations.

10. Federal funds, especially grant funding, can create incentives for state and local governments to accomplish some minimum level

of preparedness across the United States. What more can we do to make sure taxpayer dollars are spent wisely?

An emphasis on building regional structures for coordination – rather than mainly on providing equipment – will be on average a wiser investment. To be sure, there are some needed equipment investments – perhaps most especially in observation and monitoring systems and in communications systems. But one of the most conspicuously absent elements in the Katrina response – the ability rapidly to coordinate the disparate related activities of different organizations – would not have required large amounts of resources to construct, and would not have been difficult to construct, given adequate time and attention before the storm came ashore.

11. To reduce the potential damage from natural disasters, what changes are needed regarding new construction or mitigation in hazardous areas?

First, it would be very helpful to have zoning or other land use regulations that reduced the amount of value placed in areas known to be vulnerable. Second, when regulation does allow construction in hazardous areas, careful examination of the risks and provision for investments that would reduce damage in the event of a natural or other disaster (protective devices like levees, for example) is in order. Third, it would be useful to have building codes that require property owners to mitigate the hazards they are creating – rather than presuming that the rest of us will bail them out in the event of a disaster.

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