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STREAMLINING EMERGENCY MANAGEMENT: IMPROVING PREPAREDNESS, RESPONSE, AND CUTTING COSTS

(112–56)

HEARING

BEFORE THE

SUBCOMMITTEE ON
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND
EMERGENCY MANAGEMENT

OF THE

COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES

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U.S. House of Representatives
Committee on Transportation and Infrastructure

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Washington, DC 20515

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October 7, 2011

BRIEFING MEMORANDUM

TO: Members of the Subcommittee on Economic Development, Public Buildings, and Emergency Management
FROM: Subcommittee on Economic Development, Public Buildings, and Emergency Management Staff
SUBJECT: Oversight Hearing on "Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs"

PURPOSE

The Subcommittee on Economic Development, Public Buildings and Emergency Management will meet on Thursday, October 13, 2011, at 8:30 a.m., in 2167 Rayburn House Office Building to receive testimony from the Federal Emergency Management Agency (FEMA), the Department of Homeland Security Office of the Inspector General, State and local emergency managers and the private sector. The purpose of the hearing is to examine how the emergency management system and programs can be streamlined to reduce costs and improve preparedness and response.

BACKGROUND

Legislation

On September 13, 2011 Subcommittee Chairman Denham and Ranking Member Norton introduced H.R. 2903 and H.R. 2904. H.R. 2903, the FEMA Reauthorization Act of 2011, would reauthorize FEMA and two of its expiring programs through FY2013. H.R. 2904, the Integrated Public Alert and Warning System (IPAWS) Modernization Act of 2011, would establish a clear framework and timetables for FEMA's modernization of its public alerts and warning system. The hearing is intended to help inform the Committee of additional reforms that should be considered as the Committee reviews these pieces of legislation.

Federal Emergency Management Agency: History and Reauthorization

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

In 2005, Hurricanes Katrina and Rita devastated the Gulf Coast. Following Hurricanes Katrina and Rita and the poor response that occurred, several investigations and congressional inquiries and hearings took place to examine the preparation for, response to, and later recovery from these hurricanes. In particular, the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina was formed and culminated in the issuance of a report entitled, "A Failure of Initiative: The Final Report of the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina" on February 15, 2006.

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

H.R. 2903 would reauthorize FEMA as well as reauthorize the Urban Search and Rescue System and the Emergency Management Assistance Compacts. A summary of these programs follows:

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

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

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

Disaster Relief Fund (DRF)

The Disaster Relief Fund (DRF) is the primary account used to fund many of the FEMA disaster assistance programs for States and local governments and certain nonprofits following a declared disaster or emergency. In most cases, funding from the DRF is released after the President has issued a disaster declaration. The funds in the DRF are appropriated by Congress and, generally, the Administration requests in its budget submission to Congress an estimated amount needed for disasters for that fiscal year. FEMA only includes in its annual budget requests for the DRF funds expected to be needed in a given year, so, for example, there may be future liabilities for past disasters that are not captured in a given year's budget request if those expenses are not expected to become due in that fiscal year. The Administration typically excludes in its calculation "catastrophic" disasters, defined in this context as those exceeding $500 million in costs. As a result, if large-scale disasters do occur or there a more disasters than anticipated, a supplemental appropriation is requested for those costs.

If there are concerns in a given year with the amount of DRF funds, FEMA may institute Immediate Needs Funding to slow the rate of expenditures from the DRF until supplemental funds can be approved by Congress. When Immediate Needs Funding is instituted, FEMA will focus its funding on Individual Assistance and certain Public Assistance programs such a debris removal, emergency protective measures, as well as essential joint field office operations. Projects to rebuild or recover from disasters are put on hold until additional funds are appropriated. FEMA last instituted Immediate Needs Funding in August of this year and later announced funds in the DRF would likely be depleted at the end of September. Notwithstanding, FEMA subsequently announced additional monies were identified through deobligating funds from prior disasters that had not been closed. On October 4, 2011, in the short-term continuing resolution, Congress approved $2.65 billion for the DRF for fiscal year 2012.

The imprecise way in which disasters are budgeted for and funded has raised concerns, particularly as the number and cost of declared disasters have increased. According to FEMA, in 2011 alone there have been 10 disasters with damages exceeding $1 billion each.[1] Finding ways in which the preparedness and response processes can be streamlined can improve federal response but also can reduce costs.

Disaster Declarations

FEMA is the federal government's lead agency for preparing for, mitigating against, responding to, and recovering from disasters and emergencies related to all hazards – whether

[1] This is the total cost of all estimated damage, not just the damages that may be reimbursed by the federal government or otherwise eligible or federal assistance.

natural or man-made. When state and local resources are overwhelmed and the "disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments,"[2] the Governor of the affected State may request that the President declare a major disaster.

If the President issues a declaration, federal resources are deployed in support of state and local response efforts. FEMA's primary authority in carrying out these functions stems from the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (P.L. 93-288).[3]

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

> Any natural catastrophe (including any hurricane, tornado, storm, high water, winddriven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought), or, regardless of cause, any fire, flood, or explosion, in any part of the United States, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under this chapter to supplement the efforts and available resources of states, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.[4]

An "emergency" is defined as:

> Any occasion or instance for which, in the determination of the President, Federal assistance is needed to supplement state and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the United States.[5]

The key distinction between a major disaster and emergency is that emergencies authorize fewer types of assistance and do not require a state level disaster declaration or a request from a governor. In addition, emergencies are typically less severe events, limited in cost and duration and can be declared to "lessen or avert the threat of a catastrophe."[6]

In 2010, the President issued 81 major disaster declarations and nine emergency declarations. So far in 2011, the President has issued 86 major disaster declarations and 26 emergency declarations. While there remains 3 months left in 2011, the number of declared disasters has already exceeded the highest yearly total in prior years.

Disaster Assistance Programs

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[2] Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5170.
[3] 42 U.S.C. §§ 5121-5207.
[4] 42 U.S.C. § 5122.
[5] Id.
[6] 42 U.S.C. § 5122.

FEMA's major Stafford Act programs for disaster response and recovery in the aftermath of a major disaster are in the Public Assistance Program and the Individual Assistance Program. The Public Assistance Program, authorized primarily by sections 403, 406, and 407 of the Stafford Act, reimburses state and local emergency response costs and provides grants to state and local governments, as well as certain private non-profits to rebuild facilities. The Public Assistance Program generally does not provide direct services to citizens.

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

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

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

WITNESSES

The Honorable W. Craig Fugate
Administrator
Federal Emergency Management Agency

Mr. Matthew A. Jadacki
Assistant Inspector General, Emergency Management Oversight
Department of Homeland Security

Mr. Dean Hunter
Deputy Director, Facilities, Security, and Contracting
U.S. Office of Personnel Management

Mr. Mike Dayton
Acting Secretary
California Emergency Management Agency

Mr. Keith Stammer
Director
Joplin – Jasper County Emergency Management Agency

Chief William R. Metcalf
Second Vice President
International Association of Fire Chiefs

Mr. Joe Wilson
President, Federal Signal's Safety and Security Group
Federal Signal Corporation

STREAMLINING EMERGENCY MANAGEMENT: IMPROVING PREPAREDNESS, RESPONSE, AND CUTTING COSTS

THURSDAY, OCTOBER 13, 2011

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

The subcommittee met, pursuant to notice, at 8:34 a.m. in Room 2167, Rayburn House Office Building, Hon. Jeff Denham (Chairman of the subcommittee) presiding.

Mr. DENHAM. The subcommittee will come to order. First, let me welcome FEMA Administrator Fugate, Mr. Dayton, Secretary of California Emergency Management Agency, and all of the distinguished witnesses, and thank them for their testimony today.

Today's hearing is on streamlining emergency management, and how we can improve preparedness and response, while cutting costs. I believe reducing costs goes hand in hand with improving our emergency management system. Inefficiencies and red tape cost money and bog down our response system. And today we will examine how we can streamline and cut through that red tape.

Last month Ranking Member Norton and I introduced the FEMA Reauthorization Act and the Integrated Public Alert and Warning System Modernization Act. As our committee reviews these important pieces of legislation, we must ensure we don't just reauthorize the same old ways of doing things, but ensure we are learning from past disasters, and making reforms that are much needed.

FEMA was originally created in 1979 by Executive order, and operated for nearly 30 years without explicit authorization and statute. FEMA was first authorized in statute in 2006 through the Post-Katrina Act, and that authorization expired last year. While FEMA can continue to operate without explicit authorization, authorizing FEMA in the law helps to provide congressional guidance in the operations of the agency.

So far this year we have had 86 major disaster declarations and 26 emergency declarations, exceeding the highest yearly total from prior years. And last month we had the very real possibility of the Disaster Relief Fund running out of money, going into question our ability to respond and provided needed resources following disasters.

The reality is we can both cut costs and improve our responses to disasters. The very things that impede preparedness and drag

out response are the same things that usually result in higher costs. For example, the longer it takes to push disaster aide out the door, the longer it takes communities to recover, meaning we are spending more money in rebuilding and administrative costs.

Cutting through unnecessary red tape and streamlining is critical in saving lives, restoring communities, and saving taxpayer dollars. We also must ensure resources are properly leveraged. Ensuring we are prepared at all levels from individuals to local communities and States will go a long way in saving lives and minimizing costs.

The urban search and rescue system and the emergency management system compact reauthorized in our legislation both provide, with small investments, significant capacity at the State and local levels, for resources to be leveraged. Despite the chance to address some low-hanging fruit and improving our emergency management system and cutting costs, our subcommittee has had hearing after hearing since Hurricane Katrina, pushing for FEMA to look for ways to streamline its onerous and often outdated regulations and policies.

Many of FEMA's regulations and policies have created so many hurdles and so much red tape that communities devastated by disasters have often found it frustrating to navigate the process.

Another example is in 2000 Congress enacted the Disaster Mitigation Act that included provisions requiring FEMA to implement cost-estimating to help communities rebuild faster. By all accounts, this one change could help streamline one of FEMA's key disaster assistance programs. However, it is now 11 years later, and FEMA has yet to implement those provisions.

I also understand FEMA is engaged in a bottom-up review of its Public Assistance Program. However, we have not yet seen results from this review. While I am pleased these steps are being taken, I am worried these actions have taken just too long. With high unemployment, budget deficits, and everyone having to tighten their belts, the red tape is just too expensive. That is why it will be important today to examine how we can improve our emergency management system, and what may be the best legislative solutions to achieve those efficiencies.

I hope today we can hear from our witnesses on how our preparedness and response systems can be streamlined and improved. I look forward to working with Administrator Fugate, members of the committee, and other stakeholders on reauthorizing FEMA. I thank the witnesses for being here today to address these important issues.

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

Ms. NORTON. Thank you very much, Chairman Denham, and thank you very much for calling this hearing. And I am pleased to welcome our witnesses to today's hearing to discuss streamlining, cost-cutting, and improving preparedness and response to natural and terrorist events.

Over the past several years, this subcommittee held numerous hearings to ensure that our Nation is prepared to respond to disasters using an all-hazards approach. As part of the Post-Katrina

Emergency Management Reform Act of 2006, Congress directed FEMA to develop a national preparedness goal and system. Last month FEMA issued the goal, and has been directed by the President to issue the national preparedness system later this year.

I believe that the Nation is generally pleased with improvements to emergency preparedness response and overall management of the—management of disasters, as the public responds to FEMA's management of the many major disasters throughout the Nation this year shows.

Last Congress, this subcommittee held a hearing on lessons learned from Hurricane Katrina, and discussed the need to streamline emergency management and improve FEMA's use of existing authorities.

Assistant Inspector General Matthew Jadacki will testify today that FEMA should take many of the same steps that were recommended last year to improve its programs and policies. One area that the inspector general focuses upon, and that was of particular concern to me when I chaired this subcommittee, was FEMA's administration and implementation of the Public Assistance Program. While I commend FEMA for initiating a bottom-up review of the Public Assistance Program, I am concerned that the inspector general must again comment, for example, on instituting a cost estimating system for repair and reconstruction.

The Congress executed—the Congress insisted upon a—that FEMA—I am sorry, there is a typo here—the Congress experienced a FEMA emergency of its own in August when the administration submitted a $500 million supplemental appropriations request to provide funding for FEMA through the end of the fiscal year.

FEMA then instituted an immediate needs—instituted immediate needs funding, authoring payments only for certain categories of assistance. By mid-September, FEMA indicated that it had insufficient funds to make it through the end of the month. However, the last week of September, FEMA found that it had enough funds to make it through the end of the month. I am interested to know how and when FEMA discovered this money.

I am particularly concerned about the Federal Government's response to the August 23, 2011, earthquake in the National Capital region. In 2008, the national response framework required each Federal agency to plan for its role in a coordinated Federal response to an emergency. Have Federal agencies met this requirement?

Most important, has OPM, or the Office of Personnel Management, consulted with FEMA on how to guide agencies concerning an all-hazard approach to disasters? If so, what explains the Federal Government's response to the 5.8 magnitude earthquake in August. The earthquake occurred at 1:51 p.m., but agencies appeared to act haphazardly on their own concerning dismissal, ensuring a rush to the Metro, which no transportation system could have effectively handled. OPM did not send notice to officially dismiss Federal employees until 4:00 p.m.

Ten years after 9/11, there appears to be no all-hazards site or communications vehicle widely known to the public and to Federal agencies. Instead, cell phones jammed because Federal employees

and others did not know to go to a site or to text for information, or where in the world that site was.

If the point of preparedness is to prepare for the unexpected, such as an earthquake in this region—which was a perfect proxy for a terrorist attack—there is little evidence that the Federal Government is prepared for emergencies where there is no notice, and that requires disseminating information to the public, or is prepared for an unexpected evacuation from the District if evacuation is required at all.

I understand the FEMA conducts post-disaster meetings to analyze lessons learned and to develop best practices. Did such—had such a post-disaster meeting occurred here with FEMA or the Department of Homeland Security and the region following the earthquake? Over the last few years, FEMA has made improvements, many because of lessons learned from prior disasters. What about a disaster where the Nation can least afford it, at the seat of government?

I look forward to the testimony from all of today's witnesses, and thank them all for their testimony today. And thank you, Mr. Chairman.

Mr. DENHAM. I now call on Mr. Barletta for a brief opening statement.

Mr. BARLETTA. Thank you, Chairman. And I want to thank the panel for coming here. It is very timely for me, being a Member of—in a district in northeastern Pennsylvania that was—that saw the worst flood in its history. And, Mr. Fugate, nice to see you again. We met in Duryea, Pennsylvania, with the Vice President.

First of all, I want to comment FEMA on their reaction time to this disaster. As I said, this was the worst disaster in northeastern Pennsylvania history. And we had boots—FEMA had boots on the ground very quickly, which was very good to see.

I am just going to make a couple of comments of how—what I saw and my experience, how I think we could improve our reaction to some of these disasters.

One of the problems that I see that has happened—and I am holding up one of the pictures—this has been community after community after community. I don't know if the national media never really focused on how bad this disaster is, but some of these communities have been totally wiped out. You will go in an entire town where you can't even see the homes, because everyone's personal belongings literally lined every street, where you could not even get to the sidewalks.

The problem here is that the public assistance portion comes too slow. And what is happening is the municipalities are not able to haul the debris away, because they are unsure whether or not they are going to be reimbursed, how much they are going to be reimbursed. Some of their costs are $300,000, $400,000, $500,000, and they just stopped hauling the personal belongings away. So I think we need to find a way to get the public assistance help to these communities, to these municipalities, so that they could start cleaning up the communities.

I would also like to talk a little bit about the hazard mitigation, and the way it is calculated to get the money to the States. Because it is after the individual assistance, the public assistance,

then we get to the hazard mitigation. And what is happening there is many people are cleaning out homes that are clearly—they are never going to live in again. And it is sad to see senior citizens sweating, dragging out their belongings, when it is obvious they are not going to live there again.

And it is a double cost to the municipality, as they are hauling this stuff away, and then we are going to come in there and most likely either buy these folks out or—you know, we need to tell them to stop. And I think if we had a better way to calculate the hazard mitigation, we might be able to save some money for the municipalities and for the Federal Government.

I also think there is a disconnect. As quickly as FEMA comes into the disaster, what happens in a lot of these communities, most of the public officials are part-timers, part-time mayor, part-time supervisors. I was a full-time mayor. So we had a plan if there was a disaster. But what happens, FEMA was very quickly to come in and talk to the public officials, but many of the public officials then really didn't know how do they connect to the residents when there is no power, people are displaced all over the place. And many of the public officials really didn't know what to do or what the process is.

And I actually closed my offices here, sent our people down, and we set up little stations in some of these communities to help the residents, because they were literally just coming into the municipal buildings with a million questions. So I think there needs to be more communication with FEMA and the public officials, educating them on what they should—how they get to the residents, how they get messages to them.

And, you know, I think that the very early stages is where I think we need to reassure the people who are affected by these disasters that the Federal Government is here to help.

So that is just some of the remarks I want to make. And I will be—again, during the public question portion, we will—I am sure we will have some more questions. Thank you.

Mr. DENHAM. Thank you. And I would like to welcome our witnesses here today. On our first panel we have the Honorable Craig Fugate, administrator, Federal Emergency Management Agency; Mr. Matthew Jadacki, assistant inspector general, emergency management oversight, Department of Homeland Security; and Mr. Dean Hunter, deputy director, facilities, security, and contracting, U.S. Office of Personnel Management.

I ask unanimous consent that our witnesses' full statements be included in the record.

[No response.]

Mr. DENHAM. Without objection, so ordered. Since your written testimony has been part of the record, the subcommittee would request that you limit your oral testimony to 5 minutes.

Administrator Fugate, welcome. You may proceed.

TESTIMONY OF THE HONORABLE CRAIG FUGATE, ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY; MATTHEW A. JADACKI, ASSISTANT INSPECTOR GENERAL, OFFICE OF EMERGENCY MANAGEMENT OVERSIGHT, OFFICE OF INSPECTOR GENERAL, DEPARTMENT OF HOMELAND SECURITY; AND DEAN HUNTER, DEPUTY DIRECTOR, FACILITIES, SECURITY, AND CONTRACTING, U.S. OFFICE OF PERSONNEL MANAGEMENT

Mr. FUGATE. Good morning, Mr. Chairman and Ranking Member Norton. In talking about the disasters this year, the DRF, the complexity of providing assistance, both under individual assistance and public assistance, and looking at how we can be more cost effective, we are in agreement. It is getting there that is the challenge.

One of the challenges we have faced is because of the magnitude of disasters as this administration came into. We have been working hard to, A, recover dollars from older disasters. That has been something that, in the last 2 years, has returned billions of dollars back into DRF from open disasters that had not been closed, from mission assignments that had not been closed out, from projects that had been completed by States but had balances that had never been closed out. To a large degree, that is why the DRF made it to the end of the fiscal year without hitting zero.

But I would also like to point out that the disaster relief fund is not about the disasters we have had. It is also about the disasters that can occur with no warning. And, Mr. Chairman, you know we don't get a forecast for earthquakes. And so, although—we were able to pull recoveries that we had planned for in fiscal year 2012 forward, and were able to not shut down individual assistance.

I am under no allusions that the DRF had sufficient funds, if we had had a catastrophic disaster occur in that timeframe. And so our efforts to ensure that during that process we did not stop individual assistance, which we felt was the highest priority in the open disasters, we pretty much shut down everything else we could to make that goal line, so that we could make it to the continuing resolution and start back up and begin funding all the prior permanent work we had stopped.

But I need to emphasize that the disaster relief fund has to be in a position that, when the next disaster strikes with or without warning, we have the resources we need to begin that response. As was pointed out, in Pennsylvania, up and down the coast in Irene, we were moving teams ahead of the storm, we were moving teams and resources prior to request from the Governors for disaster declarations. This is part of the legacy of the Post-Katrina Emergency Management Reform Act. We learned the lesson that the Federal Government cannot wait until the disaster overwhelms States to begin moving teams and resources. But that requires that there are balances in the DRF to support that.

The other issues that have been raised, having been a customer of FEMA as the State of Florida, I understand the complexity of public assistance, unfortunately, about as well as anybody. One of our goals at FEMA has been to look at the regulatory requirements, and what we can relieve.

As far as cost estimation and some of the work we are doing in the bottom-up review, we are looking at a two-stage process, particularly in permanent work that is—such as construction in buildings or large-scale public works projects. The current program is a reimbursement program where we have multiple steps of trying to manage a project by literally reimbursing construction over the period in the life of that event. That requires a high degree of administrative cost, oversight, and review that becomes very complex and very costly to administer those dollars.

We are looking at a different way to approach that in breaking large projects into two parts. One is a design phase, pretty much what anybody else would do if they were going to build a big building. You just don't go out and start building and pay a contractor until it is done. You go out and you have all your studies done, you get all your environmental impacts and historical reviews done. You make sure that everything about the project has been approved by those organizations that permit and have the other requirements.

You then have the building approved by an architect or engineer that says, "This is what design-to-build costs will be." That is phase one. The second phase, as we would see it, would be to actually make one payment at the beginning of the project, and we are done. That would alleviate a lot of the reimbursement oversight and the length it takes to sometimes close out public assistance. It is not quite to the point of being a cost estimate, but it would build a design phase to get the best accurate estimate, when it is sometimes difficult to do that across large, complex projects.

We also looked to reduce the cost of administering how we do our business. When I got to FEMA, we rarely implemented something we called virtual joint field offices. We would oftentimes set up an office, bring in staff, have security, and all the other resources needed to run a joint field office to administer public assistance programs within the State. We have been very aggressively looking at how not to use those facilities when it is not warranted, in cooperation with the States. And by using virtual joint field offices where we don't establish a permanent presence, use our regional offices and structures, and are able to administer the public assistance program to the satisfactory requirements of the Government and the State, we can significantly reduce that overhead.

We now look at our joint field offices and develop spend plans, which we hadn't done before, so we can actually see how much is it costing us to administer that disaster. These and other steps are ways that we are looking at how we can drive down the administrative cost of the programs, but at the same time looking at how we can streamline the process without the unintended consequences of fraud and waste that can result—and oftentimes has resulted—when shortcuts were taken without proper planning.

Thank you, Mr. Chairman.

Mr. DENHAM. Thank you, Administrator Fugate.

Mr. Jadacki, you may proceed.

Mr. JADACKI. Good morning, Mr. Chairman, Ranking Member Norton, and members of the subcommittee. Thank you for the opportunity to discuss streamlining and cutting costs while improving

preparedness and response capabilities at the Federal Emergency Management Agency.

I would like to first acknowledge the great amount of work that has been done by FEMA in the past 5 years. My office has conducted a significant amount of work assessing FEMA's programs and policies, as well as conducting audits of disaster grants and subgrants. We have made important findings and recommendations in a number of areas, and I am pleased to say that FEMA is implementing many of our recommendations.

With regard to streamlining, my testimony is focused on the Public Assistance Program just mentioned by Mr. Fugate here, and the disaster close-out process. I will also discuss several areas for potential cost savings, including debris removal and holding grantees and subgrantees accountable for ineligible and unsupported costs. And finally, I will touch on improving preparedness and response through tracking lessons learned and implementing corrective actions.

Before I address these topics, I would like to take a moment to discuss the disaster relief fund, the increasing number of disaster declarations, and the Federal cost share for disasters.

Recently, due to a number of ongoing disasters and a spate of declarations this year, the DRF was depleted to a point where only funding for immediate needs was authorized. Funding for long-term projects was put on hold. The disaster relief fund is not a bottomless pit. It needs periodic replenishments, either through the normal appropriations process, or through emergency supplemental legislation.

One advantage of the DRF is that it is a no-year fund, meaning that unused DRF funding does not expire at the end of the year, as do most appropriations. Another benefit of no-year funding is that unused or unexpended funds identified through streamlining or cost-cutting efforts may be returned to the DRF for future expenditures. FEMA was able to extend the DRF through the end of the fiscal year by employing some of these measures.

Two suggestions have been made by my office and others for reducing the Federal cost of disaster relief, including strengthening disaster declaration criteria to prevent marginal emergencies and disasters from being declared, and adjusting the cost share so that States are responsible for a larger portion of recovery funding.

One of the reasons the number of disasters continues to increase is the way FEMA assesses whether to recommend to the President that a disaster be declared. FEMA relies on a combination of quantitative and qualitative factors when assessing a declaration request.

But one of the quantitative factors is based on the per capita income in 1983, which was $12,583, and the other quantitative factor, the total amount of damage to the State, remains at the threshold set in 1999, which was $1 million. It is up to Congress and the President to decide what the threshold for disaster should be. But I would suggest you take the time to look at the criteria used to make the decision.

It may also be time to reassess how much the Federal cost share should be under disaster declarations, and it is important that Congress reexamine the circumstances under which the Federal

cost share should be raised above 75 percent. I am not saying that the cost share should never be increased. But when it is, there should be time limits. While cost share adjustments can be a great help to State and local governments when economies have been devastated, they reduce the supplemental nature of the Stafford Act funding. And when the States' cost share is reduced to zero, there is little incentive for State and local governments to save money, or to close out projects in a timely manner.

At the request of this committee several years ago, we conducted an indepth review of the public assistance process. And we were asked by the committee to come up with recommendations and alternatives to help streamline the process. We issued a report about 2 years ago and I testified on that, and we made several recommendations to FEMA, but we also provided alternatives that Congress can look at to change or help the disaster assistance program.

Within FEMA, we wanted to get some sort of standards or performance measures, as far as appeals and some of the other factors that were resulting in some of the delays of funding. We also recommended that FEMA develop tracking systems to kind of keep track of these types of things, that when something goes into the process it is not lost in the process, that things are able to be unraveled or resolved in a timely manner. FEMA has done that.

But more importantly, we made some recommendations—and Craig alluded to these a couple minutes ago—that we think may or may not require congressional action. One is negotiating settlements. Right now, the process that we are using with the project worksheet works fine for smaller garden-variety types of disasters. It is great if you are going to rebuild City Hall where City Hall was before. That is fine.

But in catastrophic types of events, we don't think that is the best way to do it. The use of the cost-estimating format might be one solution, where we get estimates upfront, where people agree to them, and then, instead of tracking every single actual cost, we come up with estimates of what the costs are going to be, and we agree to that and walk away. That would significantly reduce the administrative burden on both the Federal, the State, and local governments.

It worked pretty well. There was a pilot study that was done a couple years ago on the debris removal pilot program, where estimates were used and the States were encouraged, and they received a higher incentive if they had a debris management plan in place. So we are looking at that.

Finally, I just want to mention the lessons learned. One of the things—I think the most important thing—is what are we learning from disasters. I heard earlier about the fact that there were some problems in DC with the evacuation, and we are going to hear the person from OPM talk about that. But I think it is critical, as we go through these disasters, to ask what are the types of things that we did, how can we build on those types of things, and how can we look at some of the efforts that we have done, undertaken in the past, to help improve operations and streamline and cut costs. Thank you.

Mr. DENHAM. Thank you. Thank you.

Mr. Hunter, you may proceed.

Mr. HUNTER. Good morning, Chairman Denham, Ranking Member Norton, and members of the subcommittee. My name is Dean Hunter, and I am the deputy director for facilities, security, and contracting at the U.S. Office of Personnel Management. In that position I have primary responsibility for security and emergency actions at OPM. Thank you for allowing me the opportunity to appear before you today to discuss OPM's role in determining the operating status of the Federal Government in the National Capital region and, in particular, our actions concerning the earthquake of August 23, 2011.

By law, individual Federal agencies possess the authority to manage their workforces, and to determine the appropriate response during emergencies, including natural disasters. However, in order to facilitate a consistent and coordinated approach on a regionwide basis, Federal, State, and local authorities have traditionally looked to OPM to determine the operating status of the Federal Government across the DC area.

As emergencies arise, our standard protocols include participation on conference calls hosted by the Metropolitan Washington Council of Governments, COG, in order to develop situational awareness, facilitate the exchange of information, and coordinate communications and response efforts among Federal, State, and local agencies, and other stakeholders.

Our principal priorities are to ensure the safety and security of the Federal workforce and the public, and to maintain the continuity of Government operations.

The afternoon of August 23rd was an unprecedented no-notice event. At OPM headquarters almost immediately following the tremors, the fire alarm was pulled by one or more of our employees, triggering an evacuation. This evacuation began before we were fully able to determine the nature of the threat, and to make a judgment as to whether evacuation or sheltering in place for our facility was the appropriate course of action.

Within minutes, however, we were able to confirm with the U.S. Geological Survey that a 5.8 magnitude earthquake had occurred. Our initial concerns were for the safety and security of our personnel, and we took immediate steps to conduct an orderly evacuation of our facility, while building engineers conducted a damage assessment.

While our building evacuation was underway, we began attempts to gain situational awareness in order to make an informed decision on the operating status of the Federal Government across the region. Our concerns, centered on whether facilities were structurally safe to reoccupy, the length of time necessary to conduct damage assessments, the impact of potential aftershocks, and the effect of the earthquake on transportation capabilities throughout the region.

Our efforts to obtain such awareness through our traditional protocols, however, were hampered by communication challenges. Cell phone, landline, and email service was sporadic, at best. We developed awareness by monitoring radio traffic over the Washington area warning alert system, which became a forum for status reports on damage assessments and transportation capabilities, in-

cluding the operating status of bridges and roadways—Metro and Amtrak, among others.

We were able to establish contact with the DC Homeland Security and Emergency Management Agency and GSA officials, and these contacts were vital in our efforts to gain awareness of regional capabilities, and obtain feedback on potential courses of action.

OPM's announcement on the status of the Federal Government was broadcast at 3:47 p.m. Given the communication challenges noted, which prevented us from having a full understanding of local conditions, and after careful review, we concluded that it would not have been prudent for OPM to issue an announcement earlier. Further, this unique event called for special tailoring of the OPM standard messaging regarding early releases.

The OPM announcement recognized that many Federal agencies had already made the determination to release their employees early, and further, recommended that individual agencies consider early dismissal, recognizing ongoing traffic and commuting conditions. Implicit in this message was the understanding that individual agencies were better positioned to make decisions on a building-by-building basis, giving the varied levels of damage anticipated, and ongoing structural assessments. We concluded that a blanket OPM regionwide determination was neither feasible nor appropriate.

Prior to and since the earthquake, we have been working closely with our Federal, State, and local partners to amend the OPM decision framework to include a shelter in place option. Further, we are actively engaged with COG in an interagency effort to strengthen emergency management efforts throughout the region, with an eye towards enhancing communications capabilities in the future.

Recognizing that getting the message into the hands of our Federal employees is paramount. We are maximizing the use of social media, including Twitter and Facebook, to reach personnel the fastest in an ongoing event. Further, we are strengthening our partnerships at the local level, including recent OPM participation in the District of Columbia's functional emergency management exercise on September 28th.

Additionally, we have reached out to our internal OPM community through a town hall forum to reiterate that sheltering in place is almost always the best option to follow until a full picture of the circumstances at hand can be obtained.

In conclusion, our initial assessment is that our efforts were appropriate. However, as with any major undertaking, a full review with all of our partners is necessary to analyze lessons learned, and to bridge critical gaps.

Thank you for this opportunity. I am happy to address any questions you might have.

Mr. DENHAM. Thank you. Mr. Fugate, section 404 of the Stafford Act allows FEMA to delegate administration of the hazard mitigation program to States. This could lower costs for FEMA and streamline the process. Florida has requested a delegation of authority. However, FEMA has yet to issue the criteria to approve State applications. When do you expect the criteria will be completed?

Mr. FUGATE. Mr. Chairman, usually when it comes to the State of Florida, I was recused. So I don't have that. I will have to get staff to respond back in writing. But one of the challenges that, as a State, we were trying to work through when I was there was to get the criteria to administer the program to the satisfactory requirement to ensure that the funds met the requirements of the program. That was a challenge.

And so, I will have to have staff respond back. Because, in general, for the last 2 years I have recused myself under my ethics agreement for specifics. But I knew on the State side our challenge was trying to get the approval, based upon our history of administering Federal dollars, and some of the challenges we had had in previous events to satisfy FEMA that we could meet those requirements in administering the grant program.

Mr. DENHAM. Well, I will look forward to getting that in writing.

But on a national perspective, last month FEMA announced the disaster relief fund was close to running out of money, and then later somehow found $2 billion that was later identified. Can you explain what happened here, and where that money came from?

Mr. FUGATE. There was no $2 billion found in the last week, sir. That was $2 billion that had been placed back in the DRF over the course of the year. We were tracking, and had began providing appropriation staff updates in early August on the daily balances as we went through the process of looking at the potential to implement immediate needs funding.

With the onset of Hurricane Irene, we made a decision to implement immediate needs funding, which stopped all funding for all permanent work, and would only fund emergency protective measures and individual assistance programs on all open disasters.

As the fund continued to go down, we were still doing recoveries from older disasters. The two things that were the variables that are hard to predict is what is going to be the demand rate in States such as Pennsylvania, New York, New Jersey, and Vermont, as people begin registering for individual assistance. Based upon the early registration rates, and based upon how much we had been able to recover, and what we thought we could recover, we saw balances that would either approach zero and would result in inability to continue individual assistance, or drop so low that we would have to take additional action such as shutting down all the field offices that weren't tied to individual assistance.

So, in those final weeks there wasn't a $2 billion recovery. That had been over the year. But we were still getting periodic recoveries, including a last one for about $70 million, in the final week. Those allowed us to continue providing individual assistance. But again, it dropped the fund to such a low level that, in prompting the President's request for a supplemental, he was looking not only for the funds that we would need going into fiscal year 2012 to do the rebuilding from all these disasters, but to ensure that we had sufficient funds to close out the year, but also be prepared to respond to the next disaster.

Mr. DENHAM. So you knew the funds were out there. This wasn't a surprise.

Mr. FUGATE. Sir, we cannot just arbitrarily take money away from States. We have to work with the States. These were recov-

eries that we were making from previously obligated funds to a State for projects where, if they had closed out that project and didn't tell us there was no further drawdowns, that they were allowing us to then recover those dollars back.

That process was accelerated throughout most of August and September, to try to pull in as much as possible. In our budget spend plans, we project how much we were going to look at recovering each month. We were actually pulling against our fiscal year 2012 recoveries, trying to get more money from the future recoveries into this year.

But it is not something that is so predictable that I can give you an accurate count of how many dollars will come in on each day. It is literally, as we free up and get the States to concur project-by-project, that we are able to recover the funds.

Mr. DENHAM. I understand. It sounds somewhat political to me. Obviously——

Mr. FUGATE. Mr. Chairman, to be honest with you, I am about as apolitical as they get, and I was doing my job, trying to make sure we could continue our mission.

Mr. DENHAM. I understand. And I can tell you from the CR perspective, that there were some things that were challenging at the time, and this was one of those areas that was used as a political hot potato.

Mr. FUGATE. Mr. Chairman, I was trying to do everything in my powers to make sure we did not have to stop individual assistance payments to people who, as you saw in that picture, were flooded out of their homes and needed rental assistance.

I was prepared to have to look at being anti-deficient if a disaster happened. I did something I never thought I would be doing in this Government, which was writing shut-down plans for the DRF, and figuring out how we would respond to the next disaster without adequate funds.

Mr. DENHAM. They expedited the $2 billion that was sitting out there that we were waiting to close from States. Did we not?

Mr. FUGATE. Sir, that $2 billion was not closed out in the final weeks. We have been recovering that at a rate at anywhere from 125 to 150, sometimes as high as $200 million a month, depending upon how we can close out open disasters. And these go back, as far back as hurricanes in the 2004, 2005 years that we have been recovering. That is over $4 billion that I am aware of, close to $7 billion in the last couple years that we have been recovering as part of our budget in the DRF that is actually part of our spend plans.

Mr. DENHAM. And I understand. But doesn't that sound like an issue to you? "Well, we are trying to raise money on a monthly basis, yet we are not recovering money over the last decade"?

I mean we understand that there are emergencies out there that we need to close out that have sat for years and years. Could the system not be expedited? You obviously know where these funds are, and how much has been allocated to every State. Correct?

Mr. FUGATE. Yes, sir. And we also know that until they complete the projects—because we work a reimbursement, many States are reluctant to close out those costs until they have all their final bills in and have reconciled those costs.

When I got here we had not been recovering a sufficient amount of monies. This is one of the areas that we have started in this administration, is to really look at how you recover and start closing out these disaster costs, and putting the money back in the DRF. You know, again, this was not something that we had seen a lot of when I got here. We have been putting a lot of effort in doing that.

And again, the ones that we got that were the most straightforward were those that were mission assignments. FEMA had issues that the missions oftentimes for Federal agencies had been closed, but the balances had not been recovered. Last year that was over $2 billion we were able to close out from that. This year we are closing out State and local projects. It is a little bit more difficult, because it has to be when they agree that they should be closed for us to make the recoveries.

Our next step will be going after those longer term payments, as the IG has been pointing out, that were improperly made, and begin those recoveries, and either looking at can they reimburse us, or whether we are going to refer those to Treasury.

So, we have been doing our job to get the money back where we know it is at, as it can be released, and as we can verify it is no longer needed. But again, Mr. Chairman, this is something that we have been doing and working hard, and has been one of the reasons why the DRF has been able to do what it has been able to do in the last years, is those recoveries.

Mr. DENHAM. Thank you. I am out of time. I would just finish by saying we absolutely want to make sure that we have enough funding for all of our emergencies and doing the proper amount of planning. But the goal of this committee, the goal of this hearing, is to make sure that, as we create efficiencies, that we not only are able to fund quickly, but that we are actually able to close them out just as quick, so that we can move on and have better planning.

So, thank you for testimony. I now move to Ranking Member Norton for 5 minutes.

Ms. NORTON. Thank you, Mr. Chairman. Mr. Chairman, the elephant in the room is the unprecedented earthquake that this region experienced in August. It is a perfect proxy for a terrorist attack, because it was unexpected. And it needs to be analyzed. It was as unexpected as it could be. It was unexpected as any terrorist attack could be. It was as unexpected as 9/11, and needs to be analyzed thoroughly.

Mr. Hunter, I was—you drew curious conclusions at page four of your testimony. You say, "Given the unique nature of the event, communication challenges, our own external"—sorry, "internal evaluation, and the need to develop a robust understanding of the transportation capabilities of the region before the decision was made." You cite those factors, and say, "On the whole, our initial assessment is that our efforts were successful, in light of these factors."

Mr. Hunter, if there was an aftershock within the last—I don't know, it may have been 24 hours; it wasn't here, it was elsewhere in the region—had it been here, what site would a Federal employee go to, to learn information of any kind, even if you had not

enough information to tell them what exactly had happened? What is that site?

Mr. HUNTER. Thank you, Congresswoman Norton. We have a variety of mechanisms that we reach out to the public and to Federal employees to provide that message. We have an OPM webpage which provides the status of the Federal Government, we have a call-in line that employees and the public can reach to determine the status——

Ms. NORTON. Yes, a lot of them tried to use a call-in line.

Mr. Hunter, 10 years after 9/11, don't you think that there ought to be a site as familiar to Federal employees as 911 when it comes to learning what to do next, so that cell phones are not jammed, as they were? Don't you think that would be elementary at this point? You act as if the cell phones jammed and, wow, who could have foreseen that? Well, it seems to me that was entirely foreseeable.

Mr. HUNTER. Yes, ma'am. Recognizing that there were communications devices which were put in place post-9/11, we had anticipated that those would be successful in use, including our Government emergency telecommunication systems and wireless priority service. What we learned during the actual event is that they weren't as effective as we had hoped.

OPM certainly is just a user of those equipment capabilities. And in after-action reports, as you had mentioned—and we will be working very proactively with those particular owners and other stakeholders to address how we might——

Ms. NORTON. Those owners? I am sorry, I don't even know who we are talking about. I am talking about OPM.

Mr. HUNTER. Sure.

Ms. NORTON. I am talking about the largest employer in the city and the region. And I am talking about—I don't know how many employees in this region, 200,000? But I am talking about whether or not—well, let me ask you directly.

Mr. Hunter, will you go back to OPM and try to develop for OPM, for the Federal Government in this sector, a site that is easy to reach, is named in a way so that you don't have to memorize a lot to know where it is? Do you think that is an appropriate thing to do after the earthquake?

Mr. HUNTER. Yes, ma'am. We have been actively engaged with the Council of Governments, including representation at the Federal, State, and local level about talking about how we can improve——

Ms. NORTON. Let me just say this, Mr. Hunter. I wish you would not speak about the Federal, State, and local levels and the Council of Governments. As important as they are as coordinating mechanisms, the responsibility for informing Federal employees who are located here and in this region what to do next doesn't lie with any of the parties you have named, but with the Office of Personnel Management itself.

So, whatever they tell you, the leadership, it seems to me, sir, is in OPM's court. And I would ask you to report within 30 days what is the site that Federal employees can go to in time of emergency, so that they are not caught really red-handed, as they were, not knowing—literally, they literally didn't know what to do. Speak

to any of them. Speak to people in their own agency. They had no idea what to do.

Did FEMA and OPM coordinate before this particular disaster? For example, have the Federal agencies prepared the disaster plans required of each agency?

Mr. HUNTER. I can tell you, ma'am, that we coordinate regularly with FEMA's Office of National Capital Region Coordination. They are actively involved in, as we update our DC dismissal guide every year, we have an opportunity to meet with them and network, allow them to provide——

Ms. NORTON. Have the Federal agencies prepared—in 2008—let me be specific—the national response framework required each Federal agency to plan for its role in a coordinated Federal response to an emergency. I want to ask. Have the Federal agencies met this requirement, and has OPM integrated such plans, if they exist?

Mr. DENHAM. And, Mr. Hunter, I would ask you to be brief.

Mr. HUNTER. Yes. I would have to defer that question to FEMA, actually, as they oversee the national response plan.

Ms. NORTON. That is curious.

Mr. DENHAM. And we will have a second round on this panel——

Ms. NORTON. Yes, but do you know if their plan——

Mr. FUGATE. Very quickly, the response plans to being able to carry out our functions, yes. As OPM is pointing out, the difficulty, what happens when you have a shut-down of your agencies and an agency having to make a decision about implementing their continuity of operation plans, as well as continue their emergency functions.

Those are out there, and we are in the process of implementing ours, based upon the earthquake's original impacts, and then we are able to go back and resume our operations, once we determined this was not a catastrophic impact, and we would be working through the States and local governments, what the resource request would be.

Mr. DENHAM. Thank you. The chair now recognizes Mr. Crawford for 5 minutes.

Mr. CRAWFORD. Thank you, Mr. Chairman. I have a question for Mr. Jadacki.

You mentioned disaster close-outs is an area of concern. The longer it takes to close out a disaster, the higher the cost to the taxpayer. Can you elaborate on how disaster close-out times impact costs, and what solutions you might offer to correct the problem?

Mr. JADACKI. Yes, this has been a problem for a number of years, and we have actually done several reviews on it. As of September, there were about 400 open disasters. And we have over 80 declarations this year. They just keep piling on.

So, keeping an open disaster, there is an administrative cost involved in that. But in a lot of cases, it is really up to the States to complete the work. And that is a problem, giving States the incentives to close out the disasters. Once the disasters close out there are no opportunities for additional funding.

And the States are impacted by multiple disasters that sort of add on to that. So if you have States with several disasters, closing one disaster or giving one disaster a priority is issue.

But keeping them open, going back to the field offices, you know, the cost of maintaining those disasters, there is funding out there that has to be reconciled, and possibly funding that can be de-obligated, projects that were approved for a certain amount that came in under that. There are opportunities for that. But the longer you wait to review those and close those out and get them reconciled, the longer it takes to get the funding back into the disaster relief fund.

We have disasters open going back to 1994. The Northridge earthquake is still open—1994. There are a number of disasters that are more than 8 years old. I think there are over 30 or 40 disasters open over 8 years old. So the longer it takes to see what the actual costs are, to identify what funding isn't needed, plus the cost of administrating these things, just keeps adding on to the amount of the disaster.

Mr. CRAWFORD. Is it possible you might implement—and once a disaster is declared, is there a window or a protocol that is prescribed period that, you know, States or other municipalities, localities, county governments, whatever, is there a window of opportunity there that you might prescribe, once a disaster is declared?

Mr. JADACKI. Yes, according to the FEMA regulations it is 48 months after the disaster is declared that the project should be closed out. What happens is that some of the longer term, more complex public assistance projects take longer to do that. And also, on the back end, the hazard mitigation grant program is traditionally sort of on the back end, too. And those projects tend to take a back seat, and they also extend the life of the projects.

Some of the smaller garden-variety disasters—yes, you can close them out pretty quick. But some of the more complex ones—earthquakes, for example, may have hidden damages that do not become apparent until the work is actually done. They extend the life of those, too.

There are regulations out there that do impose time limits, but they are often exceeded.

Mr. CRAWFORD. Any suggestions on how you might address that in the future? Under the current budget constraints, would that not be a priority issue?

Mr. JADACKI. You know—and as Mr. Fugate mentioned—the funding is on a reimbursable basis. So we are really at the mercy of the States, depending on when they complete the project and get reimbursed. I think something that should be considered by Congress—and I think FEMA is considering right now—is actually using estimates, much like you would settle an insurance claim. You go out there and you agree on what the damage is. But, the insurance company is not going to sit there and make sure every nail is put in the right place, and all that stuff. They are going to give the insured a check, and they are going to rely on that.

What FEMA does is based on reimbursement, getting actual costs back. They are scrutinizing those costs. And it just delays, and the oversight and administrative costs are just enormous. So I would think some sort of an estimate, maybe under the CEF, the cost estimating format, that was actually in legislation—the Disaster Mitigation Act of 2000—would be a good alternative, or some variation thereof, using estimates.

Mr. CRAWFORD. OK, thank you. Yield back.

Mr. DENHAM. Thank you. Ms. Norton?

Ms. NORTON. Could I ask you, Mr. Hunter, to—when you return to OPM, to work on the notion of phased dismissal during a disaster? Of course I am sure lots of private employers didn't know what to do either, and perhaps let their employees go.

From all appearances, it looks as if each agency decided when dismissal would occur. Is that the case?

Mr. HUNTER. Yes, as an initial point of clarification, yes. They would have made that initial decision. Each agency has an occupant emergency plan which would address their protocols for shelter in place and evacuation.

Ms. NORTON. As much—as important as it is to defer to the differences among the agencies, the fact is that the blame goes almost entirely to OPM and the Federal Government for overwhelming the Metro system. That is the one place where we could have thought in advance—and advance means we had 10 years to think about this—because the same thing has happened every time there has been a disaster of one kind or the other. You can understand it with 9/11, then we had the man—the tractor man. Same thing happened there. And it keeps happening.

As long as each individual agency can decide this question, then we don't have a Federal Government, and we don't have a Federal Government plan.

And it is totally unfair to Metro to say, "Just buck up and do what you can," and it is unfair to Federal and private employers—employees, to have this rush to Metro to overwhelm Metro, which could cause another disaster, especially since there was, after all, an earthquake, something we had not experienced before.

So, could I ask you, Mr. Hunter, to also submit to the chairman within 30 days an outline—at least an outline of a plan for phased dismissal in the District of Columbia, where you have more Federal employees, I believe, than you have in any single location in the region?

I am interested in a process we spent a lot of time working on in past years. And what came out of it, I think, was the FEMA appeals arbitration panel, because we were vexed by impasses. And, in fact, I recall that there was more than $1 billion on the table after Katrina in the Gulf, simply because of impasse.

So, the first thing I want to know is: Do we now have a system where, instead of the Federal Government—that is to say, FEMA—having an expert and then the local jurisdiction having an expert, that, in fact, both sides agree on an expert, so that you don't set up an adversarial process on costs from the get-go without any requirement in the statute to do it that way?

Mr. FUGATE. Ranking Member Norton, the arbitration panels, as you pointed out, was limited to certain disasters. But one of the things that came out of that in the hearings and we did the after-action on is where we have licensed engineers who are certifying projects going up and testifying against FEMA project managers that are not licensed engineers, we lost every time.

And it was the simple recognition that if the jurisdiction or the State does have an individual of record who is willing to attest their professional license to the accuracy of the information, we will

accept that, and not try to challenge that, unless we think there is something abnormal about what is being recommended.

But in many cases, the cost estimates—when an engineer certifies that a building is not repairable, we are not going to look to challenge that, if that engineer certifies it and attests to it. So one of the things we did do is——

Ms. NORTON. So I understand now. Instead of—understand what we had before. The Federal Government actually paid for the State's expert, and the Federal Government paid for its own expert. We don't have that now. You recognize a single expert, both sides agree, and you go with that?

Mr. FUGATE. In most cases, unless we think there is something that is very unusual. And usually we will consult with the IG and other folks if we think there is a concern there.

But what we did do was go back to the basic principle that if you have an engineer of record, a licensed engineer, professional engineer who is going to attest, they have professional ethics and standards to make those certifications. We should be looking at those as the highest caliber of results, and we should use that in basing our decisions, versus merely disputing that and not having that similar level of expert and professional guidance.

So, again, in most cases, yes. You got a professional engineer that says the building is destroyed, I am going to accept that, unless there is something really out of left field. But in general, we find that if you are going to do that, that is acceptable to us.

Mr. DENHAM. Thank you. Mr. Barletta?

Mr. BARLETTA. Thank you, Mr. Chairman. If I could pick up on Mr. Denham's comments, the CR debate here in Washington actually came right during the middle of this event. And we were told here that if we didn't pass the CR, that FEMA was going to run out of money by September 25th. And I remember going home that weekend wondering what I was going to tell these people, how we would allow this to happen here in Washington.

And I don't know where the miscommunications came, but nobody is going to convince me that somewhere politics wasn't being played here. And the people back in my district were the football.

So, I am not pointing a finger at anyone, but wherever it happened here in Washington, I hope it never happens again, because I would recommend those that are playing that game go to the areas like this and tell these people that, you know, we are using this to try to pit one side against the other. And I didn't appreciate it, and I don't know where it happened, but it should never happen again.

Some of the people that were flooded out here, again, were actually flooded out in 2006, and they signed papers to be bought out, and they still haven't received any of the money. And as they were cleaning their homes out, again, they told me that they are not even going to contact FEMA, because they are afraid that if they get another check from FEMA, you know, they will have to give it back, they will spend it and they won't have it again.

And I am just wondering why it would take so long for folks from 2006—and here we are, 2011 and another flood—why they haven't received their buyout.

Mr. FUGATE. I would have to go back and look at those specifically. I know, from my experience in Florida, doing buyouts are a challenge. Generally it is a cost share. We do 75 percent. It requires that the State and local governments prioritize the funds for that.

The 25 percent match is oftentimes a huge challenge for the individuals. Plus, there is other things that oftentimes factor in. There are going to be deed restrictions on a buyout that would prohibit any construction back in those areas, or any development back in those areas. So, from the standpoint of trying to get the match, trying to get through all the hurdles to actually do the buyout, and then do the buyout and demolition, is a complex process.

What happened from 2006 forward, I am really going to have to go back and ask staff to respond back in writing. I just know my experience is it is a challenge.

The other point you made about the mitigation dollars following after, part of that is based upon—hazard mitigation dollars are based upon the percentage of the assistance provided. And it is usually at 6 months that we get our first initial lock-ins that will tell us the approximate amount.

But both in Pennsylvania, New Jersey, and other States, we have recognized the value of early buyouts. If we can get direction from the State, that will be the priority for their dollars. And if we have some inkling what those dollars look like, is begin that process in concert with the repair and clean-up.

And again, it is a very challenging—but I think one of the huge hurdles that we run into oftentimes is the cost-share requirements or the 25 percent match, is the Government going to make that, is it going to come from the homeowner themselves?

And then the other issue that also gets to be time-consuming is fair market value, and trying to determine that as we do the buyouts.

Mr. BARLETTA. You know, I was in a community, Makenagua. And as I was standing there, they took me out to a telephone pole and showed me—the Susquehanna is one of the most flooded rivers in America—they showed me all the marks on the telephone pole for all the various floods. And we were hit twice, as you know. Tropical Storm Lee followed, so we were hit twice. And this actually was 2 feet higher than Hurricane Agnes.

But it was just remarkable, how many pieces of—how much paint was on this telephone pole from how many floods. They might have had five, six, seven significant floods in this little community. At what point does it make sense that we come in and just move these people out? Isn't it more costly over time to come in and constantly—because it is going to be flooded again.

Mr. FUGATE. Absolutely. I think that if you look at some of the floods this year, we have actually had floods of record across this country, including what we saw in Pennsylvania, where it exceeded Agnes. Those floodings would have been much worse, had not previous buyouts occurred.

And so, I think that, again, these are decisions local leaders and homeowners make. It is not something that we necessarily want to force. But I think where—we can provide the financial incentive and streamline the programs. As the IG will point out, I am—I

agree. Any time we go to 100 percent there is all kinds of issues unintended. But I think if you are going to adjust cost share up, it should be those things that do long-term savings, versus just the traditional repair and rebuild.

So, mitigation programs, buyout programs, if you wanted to look at cost-share adjustments, where you could remove a hazard permanently from the U.S. taxpayer exposure, those would be areas where I would look to either reduce the requirements, or to increase cost share to more successfully complete those.

But it does have economic impacts, because you are going to lose tax base. These have to be permanent changes. We just don't buy out and let them rebuild 5 years later, when memories fade. And in many cases, there is also the emotional issue of people who grew up in these homes having to make the decision to sell and move out and see their neighborhood go away.

Mr. BARLETTA. Thank you. I yield back, Mr. Chairman.

Mr. DENHAM. Thank you. Ms. Norton?

Ms. NORTON. Thank you, Mr. Chairman. Mr. Hunter, after the earthquake, I issued a release and my staff made phone calls in which I asked for a post-disaster meeting involving FEMA and the Department of Homeland Security with the Homeland Security regional directors. The purpose, of course, would be to do a post-disaster evaluation with everybody at the table.

My staff could not get an answer, except it looked like some kind of meeting had been held, but it didn't look like it was the kind of meeting that could be called a serious attempt to do a post-disaster evaluation. Could you or Mr. Fugate indicate to me at this time whether any such meeting has been held in this region with Homeland Security chiefs from the region to evaluate what happened and what to do next?

Mr. HUNTER. Congresswoman Norton, I can tell you that, prior to the earthquakes, we were actively involved with FEMA and——

Ms. NORTON. And, Mr. Hunter, please answer my question.

Mr. HUNTER. Yes——

Ms. NORTON. I want a—I want to know whether there has been a post-earthquake meeting to analyze the response of all concerned, not just the Federal Government, following the earthquake. Not what happened before. Please respond to my specific question.

Mr. HUNTER. Yes, ma'am. There has not been a meeting specifically arranged that I have been present for, for OPM to focus solely on that issue.

We have been engaged in a committee which was in place prior to the earthquake, looking at our responses to snow events and how we could improve that. That standing working group, which included representation from FEMA, has continued to look at the earthquake and how that adds an additional flavor. And so we have been examining those efforts as a part of that continuing working group.

Ms. NORTON. What has that working group—has it done a serious—first of all, does it include people from the region, or is it simply people from your staff?

Mr. HUNTER. It does. It includes, again, the Federal, State, and local——

Ms. NORTON. And you think it could do a post-disaster—serious post-disaster analysis?

Mr. HUNTER. I think we could always use more eyes in looking at the issue and make sure that we are moving forward correctly——

Ms. NORTON. I am not talking about eyes or ears. I just want to know—perhaps Mr. Fugate can help me.

Of course Mr. Hunter says he thinks they were quite successful. I think if you talk to Metro or to the average Federal employee, they just thank heavens that it wasn't more serious, especially considering that it was an earthquake. But they will tell you about all kinds of communication flaws and inability to get information, and the rest.

I don't understand how the Federal Government, which is in charge of homeland security for the entire Nation wouldn't be a leader in sitting down, since it had a kind of case in point from which to work, that would help the Federal Government and then help it with other disasters.

Rather than continue this line of questioning, could I ask Mr. Hunter and Mr. Fugate to get together and decide what is the appropriate way to do, as formal as you believe necessary, a post-earthquake analysis of what happened and what could be improved? Would both of you commit to doing that?

Mr. FUGATE. Yes, ma'am.

Mr. HUNTER. Yes, ma'am.

Ms. NORTON. Thank you very much. Now, my prior question about a single expert and about the appeals arbitration really comes down to how—to my aversion to, lawyer though I am, to adversarial processes where people can just sit down and reach an agreement, save money, and save time.

So, I am interested in—I believe it is the inspector general who issued a report recommending that FEMA establish a mediation or arbitration process for appeals that have reached an impasse. Now, the one I spoke about was if the impasse involved a great deal of money. I want to know what happened to that.

But Mr. Jadacki, were you referring to, in the normal course of business, the use of a mediation or arbitration process to just move along and get the issue resolved? And what kinds of circumstances did you have in mind?

Mr. JADACKI. What we find is that second appeals, the appeals that go to FEMA headquarters, are the most problematic. They can appeal first, the grantee or subgrantee, to the FEMA region. FEMA can deny it or accept it. And if there is a second appeal, it would go to headquarters. That is where we found a lot of appeals that kind of got lost into the—you know, somewhere out there. Some of the appeals lasted years to get resolved.

What we were recommending is that there is a tracking system, so that the Feds, the States, and the locals know every step of the process, where their appeals are, and what some of the concerns are, versus going into this abyss and not knowing about it.

FEMA has developed a tracking system, and I understand that the number of appeals—the number of days that appeals are outstanding has been reduced significantly. But it needs to be transparent, too. So, as far as a formal mediation board, we know it is

out there for an arbitration panel. But we made recommendations that FEMA track these things and make them more transparent so that folks know what the delays are, why the cause in delays, who is responsible for the delays, and where they stand in getting these appeals resolved.

Mr. DENHAM. Thank you. Mr. Fleischmann?

Mr. FLEISCHMANN. Thank you, Mr. Chairman. Administrator Fugate, I wanted to say thank you, first and foremost. I represent the Third District of Tennessee, Chattanooga, Bradley County. Earlier this year, that area was ravaged with tornadoes. It was destruction the like I had never seen in my life. I viewed it from the air, I was on the ground. Your office—and you were kind enough to meet with me in Washington, DC—and the work that FEMA did on the ground was outstanding. It was quick, very responsive. And so, on behalf of my constituents, thank you very much. I am a freshman congressman, and I was very, very new to office when that hit. So, first and foremost, thank you, sir.

I just have one question. It is my understanding that last Congress and at previous hearings you noted that FEMA's policies and regulations—and, in effect, that perhaps they could be streamlined somewhat. Where are you in that process right now, sir, and when can we possibly see some of the results from those reviews, sir?

Mr. FUGATE. Thank you, sir. And again, I will pass on to the team. It is a good partnership with the local officials there in the State of Tennessee, and that makes our job easier.

As I stated earlier, we have been working on a bottom-up review. But I think a couple things. First of all, we did some things, not in your State, but in some of the areas where tornadoes hit, where we saw a big challenge with debris. And the debris was going to impact our ability to get people back in their homes quickly. This is in Tuscaloosa, and there were other areas hit with the tornadoes—and again, in Joplin.

Without any changes to the Stafford Act, without any changes in regulations, we were able to go in there and expedite debris removal and move debris faster and in greater quantities. We are currently looking at that to see how that went. But it was a process which—the goal wasn't necessarily get the debris picked up, it was to get housing back quickly.

But we are also looking at—and I think this comes back to the chairman and the ranking member's concern—when we get into big projects, and as the IG points out, there are so many issues in a reimbursement process that can hang you up and literally spend years rebuilding, that we want to break big projects into two phases: design phase, where, as the ranking member and the chairman points out, let's get all the answers done, we know what it is going to cost us, we get that final estimate, we are not going to have the true accounting cost, but the cost of administering that will be far less than going ahead with that estimate; and then have an engineer or architect say, "It is going to cost us this much to go build this fire station, we are done, go build a fire station, we are out of it."

So, these are the things we are looking at as, again, not necessarily do we have to have changes in the Stafford Act—and, oftentimes, not even in the CFR—but what are our policies and pro-

cedures that are impediments. And then, what do we have that would be statutory that we would come back to Congress and going, "We think this may be a better idea, but we are going to need Congress to give us guidance that may require a legislative change."

But again, we look at costs. How do we speed up the process, while minimizing waste, accountability, and fraud. But our history tells us that the current process is costing us far more than it should. And if we are going to make savings, rather than putting the savings on the back of the survivors in the communities that are trying to get assistance, we have got to reduce our cost of administering those dollars.

Mr. FLEISCHMANN. Thank you, sir. And I wish you all of the best in your endeavors.

I yield back, Mr. Chairman.

Mr. DENHAM. Thank you. Mr. Carnahan?

Mr. CARNAHAN. Thank you, Mr. Chairman and Ranking Member Norton, and to our panel here today.

I wanted to touch on a number of things. Being from the State of Missouri, where we have had our fair share—probably more than our fair share—of natural disasters recently, our friends in Joplin being first among those, but there has been a dramatic increase in the number of disasters declared in my area and across the country.

Do you feel that the criteria have been changed, or have there just been a greater number of large-scale disasters? And if there are more disasters, to what do we owe this change? Or is this just unpredictable weather patterns? How is that for a wide-open question, Mr. Fugate?

Mr. FUGATE. Well, one of the things I have asked the IG to build into their work plan is to look at our declarations, and are we following our criteria. Again, some of it is based upon numerical factors. Some of it is subjective, particularly with individual assistance.

I have asked and looked at our own percentages of what are we doing, as far as approvals and denials, because I think the total number of events is actually driven by how much weather and how many extreme events we have had. So I went back and looked at, well, what is our percentage of approvals versus denials, and how does that look against the average?

And we are seeing it is within the range. It is a little bit higher, but we have had other years that were higher, as far as approval rates versus denials. But it is not something that stands out so much to say as we suddenly changed everything in the last couple of years.

What we do know is we look at events over $500 million as being catastrophic. We have already had three of those this year. That is on pace to be a record.

So again, Governors are making these requests, based upon their impacts. I am sure there is a lot of factors that go into driving those. But when you look at the number of extreme weather events that have been driving, principally, all of these disasters, whether it is droughts that are producing wildfires across the southwest and in Texas, heavy rain—record, you know, in your State, where

you were hit multiple times. I am pretty sure Governor Nixon was making those requests based upon he felt that those costs and impacts justified that request.

Mr. CARNAHAN. Mr. Jadacki?

Mr. JADACKI. Mr. Fugate asked us a couple months ago to look at the growing number of disasters. I think we had more than 80 declarations so far this year, which is a record. The normal was around 40 to 60, so the number has been growing.

One of the things we are looking at is the declaration process itself, what are the factors that go into that. Some of it is qualitative, some is quantitative, some is very subjective.

One of the early things we found—and, actually, GAO did a study about 10 years ago—was some of the economic numbers that were used, the per capita factors were outdated. Our results indicate that they could be outdated, so we are looking at that.

What we also want to do is look at the PDA process, preliminary damage assessment process, to see how close they are several months later, maybe a year or two later, to the actual disaster cost. That has been a little bit more difficult, but there may be problems in the preliminary damage assessment, where those initial numbers come from, that are used as a basis for their recommendation.

So, we should begin a report in the next several months, and we are going to look at that. And if there is a problem with estimating the damages upfront, does it take in all the factors. Those are the types of things we will be looking at.

Mr. CARNAHAN. We certainly would like to see that report, and hopefully that is instructive for all of us. But thank you. And Mr. Hunter?

Mr. HUNTER. From the OPM perspective, we did experience a year with many more decisions concerning the operating status of the Federal Government than we had seen in prior years. I believe we had 19 actual events where we made a decision concerning the release or a change in the status of the Federal Government. And, from our perspective, we will continue to be actively involved as a decisionmaker in these events.

Mr. CARNAHAN. The other question I wanted to ask was, given the—you know, this sort of post—you know, this looking back, in terms of lessons learned, I wanted to specifically ask how does FEMA internalize these lessons learned, in terms of communicating those to staff, in terms of communicating that to first responders, to community leaders, to citizens. I mean that is—we all try to learn from these and how we can do them better, how can we prepare better.

But talk to me about the process of how we are getting that out.

Mr. FUGATE. Well, it is done through several things. One is the after-action review process. But we actually find that sometimes the formal process takes longer than we like. So we oftentimes will do quick looks and make immediate adjustments, based upon that.

So we both internally look at that, but we also work with our partners. And I will have staff prepare for you the formal process and what we do.

But as an example, in the last go-around with the hurricanes, we ended up deploying more of our Incident Management Assistance Teams than we normally do. We came back, there were some les-

sons learned. So, rather than wait for a formal written process, we brought all those teams together, ran them through an exercise and evaluation, but also building upon the lessons learned and the response. We did that within about 4 weeks of the hurricane. So we have a formal process, but we also see something we want to address immediately, and we are doing that.

And go back to one thing about earthquakes. Quite honestly, if you went to most State and local Web sites in this area, you couldn't find one word about earthquakes. Pretty much now, they all tell you the same thing: You don't evacuate, you get under something heavy, like a desk like this one, and you stay there through the shaking and then you leave. That is something everybody in California knows, but here on the East Coast it was a lesson learned. Many people didn't realize the East Coast may also have earthquakes.

Mr. CARNAHAN. And one last question, if I may, Mr. Chairman. We heard news reports after the earthquake in Washington about what animals at the zoo were doing. You know, 10 or 15 minutes before the earthquake. And our best scientists don't appear to be able to predict when earthquakes are coming.

But is there something that the—by observation of animals—and I asked this of our zoo director back home in St. Louis, but has there been any conversation about that? It is a little out of the scientific mainstream, perhaps, but is there something there worth looking at?

Mr. FUGATE. I am going to defer that to the U.S. Geological Survey.

Mr. CARNAHAN. I thought you might try to answer that one.

Mr. FUGATE. You know, again, I was tempted to put a webcam out there, just so we would know next time. But the reality is I think there is a lot of information comes out—and again, we defer back to the USGS as our science and experts when it comes to earthquake prediction science and where that is at, as a viable warning tool, sir.

Mr. CARNAHAN. And the—maybe on the higher-tech-level question, I did a tour recently of the GSA facility in St. Louis. They were showing us some of the technology they have, in terms of going beyond some of the disaster preparedness books they have done in the past, to really getting this down to PDAs and handheld devices in much faster real time. Is that technology getting out there in ways needed? Is there anything else we need to be doing?

Mr. FUGATE. Just the short answer is I think with portable devices, tablets, and the ability to now reduce down binders into short pieces of information that you can access readily, we are moving rapidly from webpages and binders.

I think we recognize at FEMA that our information has to be mobile, it has to be streamed and adapted to mobile devices. Tablets offer new opportunities. But again, we are finding that the traditional ways of getting information out in an increasingly mobile society hit a wall.

One of the advantages of having downloaded information, if the wireless or, in this case cellular, is overloaded, you still have the information on your device. So even FEMA is getting into the app business. We have one for android, we are working on one for

iPhone, where the information is already on your phone, you don't have to download it. But it would give you critical information in an emergency on the first steps you would take.

Mr. CARNAHAN. Great. Thank you. I yield back.

Mr. DENHAM. Thank you. Mr. Fugate, in September 2009 numerous Federal agencies signed an MOU by which they committed to work in partnership with the State of California and stakeholders to address water challenges within the Sacramento and San Joachim delta. These challenges include disaster response due to impacts and earthquakes, flooding, environmental problems, water supply, and coordinated activities with California agencies. Do you know what FEMA's current role is in that?

Mr. FUGATE. Specifically, Mr. Chairman, no. I can get that back in writing. And I will ask Nancy Ward, who is our regional administrator who is based in Oakland, to provide a written update, and we will get that to you. But we—particularly in the issue with the levee systems and the potential for massive flooding in an earthquake, that is something I know that region nine has been working with the State on.

Mr. DENHAM. Thank you. I look forward to a response in that.

And just in closing, I just want to address one last issue. Mr. Jadacki, you had talked about the Mitigation Act of 2000, if that were implemented today.

I have the same question for each of you. We have 400 open disasters currently. And 10 percent of that are over a decade old. If we had this act in place today, would we not be estimating the costs, paying them out almost immediately, and then having a real number that we can actually deal with in the budget on FEMA?

Mr. JADACKI. Yes, I think—and Mr. Fugate alluded to this, too—the way it works right now, with the reimbursable basis on an actual cost basis, it is just a prolonged, complex process. If we come to an agreement upfront with a certified engineer, somebody who meets the criteria, has no conflicts, and agree on a price upfront that we are going to estimate and will agree on, I think that would greatly expedite the projects themselves, and also reduce the administrative burden.

So, I think the cost estimating format is probably something that we should consider. You know, 5 or 10 years down the line, if we are still doing project worksheets, there is something wrong with that process.

I will tell you one of the drawbacks—and we did some work on this—that concerns some of the grantees and subgrantees, is that if the project amount comes in over the agreed amount, then there is a burden on the grantee, too. They are concerned about that. And I know, doing some work in the debris removal pilot program, that was one of the concerns with the agreement amount. If it comes in over, they have to make up the burden of the those additional costs.

Mr. DENHAM. Thank you. Mr. Fugate, if that mitigation act was in place today, would that not streamline the process?

Mr. FUGATE. Probably about 80, 90 percent, but it won't be 100 percent.

Here are some of the challenges you are going to run into. What if the grantee is in a dispute and a lawsuit that goes to their State

supreme court over insurance payments, since we cannot duplicate benefits?

The other issue, as the IG points out, is in some of the design-to-build criteria we are looking at, where we provide the initial funds to go through all of the review, design, and build, what happens after we finalize, and the applicant now finds that there were hidden flaws or other things that were not apparent until construction began.

The only way this works is if you limit the bites of the apple. And the problem is, if you provide appeal processes, we are right back where we started from in that nobody is going to want to close something until they are ensured that their costs are met.

So, I think this is the challenge. If we are trying to do non-duplication of benefits, or we are trying to maintain such a small margin of error, there will be a longer process. If we are willing to accept greater risk—and I think most of the applicants I have talked to want that risk to be on the Federal side—they would much rather us pay them more than what it is going to cost them, than us pay them less than what it would cost.

But it would reduce—and I think this is a tradeoff—our administrative costs at some point get so high that it may be more acceptable to take greater risk and not have the degree of precision we get by reimbursing on the actual cost, because it saves us administratively. But then you are going to have the other side of the equation. Is this waste? Are we paying too much?

And so again, I have been on the other side, where in Hurricane Andrew one of our hold-ups was on a lawsuit with the insurance companies that went to the Florida supreme court. And, as you know, when you get there, that is years, if not decades, sometimes, to get answers. But we could not move forward on a project until we knew what the insurance coverage would be, because of non-duplication of benefits, before you could finish that project.

So I think 85, 90 percent, even higher, yes. But they are going to be outliers that are going to be very complex. But it would definitely get a lot of this down to a more manageable number.

Mr. DENHAM. So if you believe that it will streamline the process, knowing that there will be still be some challenges—85, 90 percent, I am willing to take that—it is the Mitigation Act of 2000 or 2011, going into 2012. If it is an improvement of the process, why has it taken over a decade to implement?

Mr. FUGATE. Well, my 2½ years have basically been a startup of trying to get there. And I think what we have come to, instead of—I think one of the concerns was trying to do it all at one time. And I think what we have come back with, which is, I think, a more adequate way to do it, is fund the design phase, give them the initial project worksheet on a complex project, like a charity hospital, and go, "Let's do a design phase. Let's get all the issues out front, let's get all the costs out front, let's get all the damage estimates out front, let's do all the permitting, everything, including now, a design that we have agree upon, and a cost estimate."

And then, provide them the second amount, which is that amount, and we are done. No more reimbursements. We don't wait until the project is built, we don't do any more inspections. We do

the single audit act on those Government entities that get the funds.

But once we do the design phase, which I think is where all the details have to be worked out, once we get to the construction phase, and they say, "Here is our estimated cost," an architect/engineering firm has signed off, "This is what it is going to cost to build this building," then we issue them a grant for that amount, and we are done.

Now, the question will be what steps—and this is—again, we are getting this out—we are starting to share this with our States and others, as we get this out—what are their concerns about what they perceive as perceived issues. As a State, I will tell you I will never want to agree to something that is final, if I feel that it is going to put the State at greater exposure because we underestimated costs.

So, again, we have gotten to the point now where we have enough of this to start reaching out to our partners at the State and local levels to start sharing some of these ideas. But I think if we break it into two pieces on complex projects—a design phase, we get everything done to where we say, "This is what we are doing," and then, once we have that, we issue payment—I think that, for complex projects, would streamline the process.

That design phase, quite honestly, sir, may take us several years. But once we are done, and we get the final payment requirements for construction, then we are not there through the life of the project. We are done. They are able to finish it.

And again, the other approach, which is even more streamlined, but of greater risk, is to estimate what the value of the loss was, and treat it like an insurance payment, and then not deal with any additional oversight. But that would mean that we would have to release the applicants from a lot of the oversight we are required to have, through a variety of Federal programs, including historical, environmental, and other types of fiduciary requirements.

But just like if your home burns down, you don't have a mortgage, and your insurance pays you the check, they don't tell you how to spend the money. We do. And that would be a much more radical approach that would definitely take the input of Congress, of how do we treat these, is this going to be an insurance payment, or is this going to be a reimbursement for actual cost, as close as we can make it an estimating process.

Mr. DENHAM. Thank you. Thank you. I believe we have learned a lot this year. We look forward to working with you as we do the FEMA reauthorization, as well as streamlining this. But certainly we have learned that there are some great improvements that can be made. So thank you to each of you for your testimony today. Your comments have been very helpful.

We will now recognize the second panel of witnesses: Mr. Mike Dayton, acting secretary, California Emergency Management Agency; Mr. Keith Stammer, director, Joplin/Jasper County Emergency Management Agency; Chief William Metcalf, second vice president, International Association of Fire Chiefs; and Mr. Joe Wilson, president of Federal Signal's Safety and Security Group, Federal Signal Corporation.

I ask unanimous consent that our witnesses' full statements be included in the record.

[No response.]

Mr. DENHAM. Without objection, so ordered. Since your testimony has been made part of the record, the subcommittee would request that you limit your oral testimony to 5 minutes. In fact, we would actually recommend less than 5 minutes, if possible, because votes have been called early today.

Mr. Dayton, you may proceed.

TESTIMONY OF MIKE DAYTON, ACTING SECRETARY, CALIFORNIA EMERGENCY MANAGEMENT AGENCY; KEITH STAMMER, DIRECTOR, JOPLIN/JASPER COUNTY EMERGENCY MANAGEMENT AGENCY; CHIEF WILLIAM R. METCALF, EFO, CFO, MIFIREE, SECOND VICE PRESIDENT, INTERNATIONAL ASSOCIATION OF FIRE CHIEFS; AND JOE WILSON, PRESIDENT, SAFETY AND SECURITY GROUP, INDUSTRIAL SYSTEMS DIVISION, FEDERAL SIGNAL CORPORATION

Mr. DAYTON. Well, great. Good morning, Mr. Chairman. It is great to see you, and I appreciate the opportunity to be here today.

Since January of 2010, California has received four major disaster declarations. So more than 75 percent of California's population is covered under at least one of these declarations. Together, these incidents caused nearly $280 million in damages. And this does not include the $50 million in damages we sustained during the March storm event. Unfortunately, FEMA denied our request for Federal assistance for this incident.

During this same period of time, California has received 10 fire management assistance grants to help offset the $43 million it cost to suppress these fires. As significant as these numbers are and sound, they pale in comparison to what we anticipate when—not if—a major earthquake occurs in the Bay Area or Southern California.

You know, the greatest lesson we learned from the Japan earthquake and tsunami was to not underestimate the hazard. We have taken this lesson to heart, and are preparing for the most catastrophic scenarios.

Our catastrophic plans for the Bay Area and Southern California assume a greater than 7.8 magnitude earthquake, which would result in more than 500 separate fires, more than 3,000 casualties, and over 600,000 families needing shelter. Major disruptions to the lifelines will occur. Transportation routes will be down. Gas supply, water supply, electrical systems, communications will be a challenge. Mass care and sheltering needs for tens of thousands. A catastrophic earthquake will present unprecedented logistical challenges for California and the Nation.

In addition to these grim realities, a great quake along the Hayward Fault could compromise the integrity of the delta levee system, which, as you know, provides the irrigation supply for Central Valley farmers, and also 20 million residents in Southern California. The prospect and inevitability of such a devastating calamity focuses our efforts on preparing for such an event through our protection, mitigation, response, and recovery efforts.

And very briefly, I would like to highlight our efforts in these mission areas, and recognize FEMA's contributions, and also suggest ways in which FEMA and Congress could make these investments more efficient and more effective.

With respect to protection and mitigation, we have made great strides in hardening critical infrastructure sites using the Buffer Zone Protection Program. We have also made great progress in seismically retrofitting public buildings like schools, hospitals, and other public infrastructure, such as roads. But much more needs to be done to provide incentives to individual homeowners, especially multifamily soft-story structures that are in known liquefaction zones in the Bay Area.

And it is absolutely imperative that FEMA streamline and consolidate requirements for environmental, historic, and benefit cost reviews. As the panel before us spoke about, unfortunately mitigation projects can languish in red tape for years, as is the case with the East Bay Hills mitigation project, which California received—initially applied for grants in 2005 and 2006, and the same trees, the eucalyptus and Monterey pines that had grown up and were the source of California's most devastating fire have grown back. But the mitigation effort is still tied up in environmental review.

On the positive side, FEMA has been an invaluable partner in developing catastrophic plans for the Bay Area and Southern California. Work is also being done on a catastrophic plan for the Cascadia subduction zone in the Central Valley and the delta levees.

First and foremost, in the response mission area, it is critical to maintain the investment in the 28 USAR teams. These are absolutely essentially for large-scale incidents.

Secondly, given the frequency and intensity of California's fires in the wildland/urban interface, I must urge you to fundamentally change the direction and focus of the assistance to fire fighters grant program. The current process is ineffective, inefficient, it lacks strategy, and it runs counter to any attempt to regionalize these investments. A much, much better approach would be to block grant these funds to States, and let us build regional capabilities that, in turn, will be national assets.

With respect to recovery, I must first commend FEMA for the quick and efficient process they use to process the fire management assistance grants. Decisions are made at the regional level, and there is clear guidance. Unfortunately, I cannot offer the same observation for the process of applying for a major disaster declaration. It is unduly cumbersome, bureaucratic, even pedantic. FEMA should have clear guidelines and have a greater consideration for the cumulative effects of multiple disasters on a region or a State.

There are a lot of unknowns in disasters. Whether or not FEMA will provide financial assistance shouldn't be one of them. Thank you.

Mr. DENHAM. Thank you, Mr. Dayton.

Mr. Stammer?

Mr. STAMMER. Good morning, Subcommittee Chairman Denham and Ranking Member Norton, and to the members of the subcommittee as well. Thank you for the opportunity to discuss improving emergency management, especially in these areas that

have been discussed. This discussion will, of necessity, focus on the EFI tornado, which struck Joplin and Jasper County on May 22, 2011, as well as the emergency management response, as represented by the Federal Emergency Management Agency, and how the local agencies view that response.

Let me begin by stating that I have been in the business of emergency management for 19 years. I have been through several natural and manmade disasters during those years, none of which compared to the Joplin Tornado, as it has become known. I have worked with State emergency management agencies from two States, as well as FEMA, and have become familiar with their mission and methods of operations. I have had extensive hands-on experience in managing disaster scenes, as well as being an instructor in the National Incident Management System, as well as the Incident Command System, both standards of the industry for disaster management.

I, therefore, feel qualified to state that, without a doubt, the FEMA of today is not the FEMA of yesteryear. In times past they have been accused of being slow to respond, distant when on scene, and hard to work with. This was not the case this time. I can truly say that FEMA's response to the Joplin Tornado was a positive experience.

The Joplin Tornado struck at approximately 1730 hours on Sunday evening, May 22. I was in the emergency operations center, so I put out the call for aid to our local partners, then to the Missouri State Emergency Management Agency, both calls being standard operating procedure per our local emergency operations plan.

When I asked the State of Missouri about FEMA, I was informed that they were already en route. FEMA personnel began to arrive within hours of the tornado, with initial response personnel on scene no later than early that next morning. We were most pleased to see them in the emergency operations center, as we understand the crucial role FEMA plays in partnering with State and local entities to ensure a quick and adequate response to the current and ongoing needs of our citizens.

FEMA personnel immediately met with our local officials, administrative personnel, and response agencies to get an overall view of what had happened, and what their role might be. We found them to be neither invasive nor authoritative, but rather, supportive and collaborative. This, indeed, was a breath of fresh air to all of us.

Some excellent examples of what FEMA was able to do for us at the local level include: GIS mapping; Federal Coordinating Officer on scene; FEMA liaison assigned to our city manager; and, of course, the successful story of the mobile housing units.

That said, there are always ways to improve response and recovery efforts, especially on incidents of this scale. The real enemy in such situations as the Joplin Tornado is time. Once the myriad efforts required to effect a successful immediate response are complete comes the question: What next? For us, the immediate answer was debris removal. We were given an Expedited Debris Removal completion date of August 7, which we completed by August 6. Needless to say, time was of the essence.

While hardly unique to our situation, an overriding problem we faced was the realization that there were three separate entities on

scene, each trying to work the problem at hand. These three were: local government, State government, and FEMA. Trying to communicate among these three was a continual chore, especially when the human element was factored in. State and Federal people were constantly changing out, resulting in some confusion as to who occupies what roles. Beyond the fact that new introductions needed to be made all the way around, each new person seemed to have a somewhat different understanding of the rules and program, resulting in more time needed to integrate them into the current effort.

May I suggest three observations which I feel would decrease the amount of time required to facilitate the response and recovery efforts? I realize that these are neither far-reaching nor national in scope, but I assure you they are of concern to we who find ourselves at the tip of the spear during such an incident as the Joplin Tornado. These three are: a current roster of all FEMA personnel on scene; a menu of services provided by FEMA; and, finally, fine-tuning the Expedited Debris Removal program.

In summary, I was most impressed and pleased with the role FEMA played and continues to play in our response and recovery efforts. We are thankful for the effort of our Federal Government and our elected officials in facilitating a response and recovery that can only be described, in our world, as successful.

Thank you for this opportunity.

Mr. DENHAM. Thank you.

Chief Metcalf?

Chief METCALF. Good morning, Chairman Denham, Ranking Member Norton, and members of the subcommittee. I am Chief William Metcalf, of the North County Fire Protection District located in the San Diego suburb of Fallbrook, California, and I am the second vice president of the International Association of Fire Chiefs. I thank the committee for the opportunity today to represent the views of local first responders.

My testimony today is based on my personal experience with some of the major disasters this Nation has faced over the past decade. During the response to Hurricane Katrina in 2005, I was in Baton Rouge, coordinating assistance to fire departments throughout the area impacted by that storm. And in 2007, I commanded the mutual aid response to the California wildland fires in my home of San Diego County, where thousands of homes were lost, 250 in my own community. From these experiences, I firmly believe that an effective national mutual aid system is the key to an efficient emergency response.

Emergency response is primarily a local responsibility. However, this year's numerous natural disasters have demonstrated that local jurisdictions can be overwhelmed. And when that happens, they must rely on local, State, and national mutual aid systems. An effective mutual aid response that saves lives and limits damage also will cut the cost to the American taxpayer.

My written testimony describes 10 components required for an effective mutual aid system. And today I would like to highlight some of these important concepts.

The first is scalability, and scalability is a major component of an effective mutual aid system. Local jurisdictions are the first re-

sponders to any type of disaster. If it is a major event, we recognize that there should be no expectation of Federal assistance for the first 24 to 72 hours. So, there must be a system in place to help those overwhelmed local responders in the meantime.

Today most local neighboring communities have mutual aid agreements that we use every day to respond to incidents. And, as fire and EMS budgets are decreased in these economic times, we, as chiefs, rely even more on our neighbors to help protect our communities. When our local communities are overwhelmed, the region activates its regional or statewide mutual aid system.

Working with FEMA, the IAFC has developed the intrastate mutual aid system program. Using the examples of California, Ohio, Illinois, and Florida, the IAFC has worked with 30 States to develop statewide mutual aid systems that are capable of mobilizing resources without assistance. Another eight States have completed exercises and are in the process of being able to attain this goal. Then, when a State requires interstate assistance, it uses the Emergency Management Assistance Compact, or EMAC. And EMAC is composed of all 50 States, and was ratified by Congress in 1996.

An effective mutual aid system also requires the timely reimbursement of the resources. In the past, local fire and EMS departments have had to wait up to 2 or 3 years for reimbursement after a nationwide mobilization. That cannot happen in today's fiscal environment. We recommend the creation of a transparent system to allow local public safety agencies to track their reimbursement requests through the interstate and Federal processes. A transparent reimbursement system will assure accountability.

Interoperable communications are another vital component to an effective mutual aid system. During 9/11, Hurricane Katrina, and the recent tornado in Joplin, Missouri, emergency responders faced problems with communications interoperability. Congress has an opportunity to resolve this problem this year.

The IAFC, other organizations representing the leadership of public safety and State and local governments, and the chairmen of the 9/11 Commission all support bipartisan legislation to establish a nationwide, wireless public safety broadband network. This legislation also must allocate the D-Block in 700 megahertz band to public safety. Once this network is built, any local fire department could plug in and communicate with other fire, EMS, and law enforcement agencies during a major disaster.

In addition, there must be a nationwide credentialing process, so that incident commanders know the qualifications of responders on scene. FEMA has recently released credentialing guidance documentation, and the IAFC supports FEMA's efforts in this area. However, we recommend that FEMA be mindful of the cost of compliance with the FIPS–201 standard, and ask the agency to work with State and local stakeholders to develop less expensive and more user-friendly methods of compliance.

And finally, I would like to mention the importance of Federal grant funding to an efficient emergency response system. In a major earthquake, hurricane, or terrorist attack, there are few Federal civilian fire or EMS resources, especially early in the event. So, local first responders from around the Nation initially will be

engaged. However, the cuts to local public safety budgets today are reducing the Nation's capability to respond to these major disasters.

The DHS and FEMA grant programs build this capability, while not supplanting local funds. In addition, the grants provide incentives for localities and regions to plan, train, and exercise together to better respond to future disasters, both natural and human-made.

Thank you again for the opportunity to address this subcommittee.

Response to a disaster is primarily a local responsibility. However, it can quickly escalate to a State or national response, depending on the magnitude of the incident. Effective and well-resourced State and local mutual aid systems will reduce the dependency on Federal resources and reduce the overall cost of disaster response and recovery.

On behalf of America's fire and EMS chiefs, I would like to thank you for holding this hearing, and look forward to answering your questions. Thank you.

Mr. DENHAM. Thank you, Chief Metcalf.

Mr. Wilson?

Mr. WILSON. Mr. Chairman, Ranking Member Norton, members of the subcommittee, thank you for allowing me to appear before you today to provide testimony on important matters of public safety and emergency management. I am Joe Wilson, president of the industrial systems division, Safety and Security Group for Federal Signal Corporation.

Federal Signal is a longstanding supplier to the emergency management industry. We design, manufacture, install, and integrate mass notification systems. Our systems are used for tsunami warning, community warning, military, campus alerting, and in and around nuclear power plants and industrial facilities.

On any given day, news headlines highlight disasters or other emergencies across the United States and cause Americans to evaluate their own levels of safety. Whether looking back 10 years to the tragedy of the 9/11 attacks, or remembering the high levels of natural disasters 2011 has wrought, we are constantly reminded of the imperative to be fully prepared for the unexpected.

It is during these times of economic challenge when local communities rely most upon FEMA to acquire public warning and notification systems. In fact, Federal Signal's 2011 public safety survey conducted by Zogby International recently found that half of Americans feel they are less safe today than they were prior to 9/11. And almost 4 out of 10 consider their community to be either slightly or completely unprepared in the event of an emergency.

FEMA has an important role to play in establishing standards and promoting best practices throughout the Nation. But local community needs differ widely. National or even State priorities are not always in synch with the demand of local communities. For that reason, decisions about how local communities utilize national grant dollars should be made at the local level.

It was not long ago that those Government agencies charged with the responsibility for issuing warnings to the general public depended almost exclusively on outdoor sirens and radio and tele-

vision broadcasts. But now interoperability is also a key concern for public safety officials, who must consider a much broader spectrum of communication technologies. This includes everything from landline and cell phones, pagers, radios, text messaging, and public address systems, to a variety of IP-based technologies, including email, Instant Messaging, smartphones, and even social networking technologies such as Twitter and Facebook.

Fortunately, there are multiple ways to achieve national objectives. Most current funding is focused on the development of completely new technology. But these costly systems are not the only way to achieve interoperable communications. Many local communities could achieve this goal through IP-based software solutions that leverage existing communications infrastructure at a significant saving over a widescale replacement.

Today's grant funding often works against the leveraging of existing infrastructure, thus costing communities and the National Government more to solve interoperable communication challenges. Allowing States to make decisions about how they use interoperable grant funds would foster continued advancement of new technologies designed to bridge analog and digital radio worlds with IP communications and public communications networks.

The Integrated Public Alert and Warning System has largely been considered a solution for effective public warning. The Nation's commitment to IPAWS brings significant value to the community. Although the system was designed to reach all U.S. citizens, FEMA recognizes that most alerts are issued at a State and local level. Unfortunately, there is no one-size-fits-all approach to mass notification. Most locally based solutions require a customized approach.

It is also important to consider how people prefer to communicate during an emergency. Our survey revealed that one in four Americans would prefer to be notified about an emergency by a telephone call or by television. Eighteen percent say they would like to be notified by text message, and 15 percent would like to be notified via outdoor loudspeakers.

While advanced technology and messaging formats enable more effective emergency warning systems, a host of human factors, such as age, physical disabilities, and cultural differences, must be considered in the overall emergency plan.

Though today's technology has certainly expanded our communication options, it should be evident that these technical advancements have also placed a whole new set of concerns on the table.

In conclusion, FEMA plays an important role in establishing standards and fostering the adoption of best practices. Its leadership in facilitating and leveraging of new technology and establishing a framework for the sharing of technology is a necessary job that only an agency such as FEMA can perform. Establishing effective processes which provide opportunities for both industry leaders and local emergency managers to participate in the development of these systems can help ensure widescale support of its programs. This is a critically important step in raising Americans' confidence that public safety is truly a priority.

Thank you, and thanks for this opportunity to speak today.

Mr. DENHAM. Thank you. Mr. Dayton, as part of the FloodSAFE California initiative, the California Department of Water Resources is involved with the delta flood emergency preparedness response and recovery program. The stated goal of this program is to promote effective multi-agency emergency response. Can you tell me what Cal EMA's involvement is with the State program?

Mr. DAYTON. Yes, sir. We are a great partner with the Department of Water Resources. We just completed a large-scale exercise, Golden Guardian, that I think you are aware of that, that exercised our capability to respond to an event. And then we are also working with them to identify additional funding sources to shore up those levees.

Mr. DENHAM. And are you aware of the Federal MOU regarding the challenges that the delta faces?

Mr. DAYTON. Yes. Yes, sir, I am.

Mr. DENHAM. And do you believe having FEMA's involvement in these efforts is important for the success of the program?

Mr. DAYTON. It absolutely is. Nancy Ward has been a great partner in region nine, the administrator for FEMA.

Mr. DENHAM. Thank you.

Mr. DAYTON. Thank you.

Mr. DENHAM. And Mr. Stammer, as we saw in the charts here earlier from Mr. Barletta's district, debris removal is a critical first step in recovering from a disaster. You comment on FEMA's new Expedited Debris Removal program. What improvements do you believe need to be made to the debris removal program to make it more efficient?

Mr. STAMMER. We understood from the get-go, sir, that the debris removal program is fairly new. I believe it has only been used about three times before on the level that we had done. One of the things that we have recommended is that there be a combination not only of the Expedited Debris Removal program, but also afterwards, in terms of such things as foundations and such. They were separated, and we have asked that those be considered to be put together as one program, so that we don't have to go in and come out and then go in and come out.

The other thing would be that such things as the right of entry forms and such would be more put together and made whole prior to the actual incident. Again, I think that was a factor of the—this has not been done very often. Once we worked through that entire process, we found that it worked very smoothly.

Mr. DENHAM. Thank you. And Chief Metcalf, can you talk about your experience, dealing with the wildland fires? And what improvements do you believe should be made in FEMA's response to such disasters?

Chief METCALF. We believe that FEMA already is proving a valuable partner when it comes to response to wildland fires. And probably the most recent specific example of the results of their work is the development of mutual aid systems that I spoke about in my testimony.

Both Texas—Texas is a State that, prior to the implementation of the intrastate mutual aid system program that we worked on with FEMA—Texas was not able to really effectively mobilize resources on a mutual aid basis. They were one of the earliest States

that participated in that process. They were one of the earliest States to build a State plan, to exercise that plan and test that plan, and we all got to watch the much-improved ability of the State of Texas to mobilize fire resources in response to the recent wildland fires this season in that State.

So, from that perspective of building capacity at the local level, of providing training and helping to put in place systems at the local level to respond to these incidents, FEMA has already accomplished good things. And we believe that continued efforts along that way will improve the wildland fire response.

Mr. DENHAM. Thank you. And Mr. Wilson, the Integrated Public Alert and Warning System Modernization Act, which would establish a framework and timetables for the development of IPAWS, specifically would ensure FEMA consults with and gets input from key stakeholders as this system is developed. How important do you believe input from State and local officials in the private sector is to developing an effective system?

Mr. WILSON. We think it is very important, especially—again, as most events are local in nature, when there is a case when a national broadcast has to be made, there has to be a means to do that. And that is what IPAWS is part of.

But I think having the local folks be able to contribute their ideas is critical, because each State has unique needs, as we can see from the variety of natural disasters that we have spoken about today. And so, I think it is very critical.

Mr. DENHAM. Thank you. And I, as well as this committee, have a bill that is moving forward on this issue. So we will have a number of other questions for you. And I actually have a number of other questions for each of you. But in the sake of time with early votes now being called, I do apologize, but we are going to present those to you in writing, as well.

I would ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing, and unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing.

[No response.]

Mr. DENHAM. Without objection, so ordered. I would like to thank our witnesses again for their testimony today. And if there are no other Members having anything to add today, the subcommittee stands adjourned. Thank you.

[Whereupon, at 10:31 a.m., the subcommittee was adjourned.]

Testimony of

MIKE DAYTON
Acting Secretary, California Emergency Management Agency

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

Hearing:
"Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs"

October 13, 2011

Chairman Denham, Ranking Member Norton, and members of the Subcommittee, thank you for allowing me the opportunity to provide testimony today and to offer my perspective based upon efforts and experiences in California.

I would like to acknowledge the Chairman's commitment towards enhancing preparedness efforts at all levels of government in which your leadership has paid significant dividends towards ensuring our communities are better prepared to endure an emergency.

As Acting Secretary of the California Emergency Management Agency (Cal EMA), I am responsible for coordinating the State's overall preparedness efforts and enhancing our prevention, protection, mitigation, response and recovery capabilities for both intentional and natural calamities. Cal EMA coordinates homeland security and emergency activities to save lives and reduce property losses during disasters and works to expedite recovery from the effects of disasters. This daunting task becomes even more so during these tough economic times. In fact, just within the last two years alone, California has endured significant and multiple natural

disasters as the result of severe winter storms, flooding, mudslides, fires, drought, heavy rains, and earthquakes. Since January 2010, California has received four major federal disaster declarations in which more than 75 percent of California's population is covered under at least one of those declarations with a combined total of more than $236 million in eligible damages statewide and we continue to struggle to cope with the financial implications.

We have learned from our experiences in California that in order to help mitigate the effects of a large-scale disaster, whether intentional or not, we must invest in overall efforts. If we focus our investments on disaster preparedness efforts, we reduce the devastation of human suffering and financial losses in the future. We must invest financial resources on the front end in an effort to ensure that our infrastructure is secure, that early warning systems are in place, and that the public is informed about the potential risks and have the tools to prepare themselves and their families for when a disaster strikes. Even during these difficult economic times, together with our partners, we have taken tremendous steps to enhance our emergency notification systems, create a disaster exercise program that tests operational capabilities, encourage personal preparedness to create resiliency in our communities, create an environment whereby businesses can partner with government, focus our planning on the unique challenges of catastrophic disasters, and reinforce our efforts to support the state's mutual aid system. Despite all these efforts, we can only accomplish so much without federal support. That is why now, more than ever, it is critical for us to know that we can count on our federal partners to work together with us in an effort to ensure the efficient, effective, and sustained operations of our emergency management efforts.

It is truly indisputable as to how vulnerable California is to both intentional and natural disasters and the significant risk that such threats pose to the economies of the state and to the nation. California, unlike almost any other state, is faced with the greatest risk of suffering a catastrophic event such as a large-scale earthquake, significant wildland-urban interface fires, a major urban area flood, or a terrorist attack using weapons of mass destruction based upon our unique entry points. California's risks are unique and underscore the unparalleled need for federal investments in preparedness efforts.

California's overall preparedness system is comprised of five mission areas: prevention, protection, mitigation, response and recovery. In all of these mission areas, Cal EMA strives to

build a streamlined system that will reduce the impacts of both natural and intentional disasters. I would like to briefly highlight California's efforts in these preparedness mission areas and suggest how the federal government could enhance our overall efforts.

Prevention Mission Area

The cornerstone of California's terrorism prevention strategy continues to focus on efforts to deter and disrupt criminal activities before they occur by facilitating information sharing among federal, state and local law enforcement agencies. To counter the terrorist threat to the homeland, California continues to rely on a network of fusion centers to detect and prevent threats from al-Qa'ida, its global followers and homegrown jihadists. Our state and four regional fusion centers analyze disparate pieces of information in an effort to identify possible pre-indicators of terrorist activity and share the analyses with the national intelligence community. California's fusion centers also train and enlist terrorism liaison officers, who are our front line defense in disrupting terrorist plots. To be effective, fusion centers must be fully staffed with well-trained personnel and must enlist active participation from local public safety agencies to sustain a robust network. Like most areas of government, budget constraints have impacted our fusion centers and for this reason, it would be wise to allow state and local governments to use federal grant funds to sustain previous investments in both facility and personnel costs.

Protection Mission Area

California has a strong commitment to prevention and protection programs; however, it has become increasingly difficult to maintain such a commitment when California has experienced a decrease in federal funding and an elimination of federally funded programs. Under federal grant programs between 2010 and 2011, California received eighteen percent less in federal grant funding for homeland security programs and endured more than a $10 million loss to preparedness programs as a result of FEMA's elimination of the Buffer Zone Protection Program (BZPP) and the Interoperable Emergency Communications Grant Program (IECGP). Furthermore, an additional loss of more than $7.5 million in funding this last fiscal year was the result of three existing Urban Area Security Initiatives (UASI) being denied funding. However, over this same time period in which states experienced a decrease in federal grant funding,

FEMA actually received a funding increase from 4 percent to 5.8 percent of their Management and Administration (M&A). FEMA was provided more money to manage and administer grant programs when states were given less money, which means there was actually less work for FEMA to manage and administer, yet FEMA received an increase in funding.

Instead of reducing the funding at the state and local levels, funding should be at a minimum sustained. In addition, the allowances for construction costs to protect and mitigate hazards as well as to harden critical sites should be allowed and funded.

Mitigation Mission Area

As I am sure you are all aware, FEMA commissioned a study that concluded that for each dollar spent on mitigation activities, an average of $4 in post-disaster costs is saved. Mitigation efforts can include both pre- and post-disaster mitigation. Pre-disaster mitigation focuses on projects to reduce the risks to the population and to structures based upon hazards that exist. However, post-disaster mitigation efforts are designed to reduce future loss of life or damage in an already stricken area.

I am deeply concerned about how several critical pre-disaster and hazard mitigation grant projects throughout the State of California have been delayed at the federal level. Specifically, more than twenty projects totaling more than $20 million, which date back to 2005, have not been fully approved by FEMA. In the absence of a concerted effort to remove unduly and burdensome bureaucratic hurdles, many of our communities remain vulnerable to a catastrophe that we are trying to mitigate with either pre-disaster or hazard mitigation grants. I cannot emphasize enough how important it is that the environmental and judicial review processes of critical mitigation projects be streamlined and that FEMA be provided the adequate resources to quickly review and act upon mitigation projects.

Response Mission Area

The bedrock of our emergency response system in California is our mutual aid system, which was established in the 1950s. It's a simple concept of one jurisdiction being legally bound to all the other jurisdictions in the state to provide assistance during a disaster. We have learned valuable lessons over the years, which have reinforced the essential need to enhance the

emergency response capacities of our first responders to ensure that we are able to effectively respond during a catastrophic incident.

With wildland fires being one of the most detrimental threats and realities facing California on a continuous basis, ensuring that we have enough first responders to respond to a fire is critical. With nearly 6,000 fires and more than 1.3 million acres burned in California in one year alone, the threat and impact of fires in California is undisputable. In fact, seven of the top ten largest wildland fires in the United States have occurred in California, with sustained damages of $8.4 billion, which equates to approximately seventy-nine percent of the $10.6 billion in damages nationwide. California is appreciative of the federal assistance received through the Assistance to Firefighters Grant (AFG) program, which assists local jurisdictions with firefighting and emergency response needs. Unfortunately though, funding through the AFG program is not based upon risk, or even a population based formula. California's level of assistance under the program is simply insignificant. For instance, last year alone California experience more than 134,000 acres burned as the result of wildland fires, however on average only received $5.92 per capita[1] through the AFG program while states such as Maine, which experienced roughly 318 acres burned last year, received an average of $41.31 per capita in AFG funding. The AFG program should allow states to apply for funding to purchase the equipment necessary for the initial attack phase, and ultimately will reduce costs associated with damages from the incidents. Funds through the program should be allocated to the areas of the country with higher risk of catastrophe and should be directed towards enhancing regional surge capacity in areas that have high incidence of urban wildland fires.

In addition to California's significant risks from wildland fires, the risk of a catastrophic earthquake occurring in California is not a matter of if, but when it will occur. California is appreciative of the significant efforts undertaken by our federal partners in the catastrophic planning for our nation's greatest risks, which includes the potential for catastrophic earthquakes within California in the Bay Area and in Southern California. Unfortunately, catastrophic planning efforts are not federally funded as block grants, which limit a state's planning abilities based upon its significant risks. As stated previously, California's risks are extensive, which includes the daunting threat and cascading effects of a catastrophic flood incident within the

[1] Figure based on funding from 2001 to 2010.

California Delta, and areas such as Sacramento and Bakersfield. If catastrophic planning through FEMA was funded as a block grant to states it would provide the mechanism to enable states to set priorities based upon strategic priorities and would allow the states to adjust and modify planning objectives based upon different variables. Transitioning the federal grant programs for catastrophic planning efforts to a block grant style program would enhance efficiencies by allowing states to determine, based upon risk and vulnerability assessments, which catastrophic planning efforts are the most critical and beneficial. In California, we would utilize such an opportunity to develop a catastrophic flood plan for communities such as Sacramento and Bakersfield to more closely examine the ramifications and cascading effects that would occur if in the event of a Delta flooding incident.

Recovery Mission Area

Non-government partners play a vital role assisting government agencies by providing goods and services during times of disasters and are essential to the economic recovery efforts after a disaster strikes. To foster partnerships with our business partners, California has developed formal relationship with businesses in the retail, banking, and telecommunications industries. These formal relationships, usually through memorandums of understanding, have led to coordination and communication efforts that will benefit all parties during an emergency. Businesses in California have repeatedly offered assistance within their communities during disasters, but unfortunately, as a result of their goodwill efforts, they are vulnerable to legal liability and lawsuits. Therefore, we statutorily created a business registry program in California that substantially protects those businesses that register on-line to limit their tort liability. In addition, California recently adopted regulations that allow us to provide funding to non-profit organizations, which provide essential services during a disaster at the request of local governments.

California has taken significant steps to form relationships with the private sector to allow for greater participation by the private sector in emergency management efforts and to reduce the costs to government. In these difficult economic times, and with diminished and uncertain government resources, we must leverage our partnerships with non-government entities to expand our recovery capabilities. We must rely on our non-government partners, now more than ever, and we must actively and fully engage them to ensure that we can help to close

the gaps in our emergency preparedness, response, and recovery efforts. Bridging the gap between the public and private sectors before, during, and after an emergency will lead to increased efficiencies and a more streamlined approach to provide the necessary and critical resources that will be needed in an emergency situation.

We all know that the work we do is faced with uncertainties, however FEMA's assistance should not be one of the unknowns during an unpredictable event. We must work together and ensure that the resources made available are put to the best use possible.

California continues to be recognized as a national leader in homeland security and emergency management efforts, and with your support we will continue to work tirelessly to advance efforts which we believe will provide the greatest benefits for our state and nation. Because of your previous support, California's communities are safer, have the best trained and equipped first responders, and continue to move forward with a number of important initiatives.

Written Statement of

Craig Fugate

Administrator
Federal Emergency Management Agency

FEMA

"Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs"

Before the

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

Washington, D.C.
October 13, 2011

Introduction

Good morning Chairman Denham, Ranking Member Norton, and distinguished Members of the Subcommittee. My name is Craig Fugate, and I am the Administrator of the Federal Emergency Management Agency (FEMA). I appreciate the opportunity to appear before you today on behalf of FEMA to discuss our efforts to increase the efficiency and effectiveness of FEMA's recovery activities.

FEMA is committed to helping communities recover from disaster as quickly as possible. Recovery is at the heart of disaster response and it is vital that we as an agency continue to support tribal, state and local governments to improve the recovery process. Successful recovery depends on collaboration with our many partners to ensure that they have a clear understanding of pre- and post-disaster roles and responsibilities. FEMA is just one part of the team, and the success and speed of recovery depends heavily on the Whole Community's involvement.

Today, I will describe how FEMA is cutting-costs and increasing efficiency across the agency, including our disaster assistance programs. These efforts are improving the speed and effectiveness of the delivery of our recovery programs. We are also working to improve collaboration with our federal, tribal, state, local, and nongovernmental partners to better coordinate delivery of needed services in the aftermath of a disaster. FEMA will continue to do its part to help individuals and communities rebuild and recover following a disaster.

Efforts to Cut Costs and Increase Efficiency

FEMA understands that the more efficient our operations are, the more people we can support. That is why we are constantly looking for ways to cut costs and streamline our processes. Through careful management of our Disaster Relief Fund (DRF) funds; implementation of FEMAStat, a management tool used to identify potential process improvements; and increased oversight of contract administration, we have identified and capitalized upon numerous opportunities to use our resources more efficiently.

Although we cannot predict the size, scope, or cost of future disasters, we have improved management of the DRF to maximize available resources. Over the past two years, FEMA has put additional mechanisms in place to reduce costs and identify funds that could be de-obligated and returned to the DRF. By increasing the level of oversight of the status of mission assignments, contracts, and grants we have been able to return over $4.7 billion (as of September 27, 2011) in excess funds to the DRF since the beginning of FY 2010. We continue to work to improve the accuracy of our estimates of resource needs for catastrophic disasters by regularly reviewing spending reports. Each catastrophic disaster team is required to prepare monthly spend plans that project resource needs for the current and succeeding year. These teams also work with state partners to identify priorities and plan for resource needs. Actual expenses are then compared to projections to identify variances and the reasons for those variances. In addition, we have been able to reduce the administrative costs associated with disaster response and recovery activities by establishing right-sizing plans for field offices and looking for situations where field offices can be co-located or run virtually from our regional offices. We

will continue to be good stewards of the taxpayers' money by maximizing the effectiveness of DRF funds.

FEMA's aggressive and smart management prevented a lapse in the DRF in September. As we approached the end of the fiscal year, FEMA implemented Immediate Needs Funding (INF) and the Administration requested supplemental appropriations as we transitioned from immediate response to recovery following Hurricane Irene. In the meantime, as we awaited Congressional action, FEMA undertook an aggressive strategy to recover any funding possible to preserve Individual Assistance (IA), working with states on recoveries. Through these efforts, FEMA managed to preserve the DRF for another five days at the end of the Fiscal Year. At the same, projects and disaster recovery activities were put on hold during Sept to prioritize IA and recoveries. All of these activities will require attention and resources in FY12.

We have also successfully streamlined and reduced errors in disaster contracting through improved oversight and administration. At the beginning of FY 2010, FEMA's Office of the Chief Procurement Officer (OCPO) created a new branch to provide administrative supervision and operational support for all Contracting Officers with regional duty stations. This new branch has helped increase awareness and use of local sources for disaster contract support.

Another significant improvement in acquisition management has been the use of Disaster Acquisition Response Teams (DARTs). The DART's primary focus is to respond to disasters and provide contract administration and oversight of large disaster contracts in the field. The use of DARTs has resulted in increased efficiency in disaster response and recovery acquisition activities:

- Following this summer's severe flooding in Minot, ND, DARTs helped to identify potential sources of housing for disaster responders and were able to provide recommendations for vendor, contract type, and solicitation procedures to streamline the procurement process.
- DARTs assisted with the de-obligation of prior-year contracts to help fund the DRF.
- In response to Hurricane Irene, DARTs engaged with the Recovery Division and were prepositioned to provide administrative contracting support for housing and inspection missions.

FEMA also worked to transition qualified Disaster Assistance Employees to the Acquisitions/Contracting (1102) series, which will allow them to have greater purchasing power in the field during disasters. This conversion creates the possibility for these contract specialists to be deployed in the field for a longer period of time, creating increased stability in contract administration. These efforts have increased the speed with which we can get recovery contracts in place while reducing the number of errors.

Across the agency, FEMAStat is being used to identify opportunities for improvement. FEMAStat was introduced in January of this year as a process for ensuring alignment of our allocation of resources with our mission and goals. This management tool looks at outcomes across the agency to determine our progress on stated priorities, monitor FEMA's readiness posture, and identify opportunities to improve our performance. FEMAStat meetings provide a

place for the agency's senior leadership and mid-level managers to have an open, data-driven discussion about an identified topic or mission area. Performance gaps are identified and actions to address these gaps are decided upon and assigned to an office for rapid action. It also provides a forum where lessons-learned and best practices from previous disasters can be used to improve our processes. Since the inception of FEMAStat, we have seen many successes, including:

- Identified additional opportunities to build internal expertise and save costs by converting contracts and contractor positions to full-time employees.
- Established a unified employee training architecture that examines the training needs and resources across all components of the agency.
- Established the OCPO as the owner of the acquisition process from start to finish, which will allow the office to track the entire contracting process and identify inefficiencies and bottlenecks.

We will continue to reform our agency and make it more effective and nimble through various initiatives and methods.

Improvements to Disaster Assistance Programs

In addition to our efforts to improve FEMA's operational efficiency, we also have increased the effectiveness of our Individual Assistance (IA) program. FEMA's IA program provides assistance to individuals and families after a disaster, including emergency assistance, the Individuals and Households Program (IHP), Crisis Counseling Program, Disaster Legal Services, Disaster Unemployment Assistance and the Disaster Case Management Program. Disaster housing programs reflect the varying needs of disaster-affected communities and individuals. FEMA housing programs enumerated under the Stafford Act are not intended to restore the applicant to their pre-disaster standard of living, but rather to provide a bridge between short-term transitional sheltering and long-term, sustainable permanent housing. Rental assistance is the most common form of housing assistance provided by FEMA, enabling individuals and families to rent a housing unit while they locate and secure long-term permanent and sustainable housing.

In the aftermath of the tornadoes in Joplin, MO last spring, one of the greatest challenges was identifying available housing to address the unique situation of the community. Despite the devastation of its school system after the tornadoes, the town of Joplin set a priority to reopen the schools on time this fall. To aid this effort, FEMA worked with the State-led Housing Task Force to place families with school-aged children in mobile home parks first, successfully housing all families identified before the start of the school year. Achieving this goal has been an important symbol of progress for residents still busy putting their lives back together and we are proud to have been a part of this effort.

We are working to simplify the disaster assistance application process for individuals as well. DisasterAssistance.gov consolidates information about disaster assistance from multiple government agencies in one place, making it easier for disaster survivors to research and apply for disaster assistance. Disaster survivors may be eligible for a variety of disaster assistance

programs offered by 17 different federal agencies. In 2010, DisasterAssistance.gov was named on the Congress.org list of five best government websites and continues to be one of the most efficient ways for individuals to learn about their disaster assistance options. Additionally, FEMA's National Processing Service Center (NPSC) has developed the capability to provide outgoing email to disaster survivors. Since August 2011, disaster survivors have immediate online access to FEMA generated correspondence as opposed to traditional mail which can take up to five days. Survivors are notified more quickly of eligibility determinations, assistance, and any follow-up documentation required for assistance. In addition, FEMA's mobile website makes it easier for smartphone users to access critical information regarding emergency preparedness, what to do in the event of a disaster, and register for assistance.

The NPSC has also made significant improvements to its processes that have resulted in the ability to serve more customers quickly and efficiently. Through initiation of an Interactive Voice Response (IVR) system that allows applicants to check the status of their application without agent intervention, the NPSC's capacity has greatly increased. This self-service option is also available online. As a result of these new automated options, the NPSC has achieved an average wait time of 20 seconds and answered more than 1.5 million inquiries since January 26, 2011. To further streamline its processes, the NPSC has established specialized teams dedicated to dealing with more complex cases such as Appeals and Recoupment to decrease review time for these cases.

Moreover, FEMA has more than doubled its daily capacity to perform home inspections, which has resulted in an average turn-around time for completing inspections of 3.2 days for the last 35 IA disasters. All of these improvements have resulted in better service to our customers and a 93.5 percent customer satisfaction score in 2010 from individual assistance applicants.

We have also made improvements to the Public Assistance (PA) program, which provides Federal disaster grants to eligible tribal, state, and local governments, as well as certain private nonprofit entities for the repair, replacement, or restoration of publicly-owned facilities and infrastructure damaged during a disaster. Through a comprehensive, bottom-up review (BUR) of the existing PA program, we are identifying changes that will reduce administrative costs, speed delivery of recovery funds, and increase applicant flexibility. A workgroup is in the process of analyzing internal and external feedback and data and will develop proposed program options for the improved implementation of the PA program for senior leadership review. During this process, we collected feedback from numerous external stakeholder groups such as the National Emergency Management Association and the National Advisory Council.

FEMA will share the proposed program options with stakeholders once they are fully developed. We anticipate initiating changes to the PA program in early 2012; In the meantime, FEMA is pursuing regulatory and policy changes within existing statutory authority and will also consider the need for legislation. For example, FEMA has completed a PA policy review with input from states on the PA Steering Committee. PA is in the process of making changes to multiple policies with the objective of enhancing flexibility and simplifying the program. We are committed to enhancing the performance of the PA program so that we can do our part to help communities rebuild following a disaster.

One form of assistance that the PA program provides is debris removal operations. In order to aid communities in faster recovery, the PA program piloted Operation Clean Sweep, also known as the Expedited Debris Removal Program, which uses geospatial imagery to make rapid assessments and identify the areas with the most catastrophic damage. This allows FEMA to focus on the hardest hit areas and combine direct Federal assistance and local government contracting to quickly remove debris. This pilot has been used with great success by local governments in Mississippi, Alabama, and Missouri in response to the spring storms to quickly remove debris. Using this approach in Alabama this spring and summer, the Army Corps of Engineers, contractors, and local governments were able to move 8.35 million cubic yards of debris—84% of the state's debris—in just 75 days.

FEMA also funds temporary facilities like fire stations and schools as part of the PA program, which enables communities to quickly restore critical public infrastructure functions. This effort helped Joplin residents to re-open schools following the severe storms in the south. Along with state and local partners, FEMA formed a Schools Task Force to support and help Joplin local officials establish temporary facilities for schools to meet their goal to open schools on time in the fall. With FEMA's help, Joplin was able to have classrooms, storm shelters, support facilities, and athletic fields needed to start the school year. FEMA also ensured that safe rooms are included in both the temporary and rebuilt schools. When schools opened on time on August 17th, about 95% of the student population had returned. This story highlights not only what can be accomplished when the Whole Community works toward a single objective, but serves as a testament to the resilience and determination of the Joplin community.

National Disaster Recovery Framework

We have seen how important collaboration is to the recovery process. In order to further improve coordination of recovery activities among federal, tribal, state, local, and non-governmental partners and to comply with mandates in the Post-Katrina Emergency Management Reform Act and the Presidential Policy Directive 8 on National Preparedness, FEMA developed the National Disaster Recovery Framework (NDRF). The NDRF—for the first time—clearly defines coordination structures, leadership roles and responsibilities, and guidance for federal agencies, state and local governments, and other partners involved in disaster planning and recovery. The NDRF introduces six new Recovery Support Functions (community planning and capacity building, economic, health and social services, housing, infrastructure systems and natural and cultural resources) and identifies specific recovery positions that help focus efforts on community recovery such as the Federal Disaster Recovery Coordinator (FDRC). The FDRC will be deployed when a Federal role is necessary and significant interagency resource coordination is required due to the large-scale, unique or catastrophic nature of the disaster. The FDRC's sole focus is coordinating available resources to assist the community with rebuilding and recovering.

The NDRF reflects input gathered through extensive stakeholder discussions which included outreach sessions conducted by FEMA and the Department of Housing and Urban Development in each of the ten FEMA Regions, and forums held in five cities across the country. The final NDRF incorporates comments and recommendations from discussion roundtables held with

professional associations, academic experts, and more than 600 stakeholders representing federal, tribal, state, and local governments, as well as public and private organizations.

FEMA has been field testing certain aspects of the NDRF, including the appointment of a FDRC. For example, in the wake of the 2011 tornadoes that tore through Alabama and much of the south, a FDRC was appointed to work with Alabama state officials to develop a recovery strategy that emphasized coordination. In addition, the Governor established a lead state agency to manage state coordination efforts and staff were co-located within the Joint Field Office to provide a direct connection between federal and state partners. The NDRF recognizes the importance of engaging and utilizing the Whole Community—federal, state and local governments, non-profit organizations, the private sector and individuals—to help a community maximize available resources to recover from disaster.

At the end of September, FEMA hosted the National Recovery Tabletop Exercise (Recovery TTX) with over 200 participants from federal, state, local and non-governmental organizations. It was the first opportunity to explore the application of the NDRF using the National Level Exercise large-scale, multi-state, multi-Region catastrophic earthquake scenario. The Recovery TTX was a great opportunity to further outline the scope of each Recovery Support Function (RSF), identify the necessary linkages between RSFs and understand capacities to support the RSFs in all phases of recovery. Through collaboration and engagement with partners at every level of government as well as the nonprofit and private sector, we can maximize our resources and recovery capabilities.

Conclusion

Recovery is one of the most vital and sustained phases of the emergency management cycle. By streamlining processes and cutting costs, we can increase FEMA's ability to provide help to communities at this crucial time. FEMA remains committed to assisting our tribal, state, and local partners in the aftermath of a disaster, working with our partners in the private sector and voluntary agencies. By engaging with these important members of the team, we can build the resilience of the nation's communities and increase their ability to recover from disasters. Thank you for this opportunity, I am happy to answer any questions you may have.

Question#:	1
Topic:	Section 404
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)
Witness:	Craig Fugate, FEMA Administrator
Organization:	U.S. Department of Homeland Security

Question: Section 404 of the Stafford Act allows FEMA to delegate administration of the hazard mitigation program to States. This could lower costs for FEMA and streamline the process. Florida has requested a delegation of authority; however, FEMA has yet to issue the criteria to approve State applications. When do you expect the criteria will be completed?

Response: In October 2010, the State of Florida submitted an application to support its request for the delegation of authority to administer and manage the Hazard Mitigation Grant Program (HMGP) under the Program Administration by States (PAS) provision in the Stafford Act. At that time, we had not developed the criteria by which the State could be evaluated. We then informed the State by letter that we were not able to review Florida's application for that reason. We also encouraged the State to comment on the criteria when public input is requested.

FEMA is developing a rule for the HMGP PAS to implement statutory requirements of Section 404 of the Stafford Act. We will use the rulemaking process to coordinate with States and local government on the criteria for PAS selection, as prescribed by the Stafford Act.

Question#:	2
Topic:	EHP
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: The Environmental and Historic Preservation (EHP) review process is generally completed prior to beginning projects funded by FEMA. Unfortunately, this process can delay projects for significant periods of time and increase costs to both FEMA and States. What is FEMA doing to streamline this process and ensure it is done as quickly as possible?

Response: FEMA has developed an EHP Strategic Plan that lays out the vision and strategies for meeting Federal environmental planning and historic preservation requirements in a way that is consistent with the Agency's mission and needs. Various strategies under this plan focus on measures to streamline the process and establish metrics to measure the success of the process.

In addition, FEMA is currently engaging in an assessment of the way it implements its EHP responsibilities, which includes the review process. This assessment is identifying opportunities to make internal changes in a manner that addresses some of the issues encountered in the EHP review process.

For example, FEMA has developed and implemented programmatic approaches to more effectively and efficiently ensure compliance with (EHP) policies. For example the Agency developed and is implementing a National Environmental Policy Act compliant Programmatic Environmental Assessment (PEA) for Integrated Public Alert and Warning System Construction projects saving the Agency more than $600K in EHP review costs. A PEA for Hazard Mitigation Assistance funded safe room construction projects is proving instrumental to recovery efforts from the deadly tornadoes that devastated the South and Midwest in the Spring of 2011. A PEA for homeland security (GPD) programs and multiple State Programmatic Agreements under Section 106 of the National Historic Preservation Act that streamline the timeframes for consultation have also been prepared and are being implemented. Additional programmatic approaches are also under consideration.

FEMA recently added staff in each of the 10 regional offices to assist in the EHP review process, and together with several programmatic initiatives, this has already produced a 15 percent reduction since 2010 in the number of non-disaster projects for which EHP review is over 120 days. In addition, FEMA has placed EHP Coordinators in Hazard Mitigation Assistance and the Grant Programs Directorate in order to provide focused assistance to these programs to better integrate EHP requirements into their program

Question#:	2
Topic:	EHP
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

delivery.

Question#:	3
Topic:	buyouts
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: At the hearing, Rep. Barletta of Pennsylvania highlighted the fact that a number of buyouts that would have moved homes impacted by Hurricane Irene had not yet occurred since a previous disaster in 2006. Please explain why these buyouts had not occurred?

Response: In October 2007, FEMA funded an 18 home acquisition/demolition project for open space (frequently referred to as buyouts) under the Hazard Mitigation Grant Program in Plymouth Township for a federal share of $1.2 million under DR-1649 which was declared in 2006. This project has been completed and closed out as of April 28, 2011. The homes were demolished, and the land remains in open space in perpetuity.

Under DR-1898-PA, FEMA received an application from Pennsylvania Emergency Management Agency (PEMA) in May 2011 for a 5 home acquisition/demolition project for open space (frequently referred to as buyouts). FEMA Region 3 worked with PEMA and Plymouth Township to amend the application to add two additional properties for a 7 home acquisition/demolition project submitted under the Hazard Mitigation Grant Program in Plymouth Township and determined it to be eligible and cost-effective. This project has an anticipated federal share of $575,550, and the funds were obligated October 27, 2011. Properties are not acquired until funds are awarded to the grantee.

Question#:	4
Topic:	procedure
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: Please submit to the Committee the formal procedure on how after action reports are completed and used to apply lessons-learned to future disasters.

Response: FEMA uses an after-action process based upon the Homeland Security Exercise and Evaluation Program (HSEEP) to collect and analyze data during and after disasters and compile a report of the findings and recommendations. The eight steps of the HSEEP evaluation process are: (1) Plan and Organize the Evaluation; (2) Observe the Exercise and Collect Data; (3) Analyze the Data; (4) Develop the draft After Action Report / Improvement Plan (AAR/IP); (5) Conduct an After Action Conference (AAC); (6) Identify Corrective Actions to be Implemented; (7) Finalize the AAR/IP; and (8) Track Implementation.

The exercise-based approach is flexible, and we adapt it for disasters.

- *Plan and Organize the Evaluation:* Includes the formulation of an evaluation team, defining evaluation requirements, data collection methods, and development of Exercise Evaluation Plan (exercises) or Data Collection Plan (real-world events).

- *Observe the Exercise (or Real-World Event) and Collect Data:* Data collectors are strategically pre-positioned in locations at which they can gather useful data and track and record participant actions carefully. Data collection includes the review of exercise or operational objectives for the event as well as operational plans and policies, Situation Reports (SITREPs), Spot Reports (SPOTREPs), logs, other data associated with an event, data and reports posted to the Lessons Learned Information Sharing system (LLIS.gov) for similar events in the past, and conducting interviews with key personnel. Data collection usually includes participation in a hotwash, or debrief, which is a facilitated discussion conducted immediately after an exercise or disaster, or at intervals during a disaster, allowing those involved to engage in self-assessment of individual and collective performance. The hotwash also provides data collectors with the opportunity to clarify points or collect any missing information. For disasters encompassing a wide area or timeframe, separate hotwashes may be held at several locations or at several times throughout the disaster response to assess performance of a particular function, e.g., response or recovery.

- *Analyze the Data:* During data analysis, the evaluation team consolidates the data collected during the exercise or disaster and transforms it into narratives that address the

Question#:	4
Topic:	procedure
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

course of exercise play or disaster operations, demonstrated strengths, and areas for improvement. The evaluation team determines root causes for the identified issues and provides recommendations.

- *Develop the Draft AAR/IP:* Both exercises and real-world events result in the development of an AAR/IP, the final document that provides a description of what happened, describes any best practices or strengths, identifies areas for improvement that need to be addressed, and provides recommendations for improvement. The draft AAR is provided to all participants for review and is discussed at the AAC.

- *Conduct an AAC:* As soon as possible after completion of a draft AAR, the lead evaluator, members of the evaluation team, and other members of the exercise planning team conduct an AAC to present, discuss, and refine the draft AAR, and to develop an IP. This conference is a chance to present the AAR to participating entities in order to solicit feedback and make necessary changes.

- *Identify Corrective Actions to be Implemented:* The AAC will consider specific corrective actions to address the observed areas for improvement and associated recommendations, resulting in an Improvement Plan, a list of corrective actions that identify what should be done to address observations and recommendations; who (person or entity) is responsible; and the timeframe for implementation. Each participating entity must identify a point of contact (POC) responsible for reporting progress toward implementing the corrective actions assigned in the IP. This information is tracked using the Corrective Action Program System.

- *Finalize the AAR/IP:* Following the AAC, or after receiving the feedback of a draft AAR review, evaluation teams finalize the AAR/IP.

- *Track Implementation:* Once AAR/IPs are completed and approved, they are disseminated to stakeholders. To track the implementation of corrective actions identified in the final AAR/IP, evaluation teams must include individuals responsible for complying with the corrective action process. The progress reports should illustrate a consistent trend of progress toward implementation of the corrective actions listed in an AAR/IP. Once participating entities have had time to implement corrective actions, a new cycle of activities can begin, to further test and validate these corrective actions and improve capabilities.

Question#:	5
Topic:	MOU
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: In September 2009, numerous federal agencies signed an MOU by which they committed to work in partnership with the State of California and stakeholders to address water challenges within the Sacramento-San Joaquin Delta. These challenges include disaster response due to impacts from earthquakes and flooding, environmental problems, water supply, and coordinated activities with California agencies.

Do you know what FEMA's role is currently in this effort?

If FEMA is not involved, can you assure the Committee you will begin to engage in these activities?

Please provide a statement regarding the role that FEMA plays in the MOU with federal agencies surrounding the water challenges within the Sacramento and San Joaquin delta.

Response: In September of 2009, the U.S. Department of the Interior, the White House Council on Environmental Quality, the U.S. Department of Commerce, the U.S. Department of Agriculture, the U.S. Environmental Protection Agency and the U.S. Department of the Army (Civil Works) signed a joint federal agency Memorandum of Understanding (MOU) regarding the California Bay Delta. The MOU confirms the commitment of the federal agencies involved to work in partnership with the State of California and other stakeholders to ensure a healthy and sustainable Bay Delta ecosystem that provides for a high quality, reliable, and sustainable long-term water supply for California. The Federal Emergency Management Agency (FEMA) was not a signatory to that MOU.

However, the FEMA Region IX office in Oakland, California, did enter into a MOU with the State of California Emergency Management Agency (CalEMA) related to disaster assistance in the Bay Delta area. The purpose of the FEMA/CalEMA MOU is to establish criteria regarding the potential eligibility for FEMA's Public Assistance (PA) program funding in the special reclamation districts in the Sacramento/San Joaquin Delta area. The MOU clarifies the requirements for PA funding for: emergency flood fighting/response, emergency repair, permanent restoration, and replacement of facilities.

The MOU requires levees and flood control works organizations to meet specific geometrical and other physical criteria such as height, width, angle of slope and armament. It further requires regular inspections of the levees as well as documented

Question#:	5
Topic:	MOU
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

profiles, cross sections and certifications from certified/licensed engineers that the facilities meet, or do not meet, the criteria established in the MOU. Each reclamation special district must submit an annual maintenance plan that addresses any and all deficiencies identified by the certifying engineer. Finally, the MOU clearly defines the respective responsibilities of FEMA, CalEMA, and the reclamation districts before, during, and after an event.

The FEMA/CalEMA MOU was executed in February of 2010.

Question#:	6
Topic:	NFIP
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: The National Flood Insurance Program (NFIP) has encouraged development in the Sacramento-San Joaquin Delta which to some degree has contributed to the decline of a number of native fish listed as threatened or endangered under the Endangered Species Act by adversely modifying or destroying their habitat. What steps is FEMA taking to evaluate the harm it is causing and to address that harm?

Response: This question raises an issue which is being addressed in current litigation, specifically *Coalition for a Sustainable Delta v. FEMA*, Civ. No. 1:09-CV-02024-OWW-GSA (E.D. Cal). On August 19, 2011, the Court granted, in part, and denied, in part, FEMA's motion for partial summary judgment. *Coalition*, 2011 WL 3665108 (E.D. Cal. Aug. 19, 2011). The parties are currently exploring the possibility of settlement. FEMA has found no evidence that the NFIP encourages development in the Sacramento-San Joaquin Delta. Our evaluations of the NFIP, available online at http://www.fema.gov/business/nfip/nfipeval.shtm, generally indicate that the evidence concerning the hypothesis that the NFIP encourages development in floodplains is inconclusive. In *Coalition for a Sustainable Delta v. FEMA*, the Court denied FEMA's motion for summary judgment concerning "[w]hether or not FEMA's mapping activities in the Delta actually do encourage...filling and leveeing activities," and concluded that the question "is a disputed material fact that cannot be resolved on summary judgment." See *Coalition*, 2011 WL 3665108, at *40.

Question#:	7
Topic:	section 7
Hearing:	Streamlining Emergency Management: Improving Preparedness, Response, and Cutting Costs
Primary:	The Honorable Jeff Denham
Committee:	TRANSPORTATION (HOUSE)

Question: More than two years ago, FEMA was subject to litigation over section 7 of the Endangered Species Act regarding the effects of its ongoing implementation of the NFIP on listed species in the Delta. At issue was interaction with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service. What is the status of this litigation? Additionally, FEMA has settled similar lawsuits in other parts of the country, is there a reason the Delta issue remains unresolved?

Response: This question refers to *Coalition for a Sustainable Delta v. FEMA*, No. 1:09-CV-02024-OWW-GSA (E.D. Cal.). This case remains pending in litigation after the Court granted in part but also denied in part, FEMA's motion for partial summary judgment. See *Coalition for a Sustainable Delta v. FEMA*, No. 1:09-CV-02024-OWW-GSA, 2011 WL 3665108 (E.D. Cal. Aug. 19, 2011). The parties are attempting to negotiate settlement. Prior to settlement, the NFIP would need to be reauthorized.

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

STATEMENT OF

DEAN HUNTER
DEPUTY DIRECTOR
FACILITIES, SECURITY, & CONTRACTING
U.S. OFFICE OF PERSONNEL MANAGEMENT
1900 E Street N.W., Washington, DC 20415

before the

SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT,
TRANSPORTATION AND INFRASTRUCTURE COMMITTEE,
UNITED STATES HOUSE OF REPRESENTATIVES

on

STREAMLINING EMERGENCY MANAGEMENT, IMPROVING PREPAREDNESS, AND CUTTING COSTS

October 13, 2011

Good morning, Chairman Denham, Ranking Member Norton, and distinguished members of the Subcommittee. My name is Dean Hunter, and I am the Deputy Director for Facilities, Security, and Contracting at the U.S. Office of Personnel Management (OPM). In that position, I have primary responsibility for security and emergency management at OPM. Thank you for allowing me the opportunity to appear before you today to discuss OPM's role in determining the operating status of the Federal Government in the National Capital Region, and, in particular, our actions concerning the earthquake of August 23, 2011.

By law, individual Federal agencies possess the authority to manage their workforces and to determine the appropriate response during emergencies, including natural disasters. Nonetheless, in order to facilitate a consistent and coordinated approach on a region-wide basis, Federal, State, and local authorities have traditionally looked to OPM to determine the operating status of the Federal Government across the DC area. OPM maintains a 24-hour operations center to actively monitor unfolding events. As emergencies arise, our standard protocols include participation in conference calls hosted by the Metropolitan Washington Council of Governments (MWCOG) in order to develop situational awareness, facilitate the exchange of information, and coordinate communications and response efforts among Federal, State, and local agencies and other stakeholders. Participants in these structured calls include Federal, State, and local partners in all applicable disciplines, including weather (e.g., National Weather Service), emergency planning (e.g., Federal Emergency Management Agency, emergency management agencies of DC, MD

Statement of Dean Hunter
Deputy Director for Facilities, Security, & Contracting
U.S. Office of Personnel Management

October 13, 2011
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and VA, as well as County representatives from local jurisdictions), transportation (e.g., Washington Metropolitan Area Transit Authority/Metro/Metrobus, Virginia Railway Express, Maryland Area Rail Commuter, Amtrak, commuter bus lines, Departments of Transportation for DC, MD, and VA), law enforcement (e.g., Metropolitan Police Department, U.S. Park Police), utility companies (e.g., PEPCO), and school districts.

The collaborative feedback of this network of stakeholders drives OPM decisions during emergencies. Our principal priorities are to ensure the safety and security of the Federal workforce and the public and to maintain the continuity of Government operations. A rapid dissemination of the OPM message takes many forms - - from direct notification to media outlets, to posting on the OPM webpage and call-in line, notification to the Chief Human Capital Officers, the White House, and Congress, to e-mail alert notifications to subscribed employees, and updating social media including, Facebook and Twitter.

Unlike the typical weather emergencies for which OPM has historically served as the coordinator of the Government's operating status, the afternoon earthquake of August 23rd was an unprecedented, spontaneous event. At OPM Headquarters, almost immediately following the tremors, the fire alarm was pulled by one or more of our employees, triggering an evacuation. Within minutes, however, we were able to confirm with the U.S Geological Survey that a 5.8 magnitude earthquake had occurred. Our initial concerns were for the safety and security of our personnel, and we took immediate steps to conduct an orderly evacuation of our facility while building engineers began a damage assessment. We could further see that nearby Federal facilities, including the Department of the Interior and the General Services Administration (GSA) were also in the process of evacuating.

While our building evacuation was under way, and simultaneous with our effort to ensure the safety of our own employees, we began attempts to gain situational awareness in order to make an informed decision on the operating status of the Federal Government across the region. Our concerns centered on whether facilities were structurally safe to re-occupy, the length of time necessary to conduct damage assessments, the impact of potential aftershocks, and the effect of the earthquake on transportation capabilities throughout the region, including Metro and the roads and bridges.

Our efforts to obtain awareness through our traditional protocols were hampered by communication challenges. Cell phone, landline, and e-mail service was sporadic, at best. We were also unable to timely obtain Government Emergency Telecommunications Service and Wireless Priority Service connectivity. Early in the event, we were able to make contact with MWCOG and request a conference call, but communications challenges prevented MWCOG from orchestrating the call.

Because of these challenges, we resorted to other, less effective, means of determining local conditions. As first responders began their assessment efforts and actions, we monitored radio traffic over the Washington Area Warning Alert System which became a forum for status reports on damage assessments and transportation capabilities, including the operating status of bridges

and roadways, Metro and Amtrak, among others. We were able to establish contact with the DC Homeland Security and Emergency Management Agency Director and GSA officials, and these contacts were vital in our efforts gain awareness on regional capabilities and obtain feedback on potential courses of action concerning the operating status of the Federal Government.

OPM's announcement on the status of the Federal Government was broadcast at 3:47 p.m. Given the communication challenges noted, which prevented us from having a full understanding of local conditions, and after careful review, we concluded that it would not have been prudent for OPM to issue an announcement earlier. Further, this unique event called for special tailoring of the OPM standard messaging regarding early releases. The OPM announcement recognized that many Federal agencies had already made the determination to release their employees early and further recommended that individual agencies consider early dismissal, recognizing ongoing traffic and commuting conditions. Implicit in this message was the understanding that individual agencies were better positioned to make decisions on a building-by-building basis, given the varied levels of damage anticipated and ongoing structural assessments. We concluded that a blanket, OPM region-wide determination was neither feasible nor appropriate.

Throughout the evening of August 23rd, and in the subsequent days, OPM worked actively with GSA to post information concerning the operational status of Federal facilities. On August 24th, the Federal Government was OPEN with the option for Unscheduled Leave or Unscheduled Telework. GSA closed thirty-three facilities pending a final structural assessment prior to re-occupancy.

The good news about this event is that, in fact, no one was injured, the commute that afternoon, though more difficult than an average commute home, was generally not as challenging as we have seen in recent weather-related early releases, and the vast majority of the Federal agencies in the region were able to re-open the next day, on time. Nonetheless, we recognized immediately that it was critical that OPM and the relevant authorities take steps to determine what improvements OPM should put in place in the event of future, similar events.

Prior to and since the earthquake, we have been working closely with our Federal, State, and local partners to amend the OPM decision framework to include a Shelter-in-Place option. Further, we are actively engaged with MWCOG in an interagency effort to strengthen emergency management efforts throughout the region, with an eye towards enhancing communications capabilities in the future. Recognizing that getting the message into the hands of our Federal employees is paramount, we are maximizing the use of social media, including Twitter and Facebook, to reach personnel the fastest in an ongoing event. Further, we are strengthening our partnerships at the local level, including recent OPM participation in the District of Columbia's functional emergency management exercise on September 28th. Additionally, we have reached out to our internal OPM community through a town hall forum to reiterate that sheltering-in-place is almost always the best option to follow until a full picture of the circumstances at hand can be obtained.

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Deputy Director for Facilities, Security, & Contracting
U.S. Office of Personnel Management

October 13, 2011

In conclusion, the OPM determination on August 23rd took time to gather situational awareness to make an informed decision, given the unique nature of the event, communications challenges, our own internal evacuation, and the need to develop a robust understanding of the transportation capabilities of the region before a decision could be made. On the whole, our initial assessment is that our efforts were successful in light of these factors; however, as with any major undertaking, a full review with all of our partners is necessary to analyze lessons learned, and to determine where we can bridge critical gaps.

Thank you for this opportunity, I am happy to address any questions that you may have.

Question #1:

Please conduct a post-earthquake disaster meeting with the Department of Homeland Security and FEMA to evaluate the earthquake response and report back to the Committee when the meeting has occurred and the outcome of the meeting.

Answer #1:

On October 25, 2011, representatives from OPM and DHS/FEMA formed an after action team to address lessons learned from the August 23, 2011 earthquake. The interagency team will provide a written report addressing recommendations, which is tentatively scheduled for completion in December 2011. A copy will be provided to the Subcommittee on Economic Development, Public Buildings, and Emergency Management, upon final approval.

In addition, since March 2011, OPM has been participating in an interagency committee to identify and seek improvements to regional incident management within the National Capital Region. The Committee on Incident Management and Response (CIMR), formed under the auspices of the Metropolitan Washington Council of Governments (COG) Board of Directors, includes representation from Federal, State, and local emergency management and transportation entities, including the DHS/FEMA Office of National Capital Region Coordination. The CIMR was initially formed to examine potential improvements following the January 26, 2011 snow/ice event; however, efforts were broadened to include an after action review of the earthquake of August 23, 2011. The most recent meeting of the CIMR was held on October 26, 2011. The CIMR will issue a report with final recommendations and a copy will be provided to the Subcommittee on Economic Development, Public Buildings, and Emergency Management, upon final approval of the report by the CIMR. The anticipated date of release of the report is mid-November, 2011.

Question #2:

Please conduct a meeting with FEMA to conduct a formal post-earthquake analysis and submit a copy of the analysis to the Committee.

Answer #2:

Please see Answer #1.

Question #3:

Please provide a report within 30 days from the date of the hearing on the site(s) that Federal employees should go to for immediate information on ongoing disasters so that employees know what is happening and what the appropriate response is. How will OPM educate the federal employees on the availability of the site?

Answer #3:

OPM's primary role in an emergency in the National Capital Region is to determine the operating status of the Federal government. This occurs through a variety of means in an effort to reach the widest audience, including posting status changes on the OPM webpage (www.opm.gov), updating OPM's Twitter and Facebook accounts, sending e-mail alert notifications to subscribed employees, and notifying media outlets.

Advising employees on situational awareness and appropriate responses to ongoing incidents typically falls in the law enforcement and emergency management realms of each respective jurisdiction. A number of jurisdictions individually offer e-mail alert notifications to registered users to provide awareness, many of which are available in a consolidated location, www.capitalert.gov. A link to this location has been posted on OPM's webpage.

The COG CIMR is further examining a number of options to improve situational awareness and consistency in public messaging during an emergency. A copy of the final CIMR report will be provided to the Subcommittee on Economic Development, Public Buildings, and Emergency Management, upon final approval of the report by the CIMR. OPM will publicize approved and implemented recommendations through liaison with the Chief Human Capital Officers Council and in partnership with the COG CIMR.

Question #4: Please submit an outline for phased dismissals in the D.C. region that will be implemented during disasters to alleviate the transportation congestion.

Answer #4:

In order to minimize demands on the transportation network, OPM maintains a staggered early dismissal policy, as outlined in the attached DC Dismissal Guide. The Guide is currently being updated to include a regional Shelter-In-Place option, in addition to further emphasizing the need for Agencies to abide by the staggered release provisions.

STATEMENT OF MATT JADACKI

ASSISTANT INSPECTOR GENERAL

OFFICE OF EMERGENCY MANAGEMENT OVERSIGHT

OFFICE OF INSPECTOR GENERAL

U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

U.S. HOUSE OF REPRESENTATIVES

OCTOBER 13, 2011

Good morning, Mr. Chairman and Members of the Subcommittee. Thank you for the opportunity to discuss streamlining and cutting costs, while improving preparedness and response capabilities, at the Federal Emergency Management Agency (FEMA).

First let me acknowledge the great amount of work that has been done by FEMA in the past six years. We have learned a lot since Hurricanes Katrina and Rita in 2005 and Ike and Gustav in 2008, and FEMA has used these lessons learned to improve its preparedness and response capabilities. There is more to be done, however, as we are all faced with decreasing budgets and scarce resources. This is why streamlining and cutting costs is so important, especially in the current economic situation. Not only is FEMA facing resource constraints, but the very entities and individuals they must help are facing their own budget shortfalls. State and local governments have fewer dollars to allocate toward preparedness and response, and individuals and households already facing tight budgets must rely more heavily on federal assistance.

My office has conducted a significant amount of work assessing FEMA's programs and policies, as well as conducting audits of disaster grantees and subgrantees. Our program audits cover a wide range of areas, including: acquisition management, logistics, individual assistance, public assistance, and mitigation. We have made important findings and recommendations in all of these areas, and I am pleased to say that FEMA is implementing many of our recommendations.

With regard to streamlining, my remarks today are focused on the public assistance and disaster close-out processes. I will also discuss several areas with the potential for cost savings, including debris removal and acquisition management, as well as holding grantees and subgrantees accountable for ineligible and unsupported costs. Finally, I will touch on improving preparedness and response through tracking lessons learned and implementing corrective actions.

Increasing Number of Disaster Declarations

I would like to begin my remarks discussing two areas that could dramatically cut costs, but should only come through discussion and decision making by Congress.

Suggestions that have been made by my office and others for reducing the federal costs of disaster relief include strengthening declaration criteria to prevent "marginal" emergencies and disasters from being declared and adjusting the cost-share so that states are responsible for a larger portion of recovery funding.

Between 1953 and 2011, FEMA declared 2,036 disasters. This averages to 35 disasters per year. However, this figure does not show how the number of disasters has increased over the years. To illustrate, the average number of disasters per year for the first ten year period (1953-1962) was 14 per year. The number for the most recent 10-year period (2001-2010) is 60 per year. There have been more disasters declared than the average of 35 in every year since 1995.

One of the reasons the number continues to increase is the way FEMA assesses whether to recommend to the President that a disaster be declared. The Stafford Act prohibits FEMA from relying solely on an arithmetic formula or sliding scale in denying federal assistance. Thus, FEMA relies on a combination of quantitative and qualitative factors when assessing a declaration request. The qualitative factors include localized impacts, insurance coverage, previous mitigation efforts, recent multiple disasters, and the availability of other federal assistance. Quantitative factors include the amount of damage per capita and the total amount of damage statewide. The basis of the per capita amount used today is the average per capita personal income nationwide in 1983, which was $12,583. Based on this, the per capita amount was set in 1986 at $1.00. In its formal criteria published in 1999, the per capita threshold remained at $1.00. This figure is now adjusted annually based on the Department of Labor's Consumer Price Index – Urban, but today it is still only $1.30 per capita, even though average per capita income nationwide today is closer to $40,000. The other quantitative factor is the total amount of damage to the state. That threshold, set in 1999, remains $1 million. Some have suggested that using Total Taxable Resources provides a better estimation of state funding capacity. While we are not in a position to make this recommendation, we believe it would be reasonable for Congress to reexamine how FEMA assesses declaration requests and the state's ability to handle them without federal assistance.

The Federal Cost-Share

Under the Stafford Act, the federal share of most assistance provided under sections 403 (Essential Assistance), 406 (Repair, Restoration, and Replacement of Damaged Facilities), and 407 (Debris Removal), is to be not less than 75 percent of eligible costs. While this sets a minimum federal cost share, it leaves discretion for increasing the federal share, and in fact, the Congressional Research Service (CRS) reports that there were 222 cost-share adjustments between 1986 and 2009. Some of these adjustments were done through administrative actions and some were directed by Congress. Some of the cost share adjustments were time-limited, providing an increased federal share for the first 72 hours after the disaster or the first 30 days. In almost all cases cited by CRS, the federal cost share was increased to 90% or 100% of eligible costs.

While cost-share adjustments can be a great help to state and local governments when economies have been devastated, they reduce the supplemental nature of Stafford Act funding. And when the state's cost share is reduced to zero, there is little incentive for state and local governments to save money or to close out projects in a timely manner.

There is already some movement to reduce the federal share when it comes to repetitive loss properties. The Stafford Act contains a provision for reducing the federal cost share for a facility that has been damaged on more than one occasion within the preceding 10-year period, by the same type of event, and the owner has failed to implement appropriate mitigation measures to address the hazard that caused the damage to the facility. However, that provision will not take effect until FEMA promulgates a regulation. While FEMA published a proposed rulemaking notice in 2009 and received comments on the proposed rule, it has not yet been finalized.

Streamlining Public Assistance and Disaster Close-Out

In response to concerns raised by this committee, my office conducted an in-depth assessment of the design and implementation of FEMA's Public Assistance (PA) Program policies and procedures. We followed up with reviews focused specifically on the PA appeals process and disaster close-out. These are two areas where streamlining could result in significant cost savings.

The PA Program provides critical assistance—in the form of direct assistance and grants—to state, tribal, and local governments, as well as certain private nonprofit organizations, to enable communities to quickly respond to and recover from presidentially declared emergencies and disasters. The PA Program is administered through a coordinated effort among FEMA, grantees, and subgrantees. FEMA manages the overall program, approves grants, and provides technical assistance to applicants.

In our review of the PA Program, we analyzed data on FEMA's timeliness, accuracy, and achievement of performance measurements. Our assessment revealed multiple challenges that significantly hinder FEMA from consistently administering the PA Program in an efficient and effective manner. These challenges include: (1) untimely funding determinations; (2) deficiencies in program management; and (3) poorly designed performance measures. Today, I will focus on the issue of untimely funding decisions, especially at the appeals stage.

Improving the Timeliness of Funding Decisions

FEMA needs to improve the timeliness of PA funding to avoid project delays and to improve program efficiency. Such improvements should center on: (1) the Environmental and Historic Preservation process; (2) the reconciliation of insurance settlements; and (3) the appeal determination process.

The issue of timeliness in funding decisions primarily comes into play when an initial funding decision is appealed. This is where the real delays occur. FEMA takes excessive time to process appeals because it does not adhere to—or has not established—timeliness standards for the entirety of the appeals process, nor does it have a standardized system to track appeals. FEMA frequently rendered its appeal decisions long after the appeal was submitted; in some of the cases we reviewed, the process spanned several years. This problem is compounded because FEMA has no agency-wide system to track appeals from submission date to final determination. As a result, FEMA has no standardized means to identify delays for each appeal. Nearly all the subgrantees with whom we spoke expressed dissatisfaction with the process and its seemingly inherent lack of timeliness.

To address this issue, we recommended that FEMA:

- Establish a complete set of standards for achieving timeliness in the appeals process and adhere consistently to those standards previously established; and
- Develop and implement a tracking system that records the status and timeliness of each appeal.

We issued a follow-up report on the PA appeals process in March of this year and determined that further improvements are needed. Although delays in processing PA appeals occurred at all levels, the delays within headquarters were the most significant. We determined that in the first five months of fiscal year 2010, the average processing time for second level appeals at headquarters was 227 days, or more than 7 months. Unfortunately, the average processing time appears to be increasing rather than decreasing. The average time in 2003 was 163 days. As a result of the delays, appeals remained open for long periods and issues concerning project eligibility and costs remained unresolved.

Delays in processing appeals impact the applicant, the state, and FEMA operations. Until an appeal is decided, applicants have to obtain other sources of funds to complete projects or pay contractors. Delays increase state and FEMA administrative costs of monitoring appeals and responding to inquiries concerning the status of appeals.

Alternatives to Streamline the PA Process

Based on the work we have conducted, we have identified various alternatives that could be employed to streamline the PA process. Those alternatives that we explored include:

- Negotiating settlements for: (1) all projects; (2) permanent categories of work; and/or (3) small projects only;
- Increasing the *large project* threshold while maintaining the current reimbursement process;
- Replacing some grants with mission assignments;
- Transferring other federal disaster programs to FEMA; and
- Providing interval payments.

Negotiated settlements for: (1) all projects; (2) permanent categories of work; and/or (3) small projects only. This alternative would change the present reimbursement (and document-intensive) process to a fixed, lump-sum negotiated settlement between FEMA and the grantee and subgrantee, based on FEMA's estimates of damage and cost, in conjunction with pertinent information provided by the subgrantee. These estimates would be binding and would not be subject to change for any reason. Moreover, the settlement(s) would be completed no later than 6 months after the disaster declaration. The advantages of negotiated settlements are that: (1) the subgrantees' cash flow would significantly improve early in the recovery process, resulting in reduced project delays; (2) administrative efforts at all levels would be greatly decreased, resulting in significant time and money savings for all; and (3) there would be a reduction in state and local

administrative requirements, and thus a reduction in administrative fees paid to the grantee and subgrantee. Drawbacks would exist, nonetheless: (1) FEMA's estimates for the negotiated settlements will likely differ from actual costs, resulting in possible shortfalls or windfalls to the subgrantee with no recourse for either party; and (2) subgrantees may decide to not complete some of the disaster projects, and could instead use that funding for other purposes.

Increase the *large project* threshold while maintaining the current reimbursement process. This would result in a significant increase in the number of projects classified as *small* projects. The PA Program differentiates between *small* and *large* projects based on costs. That threshold is increased annually, based on the Consumer Price Index. Funding for projects classified as *small* is generally final, and full payment is available upon approval of the original estimates (although projects are subject to final audit and inspection). The advantages for increasing the *large project* threshold are that: (1) administrative efforts and costs for all parties would be reduced based on the streamlined process for small projects; and (2) subgrantees' cash flow would improve because they would not need to incur costs prior to receiving payment, unlike for projects classified as *large*. The drawbacks are that under the *small project* criteria, subgrantees retain any excess funding for all combined *small projects* due to overestimates of costs, whereas excess *large project* funding must be returned to the federal government.

Replace some grants with mission assignments. This alternative would change the system for designated categories of work—such as debris removal—to a prescripted system of tasking and funding other federal agencies (such as the U.S. Army Corps of Engineers) to perform the work. The advantage of this alternative is that: (1) grantees and subgrantees would avoid the oftentimes cumbersome documentation, reimbursement, and closeout requirements of the current system; (2) experienced federal agencies would be responsible for the work, thus increasing the likelihood of improved efficiency and quality control; (3) contracting resources may be greater, resulting in faster completion of projects; and (4) administrative costs paid by FEMA to grantees and subgrantees would be decreased. An anticipated drawback would be subgrantees' reluctance to reduce control over work performed within their jurisdictions.

Transferring other federal disaster programs to FEMA. This alternative would entail Congress permanently authorizing FEMA to assume responsibility for all federal disaster projects that involve significant hazards to life and property. Currently, other federal agencies perform work that—if delayed—could affect public safety and property. Thus, this alternative would: (1) mitigate against risks to life and property by creating the potential for a more immediate response; (2) relieve subgrantees from the burden of learning, and adhering to, various rules and procedures of other federal agencies in the aftermath of a disaster; and (3) reduce subgrantees' costs through economies of scale and increased efficiency by having fewer contracts for similar work. Nevertheless, this alternative may potentially yield less funding for subgrantees because of FEMA's cost-share provisions.

Interval payments. This alternative would entail the automatic disbursement of funding to subgrantees at specified intervals of the recovery period based on project estimates—as opposed to the present system of requesting cash reimbursements after costs are incurred. At closeout, FEMA would reconcile eligible project costs with the amount disbursed and determine a final settlement with the subgrantee. This alternative would: (1) lessen the administrative requirements for the grantee and subgrantee because those requirements would be reduced as a result of the need to process only a few large payments instead of numerous payments; (2) reduce grantees' responsibility for ensuring that subgrantees' reimbursements are accurate; (3) improve subgrantees' cash flow early in the recovery process; and (4) reduce administrative or management fees based on a reduction of state and local administrative efforts. However, automatic payments based on estimates would require a subgrantee to repay FEMA at project closeout for the amount of interval payments that exceeds actual costs on recovery activities, which could place a burden on the subgrantee if it has inappropriately expended payments.

Improving the Timeliness of Disaster Closeout

One of the impacts of delays in processing PA appeals is that until appeals are resolved and projects are completed, disaster grants cannot be closed out. I cannot emphasize enough the importance of closing out disasters in a timely manner, because it is during the close out process that unused funds are deobligated and can then be applied to other projects. Additionally, FEMA continues to incur costs associated with monitoring open disasters that should have been closed long ago. Improvements are needed to close disasters in a timely manner and to reduce administrative costs associated with open disasters.

Delays in closing disasters start at the grantee level and continue through final processing at agency headquarters. Several opportunities exist to improve the closeout process and expedite the release of unneeded obligations. The opportunities include establishing time standards for the process, developing a system to track the progress of closeouts, ensuring that technical assistance contracts are reconciled in a timely manner, closing FEMA/State Agreements when the state has completed its disaster recovery activities, establishing cost-beneficial "floors" for expenditure reconciliations, and establishing a system for communicating disaster closeout best practices throughout the agency.

Just to give you an idea of the magnitude of the problem, let me give you some statistics for Katrina-related projects. Under the Code of Federal Regulations, all PA projects should be completed no later than 48 months after the date of the disaster declaration. It has been about 6 years, or 72 months since Hurricane Katrina, yet in Louisiana, only 6.3 percent of projects are closed. In Mississippi the number is 76.6 percent, and in Alabama the number is 99.5 percent. Granted, Louisiana was the most hard-hit state, but even in the category of debris removal, which should have been completed years ago, only 34 of 615 projects are closed.

Considerations for Cutting Costs

Debris Removal

I would like to turn now to two programmatic areas where FEMA could cut costs: debris removal and acquisition management. FEMA's PA program has expended more than $8 billion over the past 11 years reimbursing applicants, primarily cities and counties, for removing debris resulting from natural disasters. In general, this has been a successful effort. Quick and efficient debris removal allows communities to proceed toward recovery unencumbered by piles of debris. Better planning, contracting, and oversight of debris operations, however, could enable these operations to be conducted in a more cost-effective manner, saving money at the federal, state, and local levels.

Debris planning allows communities to be better prepared for a disaster by identifying debris collection and disposal sites, identifying potential debris contractors, and preparing debris removal contracts in advance of a disaster. A pilot program that operated in 2007–2008 was successful in encouraging the development of debris plans, but momentum has been lost since the Congressional authority for that pilot program expired.

Decisions made in the first few days after a disaster are critical in determining the success of a debris removal operation. The quality of management and oversight remains a key element in success or failure of the program. While FEMA has made significant strides in this area, opportunities remain for further improvement. Federal disaster response teams need to address debris expertise. Debris removal guidance is often unclear and ambiguous. Finally, an integrated performance measurement system would provide federal and state officials and stakeholders with the data and tools to measure, analyze, and improve debris operations.

Debris removal is generally performed effectively and in a timely manner, but not necessarily at the lowest possible cost. Better monitoring presents significant opportunities for saving money, as current methods leave FEMA and its applicants vulnerable to potential waste, fraud, and abuse.

Acquisition Management

We have issued a number of reports on acquisition management over the past five years, and FEMA has been responsive to many of our recommendations. I will not spend much time discussing our reports in this area, but I do want to highlight two FEMA programs where better acquisition management could result in significant cost savings: Public Assistance-Technical Assistance Contracts (PA-TAC) and Individual Assistance-Technical Assistance Contracts (IA-TAC).

PA-TAC contractors provide the necessary technical resources to support FEMA's PA operations. Services include providing technical assistance to grantees and sub-grantees, such as architect-engineer services, environmental experts, and other professional

services, in support of the PA program. FEMA's IA-TAC contracts, with a total funding ceiling of $1.5 billion, are for comprehensive program management services as well as construction, architectural, and engineering capabilities to support housing; mass care; and disaster planning, staffing, and logistics services.

In a recent report, we reviewed FEMA's use of PA-TACS to support the response and recovery efforts after the 2008 Iowa flooding and hurricanes Ike and Gustav. As of May 2010, the total amount paid to PA-TAC contractors for these disasters was more than $165 million. Under its PA-TAC Indefinite Delivery Indefinite Quantity contracts, FEMA awards task orders for specific services. Task orders should be awarded to provide the best value to the government and in turn the American taxpayers. However, for all nine task orders we reviewed, the primary reason contractors were selected was "Equal distribution of dollars between the TACs," rather than competence, qualifications, or experience.

At the time of our review, FEMA had not established performance expectations and did not monitor or evaluate the performance of the PA-TAC contractors. Without performance metrics or evaluations of performance, FEMA was unable to determine whether the PA-TAC contractors performed their responsibilities or if the federal government received a fair return on PA-TAC services.

The management of PA-TAC contractors was inconsistent throughout FEMA. Task Monitors had not received job-specific written guidance or training on their roles and responsibilities, nor had they received guidance on how to evaluate contractor performance or certify and reconcile contractor invoices and billing documentation. Additionally, PA-TAC task order files were not in compliance with FAR requirements. FEMA has a history of not properly managing, tracking, and monitoring contracts. Insufficient oversight of the PA-TAC contracts increased the potential for a loss of management control and created an environment that provided opportunities for fraud, waste, and abuse.

We also reviewed FEMA's IA-TACs, and this report will be released shortly. While I cannot comment on the specifics of our results at this time, I can say that we have many of the same concerns with these contracts that we have with the PA-TACS.

Common Grant and Subgrant Deficiencies

FEMA is not the only one responsible for the stewardship of disaster funding. The grantees (states) and subgrantees (local governments and non-profits) also bear responsibility for properly utilizing federal funds. FEMA needs to hold grantees and subgrantees more accountable for their actions. We recently released our FY 2010 capping report, which summarizes the results of PA program grant and subgrant audits performed during fiscal year 2010, identifies frequently reported audit findings, and quantifies the financial impact of these findings.

Of the 45 audits performed in FY 2010, 44 reports contained 155 recommendations with a potential monetary benefit of $165.25 million. One of the primary areas where we identified recurring problems is in complying with federal contracting requirements. We reported 11 instances where subgrantees awarded a total of $72.7 million in contracts that did not comply with federal procurement regulations. Subgrantee contracting practices that do not comply with federal procurement regulations result in high-risk contracts that may cost taxpayers millions of dollars in excessive costs and often do not provide full and open competition. We did consider the exigencies that often arise early after a disaster occurs, and as a general rule did not question contracting practices or costs associated with those exigencies. However, subgrantee noncompliance after bona fide exigencies no longer exist remains a major concern. Although FEMA has remedies available when a grantee or subgrantee does not comply with applicable statutes or regulations, FEMA does not hold grantees and subgrantees adequately accountable for noncompliance with procurement regulations. FEMA seldom disallows improper contract costs, citing that it has the authority to reimburse PA applicants for the reasonable cost of eligible work. Consequently, there is little incentive for grantees or subgrantees to follow procurement regulations. Proper contracting and full and open competition provide an environment for obtaining reasonable pricing from the most qualified contractors and help discourage favoritism, collusion, fraud, waste, and abuse.

We reported 17 instances where $60.77 million in FEMA funding could be put to better use if unneeded project funding was deobligated ($59.72 million) and interest earned on FEMA funds ($1.05 million) was collected. Interest accruing on federal funds belongs to the federal government and, as such, must be remitted to FEMA. Fourteen audits reported instances where project funding was no longer needed by subgrantees and recommended that a total of $59.72 million in unneeded funding be deobligated. Deobligating unneeded funds sooner would (1) free up funding to cover cost overruns on other projects associated with the disaster, (2) aid in closing out the subgrantee's PA application, since projects would be settled throughout the life of the application rather than after all work is completed, (3) provide a more accurate status of PA program costs for a disaster, and (4) be consistent with appropriations law.

It is FEMA's responsibility to hold states accountable for proper grant administration, especially with regard to contracting practices. Although FEMA has the authority to waive certain administrative requirements, it should not be standard practice to allow noncompetitive and cost-plus-percentage-of-cost contracts even when the costs are reasonable. For eligible work, FEMA should use the remedies specified in federal regulations as (1) a means to hold grantees and subgrantees accountable for material noncompliance with federal statutes and regulations and (2) an incentive to properly account for and expend FEMA funds.

Improving Preparedness and Response

The final area I want to address is one way in which FEMA can improve its preparedness and response capabilities. Former Inspector General Skinner used to say that a lesson learned is really only a lesson recognized until action is taken on it. FEMA has a system

in place to recognize issues and lessons learned, but it does not have a viable system in place to ensure that appropriate actions are taken to improve future performance.

FEMA implemented the Remedial Action Management Program to: (1) identify operational and programmatic issues, lessons learned, and best practices; (2) manage the subsequent remediation of issues; and (3) distribute lessons learned and best practices. However, in May 2010, FEMA lost access to program data, including lessons learned and best practices, when the server which housed the program's database failed. In November 2010, program officials informed us that they were able to recover all of the data; however, the software necessary to read the data has not been restored. Therefore, historical data on lessons learned and best practices that was contained in the program's database is not available to all FEMA personnel. FEMA has been revising their lessons learned/best practices program, but does not have an adequate replacement program in place yet. Until FEMA has a system in place to identify issues and best practices after every disaster or exercise, a means of tracking corrective actions, and a mechanism for distributing lessons learned and best practices to all staff, it will be limited in its ability to continually improve its capabilities.

Mr. Chairman, this concludes my prepared remarks. I welcome any questions that you or the Members may have. Thank you.

Streamlining Emergency Management: Improving Preparedness, Response and Cutting Costs

Statement of

Chief William R. Metcalf, EFO, CFO, MIFireE
Second Vice President

presented to the

SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

OF THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

U.S. House of Representatives

October 13, 2011

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Good morning, Chairman Denham, Ranking Member Norton, and members of the committee. I am Chief William Metcalf, of the North County Fire Protection District located in the San Diego suburb of Fallbrook, California and the 2nd Vice President of the International Association of Fire Chiefs. The International Association of Fire Chiefs represents the leaders of the nation's fire, rescue, and emergency medical services including rural volunteer fire departments, suburban combination departments, and metropolitan career departments. I thank the committee for the opportunity today to represent the views of local first responders in the discussion about streamlining emergency management and improving preparedness, response and cutting costs.

The Importance of an Effective Mutual Aid System

In the past decade, the nation has witnessed a number of tremendous disasters. In 2005, I was in Baton Rouge coordinating assistance to fire departments that were impacted by Hurricane Katrina, and in 2007, I was in charge of the mutual aid response to the California wildland fires, where my community lost 250 homes. From these experiences, I am a firm believer that an effective national mutual aid system is the key to an efficient response system.

While emergency response is primarily a local responsibility, numerous natural disasters this year have demonstrated that no one jurisdiction can handle a major event on its own. The nation needs the ability to share resources: local-to-local; state-to-state; and nationwide. Mutual aid systems are based on the American principle of "neighbor helping neighbor." There will be emergencies where a local jurisdiction cannot respond to an incident by itself and there should be no expectation of federal assistance for the first 24 – 72 hours. An effective mutual aid system is critical in these situations. The key factor is the timeliness in which resources can be delivered to save lives. An effective mutual aid response can limit the damage done by an incident, which reduces the overall cost to the local, state, and federal taxpayer.

There are ten components to an effective mutual aid system:

1) A scalable system that allows a tiered response
2) Implementation of the National Incident Management System and the Incident Command System
3) A single list of resources categorized by type
4) A system for ordering resources so that the closest assets are deployed first
5) The ability to track resources and personnel
6) An interoperable communications system or plan
7) A credentialing standard that is simple to understand and manage
8) A compensation/reimbursement plan to identify pay rates for potential responders and deal with issues such as volunteer firefighters and backfilling unstaffed fire departments
9) Articles of agreement to deal with issues such as liability and workers' compensation
10) A logistical support system to maintain equipment and provide for responders

I would like to highlight some of these important concepts for the committee's consideration.

A Scalable Mutual Aid System

One important component for an effective mutual aid system is that it is scalable. Every day, local communities use mutual aid agreements between neighboring communities to respond to incidents. These incidents can be large fires, hazardous materials spills, or major traffic accidents. Because of the economic downturn, local communities have less funding for basic fire and emergency medical services response. As fire and rescue departments' budgets decrease, they rely even more on their neighbors to assist their continuous efforts to protect their communities.

There are incidents when a local community and its neighbors will be overwhelmed. In these cases, the region relies upon the activation of its regional or statewide mutual aid system. Working with the Federal Emergency Management Agency (FEMA), the IAFC began the Intrastate Mutual Aid System (IMAS) program to build statewide mutual aid systems.

The IMAS program provides states, U.S. territories and tribal nations with technical support in the creation of intrastate mutual aid plans and the systems that are required for them to function effectively and efficiently. For example, the IAFC developed mutual aid resource data systems to help states account for the units within a state. In addition, the IMAS program provides tabletop and functional exercises to test plans; designs mobilization drills; and facilitates after-action critiques. The program also supports the creation of multi-state mutual aid plans and compacts. Using the "anchor states" of California, Illinois, Ohio and Florida as models, the IAFC worked with 30 states to develop statewide mutual aid systems that are capable of mobilizing resources without assistance. Another eight states completed exercises and are in the process of being able to mobilize resources without assistance. The states that completed the IMAS process are participants in the Emergency Management Assistance Compact (EMAC) system.

When a state requires out-of-state assistance, it uses the Emergency Management Assistance Compact (EMAC) system to request mutual aid from other states. The EMAC was originally established in 1993 and ratified by Congress in 1996. It is composed of all 50 states and administered by the National Emergency Management Association. The EMAC system has a number of benefits, including liability protections for the out-of-state responders and recognition of their professional licenses and certifications.

Interoperable Communications

From the events of 9/11 through Hurricane Katrina to the recent tornado in Joplin, Missouri, emergency responders still face problems with communications interoperability. Currently, 55,000 public safety agencies operate mission critical radio

systems – each with their own license from the Federal Communications Commission – over 6 or more different bands. This situation requires incident commanders to use "workarounds," such as the ancient method of runners, to communicate between units.

The broadband revolution offers an opportunity for public safety to begin to resolve this problem. First, it is important to point out the capabilities that public safety can access with a nationwide wireless broadband network. For example, wireless broadband access will enable the development and widespread adoption of devices to track firefighters inside burning buildings; allow smart buildings to broadcast information about a fire to a fire chief's cell phone; and permit paramedics to share a patient's vitals remotely with medical staff at a hospital.

If Congress acts this year, public safety will be able to construct a nationwide, wireless broadband network that will ensure that first responders around the nation can communicate with each other. Currently, public safety has been licensed 10 MHz of spectrum in the 700 MHz band to develop a nationwide public safety wireless broadband network. Unfortunately, a truly effective and resilient network will require at least 20 MHz.

There is another block of 10 MHz of spectrum (the "D Block") adjacent to public safety's broadband spectrum. Public safety could build a nationwide wireless broadband network by combining the 10 MHz of the D Block with the already licensed 10 MHz of spectrum. There is bipartisan legislation in the House and Senate to achieve this goal.

S. 911, the Strengthening Public-safety and Enhancing Communications Through Reform, Utilization, and Modernization Act (SPECTRUM) Act, would allocate the D Block to public safety; allocate $11 billion for the construction, operation, and maintenance of the network; and provide for the governance of the effort. Senators John D. Rockefeller, IV (D-WV) and Kay Bailey Hutchison (R-TX), the chairman and ranking member of the Senate Committee on Commerce, Science, and Transportation, introduced this legislation, which passed the committee by a bipartisan vote of 21 to 4. S. 911 is now pending consideration on the Senate Floor.

In the House, Representatives Peter King (R-NY) and Bennie Thompson (D-MS), the chairman and ranking member of the House Homeland Security Committee, have introduced similar bipartisan legislation, H.R. 607. The establishment of a nationwide public safety wireless broadband network has been endorsed by public safety leadership organizations; the "Big 7"organizations representing the nation's state and local governments; Tom Ridge, the nation's first Secretary of Homeland Security; and Governor Thomas Kean and Representative Lee Hamilton, the chair and vice chair of the 9/11 Commission, as a vital solution to public safety's interoperability problem. We urge the House to consider legislation this year to allocate the D Block to public safety and establish governance and funding mechanisms to deploy the network.

Credentialing

Another continued challenge to an effective mutual aid system is a nationwide credentialing system for first responders. As 9/11, Hurricane Katrina, and even the recent Texas wildland fires demonstrated, incident commanders need to know the qualifications of the responders on scene. In the Post-Katrina Emergency Management Reform Act (P.L. 109-295) and Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53), Congress attempted to address this issue.

In July, FEMA released its "NIMS Guideline for the Credentialing of Personnel." This guideline describes national credentialing standards and provides written guidance regarding their use. While this guidance does not require local governments to credential their first responders using these guidelines, the "DHS/FEMA strongly encourages them to do so, in order to leverage the federal investment in the FIPS 201 infrastructure and facilitating (sic) interoperability for personnel deployed outside their home jurisdiction."

The IAFC is supportive of the new guidance on credentialing, because it will begin to help incident commanders better manage the incident scene. We ask that FEMA be mindful of the cost of compliance with the FIPS 201 standard, even though DHS grant funds could be used to fund a state or local credentialing system built to that standard. The IAFC recommends that FEMA work with the state and local stakeholders to develop less expensive and more user-friendly methods of complying with this standard.

Reimbursement

The timely reimbursement of resources is an important component of any effective mutual aid system. As local fire and emergency services' budgets are cut, chiefs are no longer able to send vital resources on a national deployment and then wait two or three years to be repaid. An effective mutual aid system should ensure that the responding local agencies are reimbursed in a timely manner.

The IAFC currently is working with other stakeholders to address this issue. We recommend the creation of a transparent system to allow local public safety agencies to track their reimbursement requests as they navigate through the interstate and federal processes. A transparent reimbursement system would ensure accountability, reduce some of the current delay, and strengthen the overall national mutual aid system.

Grant Funding

For an effective mutual aid system, it is important that the local public safety agencies be adequately equipped and staffed. This fact is especially vital for a national disaster on the scale of Hurricane Katrina, which can overwhelm the resources of several states. To respond to a disaster of this scale, there are few federal civilian resources, so local fire, law enforcement, and EMS agencies from around the nation must respond to the incident. The economic downturn has forced many jurisdictions to cut their budgets, which has reduced their capability to respond to local disasters, much less national ones.

The U.S. Department of Homeland Security has grant programs that are designed to build capability for local first responders, while not supplanting local funds. For example, the Assistance to Firefighters Grant program, including the SAFER grant program, uses a merit-based, peer review system to provide matching grants to local fire departments to fund equipment, training and staffing for all-hazards. In addition, the Urban Areas Security Initiative (UASI), State Homeland Security Program (SHSP), and the Metropolitan Medical Response System (MMRS) all provide funding for programs to improve the nation's response to a terrorist attack. It is important to point out that UASI, SHSP, and MMRS all provide incentives for regions to work together to plan, train, and exercise to prepare for a terrorist attack. The same capabilities developed in these terrorism-oriented programs are also perfectly applicable in an all-hazards response to any other large-scale incident. Since UASI, SHSP and MMRS can all play an important role in supporting statewide mutual aid programs, the IAFC urges the states to consider using funds from these programs to develop statewide mutual aid programs.

Urban Search and Rescue

I would like to thank the subcommittee for its provisions in H.R. 2903, the FEMA Reauthorization Act of 2011, which would reauthorize the Urban Search and Rescue (US&R) System. This is an excellent example of how federal and local resources can collaborate to build the nation's emergency response capability. The US&R teams are organized regionally and use local personnel and equipment. However, they are federalized when they are mobilized for both international and domestic missions.

The IAFC would urge the subcommittee and FEMA to examine whether the US&R teams are adequately staffed and resourced. We should examine if the nation has adequate US&R capability to respond to a major incident, like a potential earthquake along the New Madrid fault, or multiple simultaneous incidents, such as a major hurricane in the southeast and a major earthquake on the West Coast. Congress should use such a study to adequately fund the US&R system.

Conclusion

On behalf of America's fire and EMS chiefs, I would like to thank you for the opportunity to address this subcommittee. The IAFC appreciates your focus on improving the nation's preparedness and response efforts. Response to a disaster is primarily a local response. However, it can quickly escalate to a state or federal response, depending on the magnitude of the incident. Effective and well-resourced state and local mutual aid systems will reduce the dependency on federal resources and reduce the overall cost of disaster response and recovery.

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Streamlining Emergency Management: Improving Preparedness, Response and Cutting Costs

Keith Stammer, Director

Joplin / Jasper County Emergency Management Agency

Written Testimony

Thank you for the opportunity to discuss improving Emergency Management, especially in the areas of Preparedness, Response and Cutting Costs. This discussion will, of necessity, focus on the EF-5 tornado which struck Joplin and Jasper County on May 22, 2011 as well as the Emergency Management response as represented by the Federal Emergency Management Agency.

Joplin, situated in far Southwest Missouri, has a night time population of approximately 50,175 and a day time population of about 240,000. That the tornado struck on a Sunday evening and not a regular business day was instrumental in lessening the number of injuries and deaths, which currently are over 1,000 injured and 162 dead.

As to the tornado: The 13 mile long tornado path included a swath thru Joplin of approximately 6 miles long, at times almost one mile wide, from the far west edge of Joplin through the city to the far east edge plus several miles past into the City of Duquesne. The tornado was an EF-5, with sustained winds of an estimated 205 miles per hour, affecting homes and businesses in both Jasper and Newton Counties in Missouri.

Nearly 7,500 residential dwellings, about 1,000 of them in apartment complexes, were damaged by the storm, affecting more than 17,000 people or 35% of the population of Joplin. The storm did not discriminate, destroying some of the highest priced homes in Joplin as well as those in low and moderate income neighborhoods. Unfortunately, those lower income neighborhoods are also some of Joplin's oldest with small houses on small lots, 14 to 16 homes in a block. Obviously these are very densely developed and populated areas. The tornado devastated those neighborhoods.

Also in the direct path of the storm were nearly 500 places of employment, from St. John's Regional Medical Center with more than 2,000 employees, to scores of mom and pop operations. Overall, nearly

5,000 job positions were impacted directly. Hundreds of other businesses in our area have also been touched by the storm, from being physically damaged, to being without power for days, to being completely unharmed yet losing a good portion of their customer base.

The tornado generated an estimated 3 million cubic yards of residential debris throughout the disaster area. Over 85,000 registered volunteers have provided over 423,000 hours of service, mainly in the area of debris removal. 14 area health departments along with other local medical partners, including over 125 staff, aided in giving out over 17,000 tetanus vaccinations. 1,308 pets displaced by the tornado were picked up and taken to an emergency pet shelter by local animal control staff and partner agencies including the ASPCA and Joplin Humane Society.

These few pages are inadequate to describe the extent of the devastation as well as the resiliency of the human spirit to survive such an incident. I have yet to mention the 539 registered agencies that responded to our call for aid, the Non-Governmental Organizations that aided in mitigating the human consequences of losing everything, and the faith-based community that rose up to take on the task of being points of distribution for supplies. The response truly was, and continues to be, a communitywide, area wide, effort. For this we are most grateful.

I have been asked to testify to how Emergency Management can improve with regards to preparedness, response and cutting costs. I understand that this committee is particularly interested in FEMA's response to this disaster, and, how the local agencies viewed that response. I am pleased to speak to this subject.

Let me begin by stating that I have been in the business of Emergency Management for 19 years. I have been through several natural and manmade disasters during those years, none of which compare to the Joplin Tornado, as it has become known. I have worked with State Emergency Management Agencies from two states as well as FEMA and have become familiar with their mission and methods of operations. I have had extensive hands-on experience in managing disaster scenes as well as being an instructor in the National Incident Management System as well as the Incident Command System, both standards of the industry for disaster management.

I therefore feel qualified to state that, without a doubt, the FEMA of today is NOT the FEMA of yesteryear. In times past they have been accused of being slow to respond, distant when on scene and hard to work with. Some of this I experienced firsthand, some I have received anecdotally. Not this time. I can truly say that FEMA's response to the Joplin Tornado was a positive experience.

The Joplin Tornado struck at approximately 1730 hours on Sunday evening, May 22. I was already in the Emergency Operations Center located in the Justice Center. I put out the call for aid to our local partners, then to the Missouri State Emergency Management Agency, both calls being standard operating procedure per our Local Emergency Operations Plan. When I asked the State about FEMA, I was informed that they were already in route.

FEMA personnel began to arrive within hours of the tornado, with initial response personnel on scene no later than early the next morning. We were most pleased to see them in the EOC as we understand

the crucial role FEMA plays in partnering with the State and local entities to ensure a quick and adequate response to the current and ongoing needs of our citizens.

FEMA personnel immediately met with our elected officials, administrative personnel and response agencies to get an overall view of what had happened and what their role might be. We found them to be neither invasive nor authoritative, but rather supportive and collaborative. This was a breath of fresh air to us.

Some excellent examples of what FEMA was able to do for us at the local level, providing us information and resources we would have had no other chance to receive:

1. GIS Mapping: FEMA provided satellite imagining of the debris area to strengthen our Search and Rescue efforts. This mapping also became crucial to us during the debris removal planning and implementation phase of the recovery effort. They were able to identify which specific structures were damaged, and, to what extent.
2. FCO on scene: Having the Federal Coordinating Officer on scene was a tremendous boost, not only to our confidence level that FEMA was planning to be here long term, but to enabling us to have a major decision maker close by during our discussions and negotiations for services.
3. FEMA Liaison to our City Manager: This person was central to our City Manager and Mayor's efforts in dealing with FEMA. She stayed in our EOC, worked our hours, and had the name and number of anyone in FEMA we needed to contact.
4. Mobile Housing Units: While this means of providing interim housing to some of our displaced citizens has been used in other places, it is obvious that certain lessons have been learned and incorporated into this particular program: the efficiency with which citizens were screened and qualified (some 566 families to date); the speed of construction of the various Mobile Housing Sites; providing of storm shelters sufficient to shelter all the residents of the Site; fencing of the Site; conversations with local Police/Fire/Health/Emergency Management to ensure those so sheltered would receive such services; including providing a MHU for Police to use as a sub-station. Each of these policies and procedures evidence a very real concern and effort at improving on past performance as well as adapting to current situations.

That said, there are always ways to improve response and recovery efforts, especially on incidents of this scale. The real enemy in such situations as the Joplin Tornado is time. Once the Search and Rescue is complete, people are treated and accounted for, shelters are established, food and clothing are distributed, along with the myriad efforts required to affect a successful immediate response, comes the question "What's next?" For us the immediate answer was "Debris Removal". Obviously we then look to State and Federal partners for expertise, programs and funding. Again, I need to say that FEMA was most customer friendly in this area. Simply put, the time period allocated to debris removal was short.

The expedited Debris Removal program was to be completed by August 7. We accomplished the task by August 06, thanks in particular to our large number of volunteers.

While hardly unique to our situation, an overriding problem we faced was the realization that there were three separate entities on scene, each trying to work the problem at hand. These three were: Local Government, State Government, and FEMA. Trying to communicate between these three was a continual chore, especially when the human element was factored in. State and Federal people were continually changing out, resulting in some confusion as to who occupies what roles. Beyond the fact that new introductions needed to be made all around, each new person seemed to have a somewhat different understanding of the rules and program, resulting in more time needed to integrate them into the current effort.

May I suggest three observations which I feel would decrease the amount of time required to facilitate the response and recovery efforts? I realize that these are neither far reaching, nor national in scope, but I assure you they are of concern to we who find ourselves at the "tip of the spear" during such an incident as the Joplin Tornado.

1. A current roster of all FEMA personnel involved in the response/recovery effort. This could be similar to the standard NIMS "Incident Communications Plan" and "Incident Organization Chart" so that it could be integrated into our daily Incident Action Plan for distribution to all involved agencies. This document would be updated daily, commensurate with changes in personnel and duties.
2. A menu of services provided by FEMA in its effort to recover/restore the local situation. This is a big concern to us. It seemed like we spent a lot of time trying to guess what FEMA could and could not do. We even called several other jurisdictions that had gone through similar incidents to see what questions we needed to ask FEMA and what programs we needed to request. A list of available programs would have saved us a lot of time and consternation.
3. The Expedited Debris Removal program. We understood from the beginning that this was a new and continually developing program. However, rolling the demolition phase and the debris removal phase into one effort would have saved a huge amount of time and effort, to say nothing of eliminating a great deal of duplication of effort. Additionally, to combine the two would have been very beneficial to our citizens who were having to process a great deal of information after the disaster, and, help them understand the process of clearing their property as well as what benefits the program has to offer.

In summary, I was most impressed and pleased with the role FEMA played and continues to play in our response and recovery efforts. We are thankful for the effort of our Federal government and our elected officials in facilitating a response/recovery that can only be described as successful.

Thank you for the opportunity to testify.

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Joplin, Missouri hit by EF-5 Tornado on May 22, 2011

GENERAL INFORMATION
October 3, 2011

- Joplin population approximately 50,175 (2010 Census)
- Day time population approximately 240,000
- Located in Southwest Missouri between U.S. Highway 71 and I-44
- EF-5 Tornado was ½ mile to ¾ mile wide, traveled approximately 13 miles;
- Touched down at edge of western city limits, traveled on the ground throughout all of City to eastern city limits plus several miles past into the City of Duquesne
- Tornado winds estimated at 200 mph + ; NWS indicates may have moved as slowly at 10 mph in some places
- Affected homes and businesses in both Jasper and Newton Counties in Missouri
- 162 lives lost due to tornado (current as of September 21, 2011)

Residential Structures:

- Estimated 7,500 residential dwellings damaged by storm
- More than 17,000 people affected by tornado
- 4,000 homes approximately in the Expedited Debris Removal area (extensive and catastrophic damage as defined by FEMA) – Initially uninhabitable; causing an estimated 9,200 people to be displaced (see housing information on page 2 for details)
- Approximately 3,500 more structures damaged in periphery of EDR area

Debris, August 25, 2011 stats:

- Tornado generated an estimated at 3 million cubic yards of residential debris throughout the disaster area
- FEMA introduced EDR initiative - allowed government-funded contractors to remove loose tornado debris from private property within a designated tornado-damaged area, and offered 90% federal match to a 10 % local and state match for costs incurred. Gov. Nixon announced state would pick up the 10% match.
- FEMA mission-assigned the U.S. Army Corps of Engineers to execute the debris management process.
- EDR area was cleared by FEMA deadline of August 7.

- As of Aug. 7, Corps contractors removed a total of 1,462,044 CY of debris.
- Many property owners used insurance proceeds to hire contractors for debris removal; and/or utilized the 75,000 + volunteers who have been active in the cleanup of the City.
- Estimated 1.5 million CY of debris removed in this manner. See below for exact volunteer numbers.

Demolition & Recovery:

- Prior to completion of debris removal, on July 28, City announced Building Permits available for entire storm-damaged area (rolled out two areas prior to entire area being opened for building: West of Picher Ave opened July 8; West of Main St opened July 22)
- City rolled out Demolition Plan with 3 options for property owners on, August 8:
  - Do It Yourself – if owner has insurance
  - Skilled volunteers affiliated with the Voluntary Organizations Active in Disaster (VOAD) carry out the demolition of residential structures and/or foundations on behalf of home or property owners.
  - Dangerous, tornado-damaged structures and/or foundations that are ***not*** removed another way will be processed through the dangerous structures provision of the Joplin City Code.

Permits Issued since the disaster through September 30, 2011:

Permits Through	8/31/2011	Week of 9/15/2011	Week of 9/23/2011	Week of 9/30/2011	Totals
Demolition	923	20	12	71	1037
Residential repairs	2,152	35	45	42	2293
Residential New / Rebuild	227	30	25	22	329
Commercial New / Rebuild	78	5	4	12	104
Apartment Rebuild/Repair			15	0	15
Total permits	**3,380**	**90**	**90**	**147**	**3778**

Last four (4) years combined had only 3,365 permit altogether.

Temporary Housing – September 30, 2011 stats:

- Under the Individuals and Households Program (IHP) more than $19.7 million in disaster assistance has been approved for eligible applicants in Jasper and Newton counties for Housing Assistance and for Other Needs Assistance

  Housing Assistance includes Rental Assistance and Home Repair or Replacement funds:
  - Housing Assistance Approved for 2,957 applicants
  - Housing Assistance Approved: $7,358,146.

  Other Needs Assistance provides assistance with needs other than housing (for example: medical, dental, lost eyeglasses, transportation, etc.)
  - Other Needs Assistance Approved for 2,616 households
  - Other Needs Assistance Approved: $12,396,411
- 585 households identified as needing temporary housing
- Total of 566 families currently placed in Temporary Housing

- FEMA has leased 149 pads in area commercial parks to place Temporary Housing Units; 144 of those are occupied
- City providing land for three Group Site Locations for Housing – in north Joplin.
  - Hope Haven Village and Officer Jeff Taylor Memorial Acres support 346 housing units; Hope Haven 2, the third site accommodates 51 units.
  - 370 units are occupied in the three group sites.
- 597 units currently placed (including commercial parks and three group sites)
- The City of Joplin estimates 88% of families affected by tornado had provided a contact number that indicated they were living within 25 mile radius.

Volunteers, as of September 19, 2011:

- 84,792 registered volunteers have provided 422,506 hours of service.

Medical Services:

- By 5-23-2011 Joplin and Jasper County Health Dept. medical services staff worked with other local partners (health departments, clinics, hospitals, etc.)to develop a tetanus vaccine administration plan for residents and workers in the debris area to provide protection from the tetanus disease many times associated with debris injuries. The plan included stationary and roving vaccine distribution locations moving throughout tornado affected neighborhoods.
- On 5-24-2011 tetanus vaccinations began and in following weeks over 17,000 tetanus vaccinations were administered by many medical partners in community.
- 14 area health departments along with other local medical partners aided the local tetanus administration effort including over 125 staff.

Animal Control statistics:

- 1,308 pets displaced by tornado picked up and taken to emergency pet shelter by local animal control staff and partner agencies (other animal control agencies, Humane Society of Missouri, etc.)
- 529 pets returned to owners from emergency pet shelter operated by ASPCA and Joplin Humane Society
- ASPCA able to place remaining tornado displaced animals at end of emergency sheltering operation in new homes through their "Adopt-a-thon" and other placement activities.
- Pet "co-location" shelter with human American Red Cross shelter opened by Joplin Animal Control within few hours of tornado. Staffed by Joplin Animal Control for first days until relieved by Humane Society of Missouri staff upon arrival in community. Per co-location shelter operated for over a month until ARC human shelter moved to smaller location.
- Within hours of the tornado, Joplin Animal Control worked with Joplin Humane Society staff to open a temporary pet triage clinic at the Humane Society to provide emergency medical care for animals transported to the emergency pet shelter.
- Within 24 hours, the Humane Society of Missouri was on scene working with Joplin Animal Control to develop a plan for animal rescue operations. Within 2 days these operations began.

- ASPCA arrived the day after the storm to handle the emergency pet sheltering operation, working with the Joplin Humane Society.

Information from Joplin Area Chamber of Commerce:

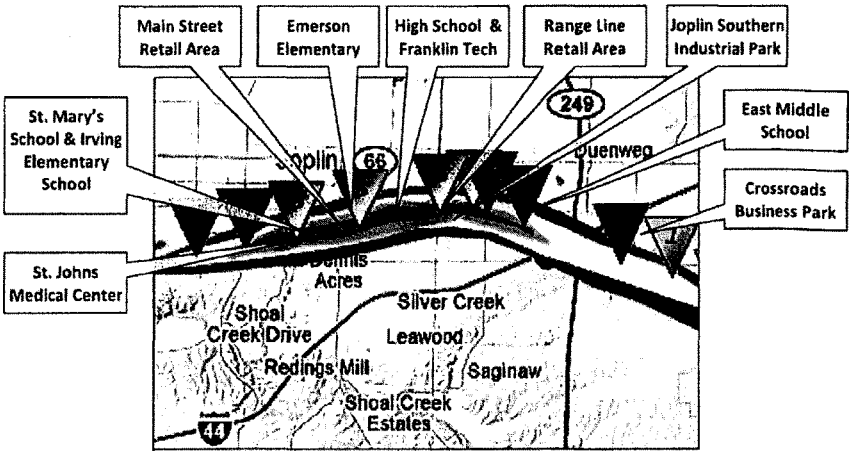
- More than 500 businesses affected by tornado
- 4,500 – 5,000 employees in Joplin affected
- Tornado generated approximately 1.1 million CY of commercial debris

City Property Receiving Damage:

• Emergency Management	Emergency Sirens
• Fire	Two Fire Stations - No. 2 & No. 4
• Parks	Senior Citizens Center
• Parks	Cunningham Aquatic Center & Park
• Parks	Parr Hill Park
• Parks	Garvin Park
• Parks	Mohaska Park
• Parks	Ewert Park
• Police	South Police Branch (minor damage)
• Public Works	MAPS Trolley shelters (multiple)
• Public Works	Curb, streets and Sidewalk, lights, Signs and Signals
• Public Works	Building structure located at 20th & Connecticut
• Information Systems	CISCO Aironet blown off

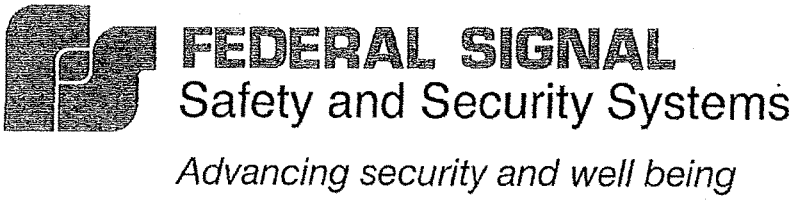
Joplin EF 5 Tornado
Graph and Map Information

EF Scale	Wind MPH	Fujita Scale	Wind MPH	Fujita Freq.
EF0	65-85	F0	40-72	38.9%
EF1	86-110	F1	73–112	35.6%
EF2	111-135	F2	113–157	19.4%
EF3	136-165	F3	158–206	4.9%
EF4	166-200	F4	207–260	1.1%
EF5	Over 200	F5	261–318	<0.1%



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

Streamlining Emergency Management: Improving Preparedness, Recovery, and Cutting Costs



October 13, 2011
Washington D.C.

Statement of
Joe Wilson
President,
Safety and Security Group
Industrial Systems Division
Federal Signal Corporation

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Before the
Subcommittee on Economic Development, Public Buildings, and Emergency Management
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U. S. House of Representatives

Streamlining Emergency Management: Improving Preparedness, Recovery, and Cutting Costs

October 13, 2011

INTRODUCTION

Mr. Chairman, Ranking Member Norton, and members of the Subcommittee, thank you for allowing me to appear before you today to provide testimony on important matters of public safety and emergency management.

I am Joe Wilson, President of the Industrial Systems Division, Safety and Security Group, Federal Signal Corporation. Federal Signal is a long standing supplier to the emergency management industry. We design, manufacture, install and integrate mass notification systems. Our systems are used in tsunami warning, community warning, military, campus alerting, within and around nuclear power plants and industrial facilities.

I will provide information regarding a few central issues that impact all local communities across the U.S.

MEETING LOCAL LEVEL NEEDS

On any given day, news headlines highlight disasters or other emergencies across the United States cause Americans to evaluate their own levels of safety. Whether looking back 10 years to the tragedy of the 9/11 attacks or remembering the high levels of natural disasters 2011 has wrought, we are constantly reminded of the imperative to be fully prepared for the unexpected.

With public safety and disaster preparedness being top of mind, it's during these times of economic challenge when local communities rely most upon FEMA to acquire public warning and notification systems. In fact, Federal Signal's 2011 Public Safety Survey, conducted by Zogby International, recently found that half of Americans feel they are less safe today than they were prior to the 9/11 tragedy. Additionally, almost 4 out of 10 consider their city or town to be slightly or completely unprepared in the event of an emergency, including unexpected risks such as natural disasters, terrorism and health pandemics.

It is critical that warning systems continue to be among the priority needs for which grant dollars can be spent. Collective efforts by all should not stop until 100 percent of the population believes safety is a priority in their community.

While natural disasters and man-made crises are ever-increasing, the number of potential local and national events, for which communities must prepare, has grown exponentially over the last decade. FEMA has an important role to play in establishing standard and promoting best practices throughout the nation. The National Incident Management System (NIMS) planning guidelines identifies the significant number of national and local incidents for which emergency management agencies must be prepared.

FEMA also plays an important role both in establishing and maintaining criteria for the Nuclear Regulatory Commission (NRC), as the agency charged with coordinating emergency planning and preparedness activities outside the boundaries of nuclear facilities.

With the recent nuclear challenges in Japan, many new assessments are being made within the nuclear community. The establishment of key criteria for both primary and secondary methods of public alerting is an important effort for which FEMA is well suited. While FEMA may be well positioned to respond to national events, we must remember that all national events are also local in nature

Local community needs differ widely and national, or even state priorities, are not always in sync with the demands of local communities. Decision making about how local communities utilize these important grant dollars should be made at the local level, especially at a time when one-third (34 percent) of Americans feel that public safety is a not a priority in their community.

Overall, after a decade of dialogue and expenditures, many America's still feel that there is not enough attention paid to public safety. Perception is reality. Perhaps one of the reasons for this disconnect, is that national funding priorities may not always reflect the perception of local communities.

NEW INTEROPERABLE BRIDGES

It was not that long ago that those government agencies charged with the responsibility for issuing warnings and alerts to the general public depended almost exclusively on outdoor sirens and radio and television broadcasts. However, interoperability remains a key concern for today's public safety officials, who must consider a much broader spectrum of communication technologies and messaging formats. This includes everything from traditional landline phone, cell phones, pagers, radios, text messaging, public address and intercom systems, LED signage, message boards and strobe alerts, to a variety of IP-based technologies, including email, instant messaging, RSS feeds, smart phones, and even social networking technologies such as Twitter and Facebook.

Fortunately, there are multiple ways to achieve national objectives. Most current funding is focused on the acquisition and deployment of completely new technology. For example, Digital Trunking Systems have become a popular option; however, these costly systems are not the only way to achieve interoperable communication. In fact, the deployment of completely new communications systems can create new challenges.

While a large county, or even a State, may deploy a new digital communications system (e.g. P25 Trunking Land-mobile radio system), not every local community can afford the handsets and mobile radios necessary to operate within this system. This results in some communities having even more trouble sharing data and information with other jurisdictions.

For example, local jurisdictions which previously shared emergency channels within the same frequency band, no longer can do so after the police department joins the county digital radio system, but the fire department and public works have not.

Many local communities could achieve interoperable communications through IP-based software solutions, which leverage existing communications infrastructure at a significant savings over a wide-scale replacement.

Today's grant funding often works against the leveraging of existing infrastructure, thus costing communities and the national government to solve more interoperable communications challenges. Software-based solutions typically cost less and are deployed faster.

Allowing states to make decisions about how they use interoperable grant funds would foster continued advancement of new technologies designed to bridge analog and digital radio worlds, with IP communications and public communication networks.

INTEGRATED LAYER PROGRESS

Since 2006, when President George W. Bush signed Executive Order 13407, the Integrated Public Alert and Warning System (IPAWS) has largely been considered a solution for effective public alerts and warnings. It has also been a catalyst for communicating the importance of emergency preparedness. Furthermore, the nation's commitment to IPAWS brings significant value to the overall public safety and emergency management community.

Although the system was designed to reach all U.S. citizens, FEMA recognizes that most alerts and warnings are issued at a state and local level. Unfortunately, there's no one-size fits all approach to mass notification. These location-specific messages are more relevant to those receiving the alert, but must be tailored to meet specific emergency needs and, more importantly, must be capable of reaching citizens regardless of obstacles like terrain or population density. Therefore, most locally-based solutions require a more customized approach.

According to the Federal Signal Annual American Public Safety Survey, 89.5 percent of Americans feel that some form of improvement–ranging from minor to significant improvement–is needed to public emergency awareness or communication where they live. Nearly 40% of survey respondents feel their city or town is only slightly or not at all prepared in the event of an emergency.

The survey speaks volumes to perceptions about the current state of public safety awareness and emergency preparedness and reminds us that solutions must come from year-round, community-wide engagement and action.

Establishing an advisory committee that would include voices from the local emergency management community and the private sector would ensure that a true public/private partnership approach can be fostered. This would enable additional input about ongoing and future use without delaying the system.

Another important aspect to consider is how people prefer to communicate during an emergency. As indicated in the 2010 Federal Signal Annual Public Safety Survey, Americans' preference on the type of technology they want to use for emergency notification differ dramatically –one in four Americans would prefer to be notified about an emergency by a telephone call (26 percent) or by television (25 percent). Another 18 percent say they would like to be notified by text message, while 15 percent would like the notification by outdoor loudspeakers. One in ten prefers to be notified by radio.

It is also important to note that, while emergency planners and technology providers may be cognizant of the limitations of each of these communication mediums, much of the general public is unaware that a large-scale disaster would almost certainly overload cell networks and quite possibly internet-based communications as well. This not only reinforces why depending

exclusively on a single communications method for mass notification is shortsighted, but effectively emphasizes the need for redundancy in emergency communications.

Advanced technology and messaging formats are clearly playing an expanded role in the development of the newest generation of emergency warning and mass notification systems. The deployment of a geo-targeted alerting system via Commercial Mobile Alert System (CMAS) is a critical element of the IPAWS system and will be warmly embraced by local emergency management agencies.

Investment in these important programs ensures that local governments will move along a desired path, while still allowing key decisions about usage and local implementation to remain in the hands of local community leaders.

At the same time, emergency communications equipment and system suppliers have consistently stressed the important part that training and ongoing education have in emergency system performance.

Not only is training critical to the success of any emergency warning system, this training must also be tailored to the specific needs of each age group or "generation." Children, for instance, learn differently than adults, while seniors present a host of unique challenges when it comes to using new technology. In some instances, it may also be necessary to evaluate the special needs of unique cultural groups, as well as persons who are physically or mentally handicapped.

While advanced technology and messaging formats enable more effective emergency warning and mass notification systems, a host of human factors—including age, physical disabilities and cultural differences related to the diverse needs of citizens in heavily populated cities—must be bundled into the overall emergency plan to effectively communicate.

Though today's technology has certainly expanded the communications options available to emergency managers, it should be evident that, in many cases, these technical advancements have also placed a whole new set of concerns on the table. Clearly, it would be impossible to address each and every one of the issues relating to the expanded layers of communication and diverse human factors in a presentation of this length. However, it is hoped that this sampling provides some perspective on both the scope and complexity that comes into play in the development of the next generation of emergency communication systems.

CONCLUSION

In conclusion, FEMA plays an important role in establishing standards and fostering the adoption of best practices within the Emergency Management community. Its leadership in facilitating the leveraging of new technology and establishing a framework and infrastructure for the sharing of technology is without question a necessary job that only an agency such as FEMA can perform. Establishing effective processes, which provide opportunities for both industry leaders and local emergency managers to participate in the development and deployment of these systems, can help ensure wide-scale support of these programs. There also continues to be ways

to leverage existing infrastructure and past investments while still helping communities improve their ability to communicate. While we have more ways to share information today than ever before, new technology has not made the job of emergency management any easier. In fact, it has become more complicated as Americans' preferences about how to receive information vastly differ. Funding programs need to be modified in order to ensure that local communities can pursue the means and methods most likely to meet their specific needs. This is a critically important step in raising Americans' confidence that public safety is truly a priority.

Thank you for the opportunity to speak before you today.

Appendix follows

FEDERAL SIGNAL
Safety and Security Systems
Advancing security and well being

Joseph W. Wilson
Federal Signal Corporation
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EXPERIENCE
Federal Signal Corporation, University Park, IL (1987 – present)

President – Safety & Security Group/ Industrial Systems Division: Federal Signal Corporation, University Park, IL (May 2011– present)

Member of the Federal Signal Corporation Executive Committee and leader of three industrial businesses (Mining, Integrated Systems, and Industrial Systems) as well as the Alerting and Notification Systems public safety business within the Safety and Security Group of Federal Signal.

Vice President/General Manager Industrial Systems Division: Federal Signal Corporation, University Park, IL (May 2010 – May 2011)

Leader of three industrial businesses (Mining, Integrated Systems, and Industrial Systems) as well as the Alerting and Notification Systems public safety business within the Safety and Security Group of Federal Signal. Total of four manufacturing sites employing 129 hourly and 150 salaried employees.

Vice President/General Manager Industrial & Commercial System Division: Federal Signal Corporation, University Park, IL / Novi Michigan (November 2007 – May 2010)

Leader of four industrial businesses (Lighting, Mining, Integrated Systems, and Industrial Systems) as well as Federal APD Parking division within the Safety and Security Group of Federal Signal. Total of seven manufacturing sites employing 280 hourly and 220 salaried employees.

Vice President/General Manager Public Safety & Transportation System Division: Federal Signal Corporation, University Park, IL / Novi Michigan (November 2006 – November 2007)

Leader of the expanding PSS business and newly established Transportation Systems Division. Bringing together the two largest software centric businesses in the corporation. Merging System Integration and Program Management disciplines to build out the much need competency in order to better serve both customer bases. Total of two manufacturing sites with 80 hourly and 155 salaried employees

Vice President/General Manager Public Safety System Division: Federal Signal Corporation, University Park, IL (July 2005 – October 2006)

Leader of newly created PSS division established to expand Systems Integration and solutions based selling models with focus on the needs of Emergency Managers. Single manufacturing site with 25 hourly and 40 s alaried employees.

Vice President Sales & Marketing - Electrical Products Division: Federal Signal Corporation, University Park, IL (2001 - 2005)

Director of Marketing Electrical Products Division: Federal Signal Corporation, University Park, IL (1997-2001)

Marketing Manager Electrical Products Division: Federal Signal Corporation, University Park, IL (1991 -1997)

District/Regional Sales Manager Electrical Products Division: Federal Signal Corporation, University Park, IL (1987 -1991)

Dana Corporation (1981-1987)

District Sales Manager, Automotive Aftermarket Division:	Dana Corporation (1984-1987)
Factory Branch Manager, Chicago Branch:	Dana Corporation (1982-1984)
Regional Sales Representative, Automotive Aftermarket Division:	Dana Corporation (1981-1982)

EDUCATION

2001-2003	Masters of Business Administration	DePaul University - Kellstadt School of Business -.
1977-1980	Bachelors of Science – Marketing	Purdue University
1975-1977	Undergraduate Classes	Loyola University

PROFESSIONAL TRAINING

Lean Manufacturing – TBM Consulting, LVC Consulting
Lean Manufacturing Certificate – University of Tennessee
E-Business Certificate Program – Loyola University

INDUSTRY AFFILIATIONS

Member of Safe America, Board of Directors 2010 - 2011

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Truth in Testimony Disclosure

Pursuant to clause 2(g)(5) of House Rule XI, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

(1) Name:
Joe Wilson

(2) Other than yourself, name of entity you are representing:
Federal Signal Corporation

(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?

YES **If yes, please provide the information requested below and attach your curriculum vitae.**

NO

(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:

Joseph R. Wilson
Signature

10-7-11
Date

FEDERAL SIGNAL
Safety and Security Systems
Advancing security and well being

ORDER NUMBER	TOTAL PO AMT	PURCHASE ORDER/CC ORDERS	SOLD TO	SHIP TO
4101143*1	$2,096.00	QUOTE40210100927	TRAVIS AIR FORCE BASE	TRAVIS AFB
4101317*2	$939.40	QUOTE52110142720	TRAVIS AIR FORCE BASE	TRAVIS AFB
4101330*1	$39,484.99	WAWF-W52H09-08-D-0450	DFAS-CO/WEST ENTITLEMENT	FORT HOOD
4101475*1	$0.00	PETER-PM QUOTE	TINKER AIR FORCE BASE	TINKER AFB
4101916*2	$1,300.00	QUOTE50310142411	NAS FORT WORTH	FORT WORTH
4101931*2	$22,032.00	WAWF-M00318-10-P-0104	DFAS CO ACCTG DISB STA NR	MCBH-HANEOHE BAY HI
4101973*1	$6,524.99	QUOTE62310092407	ROBINS AIR FORCE BASE	ROBINS
4101997*1	$564.00	SIGNEDQUOTE80310111910	McGUIRE AFB	MCGUIRE AFB
4101998*1	$1,080.00	SIGNEDQUOTE80310152439	McGUIRE AFB	MCGUIRE AFB
4102186*1	$3,064.00	10874	ATS ALASKA	ELMENDORF
4102187*1	$6,108.00	10875	ATS ALASKA	ELMENDORF
4102190*1	$120,185.00	WAWF-W52H09-08-D-0450-HD	DFAS-CO/WEST ENTITLEMENT	FORT HOOD
4102199*1	$38,219.00	WAWF-W52H09-08-D-0450-FB	DFAS-CO/WEST ENTITLEMENT	FORT BRAGG
4102200*1	$20,384.00	WAWF-W52H09-08-D-0450-FB	DFAS-CO/WEST ENTITLEMENT	FORT BRAGG
4102232*1	$35,000.00	WAWF-FA5205-10-P-0019	DFAS-JAPAN(APO)	MISAWA AFB
4102240*1	$330,000.00	WAWF-FA8501-10-P-0224	DFAS DAYTON 503DDD	ROBINS AFB
4102288*1	$12,378.50	WAWF-FA4621-10-P-0077	DFAS-LIMESTONE-F67100	MCCONNELL AFB
4102309*1	$299,999.00	WAWF-W52H09-08-D-0450	DFAS-CO/WEST ENTITLEMENT	FORT BLISS AFB
4102349*1	$6,416.00	QUOTE-81110111125	TACOM	ROCK ISLAND
4102350*1	$11,880.00	QUOTE_81110111125	TACOM	FORT GREELY
4102351*1	$11,228.00	QUOTE_81110111125	TACOM	FORT HOOD
4102352*1	$11,228.00	QUOTE_81110111125	TACOM	FORT MEADE
4102353*1	$5,940.00	QUOTE_81110111125	TACOM	FORT WAINWRIGHT
4102354*1	$6,416.00	QUOTE_81110111125	TACOM	FORT MEADE
4102368*1	$79,575.00	WAWF-FA4407-10-P-0106	DFAS-LI/FP	SCOTT AFB
4102420*1	$2,169.00	QUOTE_91510154850	TRAVIS AIR FORCE BASE	TRAVIS AFB
4102421*1	$28,800.00	WAWF-W52H09-08-D-0450	DFAS-CO/WEST ENTITLEMENT	FORT BLISS AFB
4102424*1	$121,651.00	WAWF-FA8501-10-P-0311	DFAS DAYTON 503DDD	ROBINS AFB
4102451*2	$5,630.00	WAWF-N68836-10-P-3108	DFAS CLEVELAND	NAS FORT WORTH
4102487*1	$4,711.00	QUOTE-10810133907	FORT WAINWRIGHT	FORT WAINWRIGHT
4102496*1	$2,995.00	QUOTE92310093320	NSF THURMONT	NSF THURMONT

4102531*1	$5,896.00	W912LM-10-P-4022	DFAS-LIMESTONE-F67100	MINNESOTA ANG DULUTH
4102555*1	$5,346.00	HSFLAR-10-P-00049	FEDERAL LAW ENFORCEMENT	FLETC
4102561*1	$53,000.00	WAWF-W81XWH-10-P-0721	DFAS ROME	FORT DETRICK
4102657*1	$635.00	QUOTE101210151548	WI AIR NATIONAL GUARD	WI AIR NAT. GUARD
4102699*1	$6,170.00	WAWF-N001789-10-P-1083	DFAS CLEVELAND	NAS PATUXENT RIVER
4102820*1	$530.00	11SEM3102	FEDERAL LAW ENFORCEMENT	FEDERAL LAW ENFC.
4102952*1	$2,102.39	QUOTE110710222037	ELMENDORF AFB	ELMENDORF
4103018*1	$1,660.00	LORI	McGUIRE AFB	MCGUIRE AFB
4103151*1	$1,150.00	QUOTE120310113037	McGUIRE AFB	MCGUIRE AFB
4103152*1	$2,500.00	QUOTE120310113004	McGUIRE AFB	MCGUIRE AFB
4103153*1	$2,500.00	QUOTE120310112933	McGUIRE AFB	MCGUIRE AFB
4103154*1	$1,990.00	QUOTE120310112802	McGUIRE AFB	MCGUIRE AFB
4103161*1	$2,430.00	QUOTE120210092955	McGUIRE AFB	MCGUIRE AFB
4103162*1	$2,448.00	QUOTE120210091957	McGUIRE AFB	MCGUIRE AFB
4110031*1	$3,065.00	11499	ATS ALASKA	FORT WAINWRIGHT
4110062*1	$5,765.00	QUOTE11011104734	TACOM	ROCK ISLAND
4110388*1	$762.00	QUOTE21611144951	McGUIRE AFB	MCGUIRE AFB
4110510*1	$480.00	KEVIN.SCOTT	TACOM	ROCK ISLAND
4110511*1	$250.00	LONNIE.BOYD	TACOM	ROCK ISLAND
4110660*2	$3,668.00	QUOTE31711160227	TACOM	DETROIT ARSENAL
4110841*4	$23,350.00	WAWF-W52H09-08-D-0450	DFAS-CO/WEST ENTITLEMENT	FORT HOOD
4110896*1	$816.00	4132011	McGUIRE AFB	MCGUIRE AFB
4110896*2	$816.00	4132011	McGUIRE AFB	MCGUIRE AFB
4111106*1	$6,706.00	12279	ATS ALASKA	FORT GREELY
4111175*1	$2,100.00	QUOTE42611174111	BATTLE CREEEK ANG	BATTLE CREEK ANG
4111603*10	$6,670.00	WAWF-FA4664-11-P-0018	DFAS-LIMESTONE-F67100	MARCH AFB
4111799*1	$1,440.00	QUOTE	LANGLEY AFB 1CS/SCM2	LANGLEY AFB
4111985*1	$471.75	QUOTE.71111091718	FEDERAL LAW ENFORCEMENT	FEDERAL LAW ENFC.
4112071*1	$85,000.00	WAWF-FA9301-11-M-C013	DFAS CO ACCTG DISB STA NR	EDWARDS AFB
4112076*1	$2,380.00	12780	ATS ALASKA	FORT WAINWRIGHT
4112147*1	$2,200.00	QUOTE70111082804	MACDILL AFB/MSGT KING	MACDILL AFB
4112219*1	$330.00	08/04/11	US ARMY GARRISON	US ARMY GARRISON
4112360*1	$2,715.00	QUOTE.80511134804	LANGLEY AFB 1CS/SCM2	LANGLEY AFB
4112361*1	$1,890.00	QUOTE.80511134804	LANGLEY AFB 1CS/SCM2	LANGLEY AFB
4112429*1	$1,280.00	VERBAL	NAS FORT WORTH	NAS FORT WORTH
4112444*1	$2,810.00	QUOTE08/22AND08/23	McGUIRE AFB	NAS FORT WORTH
4112465*1	$4,641.00	WAWF-FA4484-11-P-0098	DFAS-LIMESTONE-F67100	MCGUIRE AFB

4112519*1	**$2,000.00**	80311155316	FORT BRAGG	FORT BRAGG
4112535*1	**$515.00**	13027	ATS ALASKA	ATS ALASKA
4112567*2	**$1,091.00**	ELKINS	McGUIRE AFB	MCGUIRE AFB
4112754*2	**$5,435.00**	WAWF-FA4659-11-P-0039	DFAS-LI/FP	GRAND FORKS
	$1,498,602.02			