

**THE PRESIDENT'S FISCAL YEAR 2013 BUDGET  
REQUEST FOR THE FEDERAL EMERGENCY MAN-  
AGEMENT AGENCY**

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**HEARING**

BEFORE THE

**SUBCOMMITTEE ON EMERGENCY  
PREPAREDNESS, RESPONSE,  
AND COMMUNICATIONS**

OF THE

**COMMITTEE ON HOMELAND SECURITY  
HOUSE OF REPRESENTATIVES**

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# THE PRESIDENT'S FISCAL YEAR 2013 BUDGET REQUEST FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY

Wednesday, February 29, 2012

U.S. HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON EMERGENCY PREPAREDNESS,  
RESPONSE, AND COMMUNICATIONS,  
COMMITTEE ON HOMELAND SECURITY,  
*Washington, DC.*

The subcommittee met, pursuant to call, at 10:04 a.m., in Room 311, Cannon House Office Building, Hon. Gus M. Bilirakis [Chairman of the subcommittee] presiding.

Present: Representatives Bilirakis, Marino, Farenthold, Turner, Richardson, Clarke of Michigan, Hochul, and Thompson.

Mr. BILIRAKIS. The Subcommittee on Emergency Preparedness, Response, and Communications will come to order. The subcommittee is meeting today to receive testimony from FEMA Deputy Administrator Richard Serino on the President's fiscal year 2013 budget request for the Federal Emergency Management Agency. I now recognize myself for an opening statement.

The full committee recently held a hearing on the President's fiscal year 2013 budget request for the Department of Homeland Security at which Secretary Napolitano testified. This subcommittee will continue that oversight today with a more in-depth review of the President's request for the—for FEMA.

Administrator Serino, I believe this is the first time you have appeared before our subcommittee. Is that correct?

Mr. SERINO. Yes, sir.

Mr. BILIRAKIS. Okay. Very good. Welcome, sir.

The President's fiscal year 2013 budget requests \$10 billion for programs and operations at FEMA. Of this amount the request includes \$789 million for salaries and expenses, nearly \$200 million less than the fiscal year 2012 enacted level.

Some of this reduction is attributable to account transfers while some is due to more efficient use of funding—and we appreciate that—such as rent reductions and improved IT operations. It is important in these difficult budgetary times that all agencies and departments work to streamline waste and enhance operations.

Administrator Serino, I am interested in hearing from you about the management efficiencies included in this budget request.

The budget request proposes major changes within the State and local programs account by consolidating a number of Homeland Security grant programs into a new National Preparedness Grant

Program. The subcommittee will be holding a hearing focusing on grants next month but I am particularly interested in hearing more about this proposal today as the request leaves us with more questions than it provides answers.

How would FEMA factor risk when allocating funding under this program? We want to hear that. Would high-risk urban areas, port authorities, and transit agencies be able to apply directly for funding? We are all interested.

Allocations under NPGP would rely heavily on a State's threat and hazard identification and risk assessment, THIRA, and yet nearly a year after the THIRA concept was first introduced as part of the fiscal year 2011 grant guidance grantees have yet to receive guidance on how to conduct the THIRA process.

Questions also remain as to how local stakeholders would be involved in the THIRA process at the State level. It is essential that the local law enforcement, first responders, and emergency managers who are first on the scene of a terrorist act, natural disaster, or other emergency be involved in this process. I am sure you will agree. They know the threats to their local areas and the capabilities they need to attain to address, of course, these threats.

These questions and others must be answered as this proposal is considered. As you engage Congress on this proposal you must also do more to engage the State and local stakeholders that will be impacted by the proposed changes.

On that note, I have received feedback from the Florida Emergency Preparedness Association on this proposal and I ask unanimous consent to insert it in the record. Without objection, so ordered. This is it here.

[The information follows:]

SUBMITTED FOR THE RECORD BY CHAIRMAN GUS M. BILIRAKIS

STATEMENT OF FLORIDA EMERGENCY PREPAREDNESS ASSOCIATION

FEPA COMMENTS ON FEMA GRANT REFORM AND 2012 EMPG GUIDANCE

FEPA coordinated two conference calls with a focused group of members to discuss the recently released DHS/FEMA National Preparedness Grant Program (NPGP) for the 2013 grant cycle and funding guidance for the 2012 Federal Emergency Management Performance Grant. The calls were conducted on Tuesday, February 21, 2012 and Friday, February 24, 2012. The purpose of the calls was to exchange comments, concerns, and information regarding the proposals to allow FEPA to be better informed to provide information to the membership regarding these initiatives. In addition, FEPA's established relationship with Florida Congressman Gus Bilirakis provides the Association with a unique opportunity to submit our thoughts directly to the Congressman for his consideration.

This document represents a summary of the issues and questions discussed on the calls.

*Background.*—The NPGP consolidates a variety of current DHS grant programs (EMPG and Fire Grants will remain independent grants) and proposes that each State receive a “base” amount of funding allocated by population with the remainder of funds allocated through a National competitive process. FEPA recognizes any grants process can be improved and applauds the Federal initiatives to evaluate the grant programs' effectiveness and seek input on methods to improve funding processes. FEPA also is encouraged that the grant consolidation appears to reinforce an “All Hazards” approach to emergency management. Without this, emergency managers are faced with becoming “competitors” rather than “collaborators” with other response disciplines for scarce resources.

## QUESTIONS/COMMENTS/CONCERNS

- What portion of the overall combined NPGP funding stream is dedicated to the “base” amount versus the “competitive” pool of funding?
  - What is the representation on the National peer review panel for the competitive process? FEPA strongly suggests the inclusion of local emergency management practitioners and that their representation be equally weighted with State and National interests.
  - Projects funded in the competitive process are to be tied to a State’s Threat Hazard Identification and Risk Assessment (THIRA). How will the development of initial THIRAs be funded? What is the anticipated time line to complete the THIRAs?
  - Based on anticipated use of THIRA as a tool for comprehensive capabilities and risk analyses, it appears that the THIRAs represent a very deliberative and complex process. Given this, will States have time to develop these assessments for the 2013 competitive funding cycle? What is FEMA’s time line for completion of its (FEMA) regional THIRAs and how will FEMA’s regional THIRAs influence the individual State THIRA documents in each FEMA region? Are State THIRAs expected or required to include locally developed THIRAs or similar assessments?
  - Will DHS/FEMA issue detailed guidance information on the development of State THIRAs so the documents can offer a consistent perspective for the National competitive project review? If so, when?
  - Will States be required to include local projects in their project submissions under the competitive process?
  - Will local projects or projects that benefit local jurisdictions be a required percentage of a State’s competitive project submissions?
  - Will there be an appeals process to adjudicate the determinations/outcomes of the competitive process?
  - The documents refer to “regional capabilities” and “deployable capabilities and assets” under EMAC. What is the definition of regional for these grant proposals?
  - Many States have established regions for operational or programmatic purposes; but these may not accurately reflect sociological, demographic, and other characteristics that affect response capabilities and capacities. Are locally trained personnel considered deployable assets under EMAC?
  - Are preparedness activities such as NIMS-compliant local planning, training, and exercises still eligible and encouraged for funding?
  - Are NIMS training requirements for local personnel still in place or are they now only required for personnel deployed under EMAC?
- The documents state: “In addition, competitive applications will be required to address a capability gap identified in one of the FEMA Regional THIRAs, identify that the proposed new capability does not duplicate one that already exists within a reasonable response time and describe how the capability will be fully established within the 2-year period of performance.”
- As noted above, when will the FEMA Regional THIRAs be completed and available?
  - How does FEMA define a “new capability that does not duplicate . . . within a reasonable response time”? FEPA strongly encourages DHS/FEMA to recognize intra-regional capability gaps where even a robust regional approach results in underserved areas and populations, particularly for events that occur with little or no warning.
  - Will the base and competitive funding process require States to recognize local emergency management organizations that have robust programs and can effectively manage grant funds to encourage distribution and use of the funds at the lowest effective level of Government?

## 2012 EMPG FUNDING OPPORTUNITY ANNOUNCEMENT

- How does the THIRA component of the State Mitigation Plan that is required to be completed by December 31, 2012 relate to the THIRA used as the basis for NPGP competitive projects?
- As noted above, how can these comprehensive assessments be completed by December 31, 2012 given the grant project award start date is June 1, 2012 and grantees have 90 days to accept or reject an award?
- The guidance includes permissive language that a grantee may sub-grant funds to non-Governmental entities. What is the purpose of this distinction in the grant guidance? This provision may promote unintended segregation of these entities from core emergency management Government functions rather than

promote inclusion. Many of these entities have access to alternative Federal grant programs for their specific expertise and missions.

- If funded, will these entities be expected to meet the same program requirements as Governmental entities—i.e. trained personnel, approved emergency plans and procedures, training and exercise plans?

#### EXPEDITING EXPENDITURES OF DHS/FEMA GRANT FUNDS

FEPA would also like to express concern regarding FEMA's recently released guidance to State Administrative Agencies to expedite expenditure of certain DHS/FEMA grant funds (Grant Programs Directorate Information Bulletin Number 379, February, 17, 2012). As noted above, FEPA recognizes the need for continual review and improvement of grant processes and the need to expend grant funds within a reasonable period of performance. However, the bulletin places the burden on grantees and sub-grantees to request and fully document the need for funding extensions without recognizing that delays with the FEMA project obligation, FEMA project review, and FEMA evaluation process are often the initial cause of the fund expenditure delays. In Florida, this is particularly true of multiple delays in required FEMA environmental review of capital projects, such as Emergency Operations Centers. FEMA should perform an internal review of each local project that is affected by Information Bulletin 379 that has experienced a delay in a required Federal review and automatically exempt it from the new requirements.

Mr. BILIRAKIS. A topic I have discussed with Administrator Fugate on several occasions is the importance of mitigation. Studies have indicated that for every dollar that is spent on mitigation activities there is a \$4 return on investment. That is why I was surprised to see that the President's budget proposed to eliminate the Pre-Disaster Mitigation Program.

Administrator Serino, I would like to hear more about the rationale behind this proposal—this proposed elimination and how this budget supports mitigation efforts in other areas.

Finally, I am interested in hearing more about the implementation of Presidential Policy Directive 8. FEMA released the National Preparedness Goal and the National Disaster Recovery Framework last fall.

What feedback have you received from stakeholders on these documents? How has the NDRF been integrated into FEMA's recovery operations? What is the status of the development of the other frameworks required by PPD-8?

With that, of course, I once again welcome you, Administrator. Of course, we look forward to working with you this year, welcome you to the subcommittee, and of course, I look forward to your testimony.

The Chairman now recognizes the Ranking Minority Member, Ms. Richardson, for any statement she may have.

You are recognized.

Ms. RICHARDSON. Thank you, Mr. Chairman, and also Ranking Member Thompson, for supporting us here in this hearing.

Good morning, Deputy Administrator Serino. Thank you for being here today to discuss the details of the full year 2013 budget request for the Federal Emergency Management Agency.

I did have an opportunity to meet you when we had the open house, I believe, over there, and found your team to be well prepared to do the job.

This budget request appears to reflect efforts to streamline business and procurement procedures and to eliminate redundant programs to reduce costs. Though I have some questions about some of the cost-cutting proposals, certainly we appreciate FEMA's ef-

forts to do the necessary belt-tightening that we all have to do at this time.

That said, I have serious reservations about some of the proposals that are included in the full year 2013 budget request. Specifically, needing more details about the consolidations in the National Preparedness Grant Proposal Program, which would consolidate 16 targeted Homeland Security grant programs.

Last year, despite strong opposition by the House Democrats, Congress approved an appropriations law that gutted funding for State and local programs. The bill, for the first time, punted its responsibility for allocating funding among State and local grant programs to the Secretary. As an authorizer I am particularly troubled that this committee did not take action and did not—failed to send a message of support for these programs.

It is important to remember that Congress, pursuant to legislation within this committee's jurisdiction, was created to adequately provide discrete grant programs to direct grant investments to address specific gaps in National and local preparedness capabilities. Some of these programs, such as the Urban Area Security Initiative and the Port Security Grant Program, have provided support where significant gaps in security capabilities fail to this point.

Moreover, I am concerned about the effect of the grant consolidation on the predictability of grant funding for some of these agencies. Few State and local governments will be able to replace the Federal funding that will be lost for this potential consolidation.

Some of my questions will be, what do we expect to happen to these on-going projects and how will we fill in the gaps if—in the event support is needed? The work will not stop and the security gaps will remain despite our many efforts to address this problem. By bringing forward these circumstances Congress has to be careful that we don't be judged in the future for being penny-wise and pound-foolish.

Again, I thank you for being here today. I look forward to your testimony. But more in particular, I would like to stress that I would like to hear for the record how we plan on dealing with the impacts that will be anticipated based upon the consolidations of these much-needed programs.

With that, I yield back the balance of my time.

Mr. BILIRAKIS. I thank the Ranking Member.

I now recognize the Ranking Minority Member of the full committee, Mr. Thompson.

Mr. THOMPSON. Thank you very much, Mr. Chairman. Thank you also for holding today's hearing.

In 2011 FEMA responded to 99 major disaster declarations, 29 emergency declarations, and 114 fire management assistance declarations. This Nation has never experienced more man-made nor natural tragedies than required Federal help than they did in 2011.

Every corner of the Nation was affected. Thousands of people suffered loss and displacement. Many of these disasters did not receive extensive media coverage, however. None of the large-scale disasters, like Hurricane Katrina, but the people who lived through them, they were catastrophic moments, and in those catastrophic moments FEMA responded.

Unfortunately, in 2011 FEMA had to contend with more than the record-breaking number of disasters. Precisely at the moment when funding was most needed and disaster assistance was critical my friends on the other side of the aisle greeted this unprecedented number of disasters by cutting FEMA's grant funding and attempting to require budgetary offsets for disaster relief. This year I hope that history does not repeat itself either in the number of disasters or in FEMA grant funding reduction.

This Congress must do its part to assume—to assure that in times of tragedy and crisis FEMA is willing to respond and has adequate funding and staffing. But as we do our part FEMA must also do its part.

I am encouraged that this agency is finally getting back on track. Many stakeholders have commented about the improvement in FEMA's response, especially after the tornadoes in Joplin and Tuscaloosa.

However, the Nation needs to know that these stellar response efforts would not have been possible without the assistance of State and local first responders. Those State and local first responders gain their training through expertise and equipment through the use of Federal grant funding. These grants were cut last year and will continue to be reduced this year.

FEMA's fiscal year 2013 budget request includes a proposal to consolidate 16 individually authorized preparedness grant programs into a single, insufficiently funded pool of money. Two weeks ago Secretary Napolitano, in testimony before this committee, pledged to include stakeholders in future discussions about grant reforms. I look forward to those discussions.

With that, Mr. Chairman, I yield back.

Mr. BILIRAKIS. Thank you very much.

Other Members of the subcommittee are reminded that opening statements may be submitted for the record.

I am pleased to welcome Administrator Serino before the subcommittee. Mr. Serino was appointed by President Obama to serve as the deputy administrator of—of FEMA and was confirmed by the United States Senate on October 5, 2009.

Prior to joining FEMA Mr. Serino served over 30 years in the Boston Emergency Medical Services, becoming the chief of the Department in 1999. He also served as the assistant director of the Boston Public Health Commission. Mr. Serino has completed studies at Harvard University's Kennedy School of Government and recently graduated from the Naval Postgraduate School's Executive Leadership Program.

Welcome, Administrator. Your entire written statement will be—will appear in the record. I ask that you summarize your testimony, and you are recognized now, sir. Thank you.

**STATEMENT OF RICHARD SERINO, DEPUTY ADMINISTRATOR,  
FEDERAL EMERGENCY MANAGEMENT AGENCY**

Mr. SERINO. Thank you. Thank you, and good morning, Chairman Bilirakis, Ranking Member Richardson, Ranking Member Thompson, as well as Members of the subcommittee.

As stated, my name is Rich Serino. I am the deputy administrator for FEMA and I am truly honored to be here today on behalf

of FEMA and the Department of Homeland Security to talk about the President's fiscal year 2013 budget, which possesses more than \$13.5 billion for FEMA.

As you know, as mentioned, FEMA has changed the way we do business over the last several years and we are much more effective agency today than we were in the recent past. This year's budget request reflects the agency to continue these changes by managing the existing resources, reducing redundancies, enhancing efficiencies, and focusing on the programs that help the agency fulfill its critical emergency management function.

As Mr. Thompson mentioned, 2011 was a very busy year for first responders and emergency management officials. We responded to the 99 major disasters, 29 declarations, 140 fire management claims. Only three States in this country did not receive a Federal disaster declaration in 2011.

Major disasters touched every part of the region. Tornadoes devastated Joplin, Missouri, impacted several other States in the Midwest, the South—Alabama, Mississippi, North Carolina, and unfortunately, today some other tornadoes have struck similar areas, as well. Hurricane Irene impacted 35 million people along the East Coast. We saw record levels of flooding in North Dakota, along the Mississippi and the Missouri Rivers; and historic droughts led to numerous wildfires in the State of Texas.

I traveled extensively to many of these disasters and often asked: Can FEMA do this alone? Can we handle it all? The simple answer is: FEMA is just part of the emergency management team. The team is made up of first responders, volunteers, survivors, and Congress. You are part of that team, as well.

We call that the whole community. We rely on the whole community concept in emergency management, which includes individuals, includes the non-profit agencies, includes the faith-based community, includes the private sector, includes Federal, State, local, Tribal governments to help our Nation to prepare for, protect against, respond to, recover from, and mitigate all the hazards.

To be effective at the whole community we must work together before a State even receives a Stafford Act declaration of Federal assistance. That is why FEMA engages key community leaders to develop plans, identify resources, equip, train, and exercise in preparation for potential emergencies.

To support the whole community effort FEMA has awarded billions of dollars in grant funds to States, urban areas, Tribal governments, and non-profit agencies to support homeland security goals. We trained more than 2 million first responders at the Center for Domestic Preparedness and conducted the first-ever National test for the emergency alert system.

We increased the National Flood Insurance Program participation as well as participation in the Fire Administration's distance learning program. We hosted more than 200 emergency response and recovery exercises to Federal, State, local, Tribal, non-profit, the private sector to work together, and we saw good results from those exercises during all of the incidents, especially the tornadoes in the South and the Midwest this past year.

As part of the 2013 budget proposal the administration proposed a new vision for the grant programs designed to develop, sustain,

and leverage the core capabilities across the Nation. The Department's previous approach was meant to achieve a level of funding for each State that would allow them to develop and maintain their baseline capabilities.

Through consolidation of 16 grant programs, some of those which were redundant, the Unified Grant Program will be based on determined risks, called the National Preparedness Grant Program. The new approach, based on the new National Preparedness Goal, will focus on sustaining capabilities, addressing identified gaps, prioritizing funds for resources that can be deployed regionally and Nationally.

The National Preparedness Grant Program fosters an agency's whole community approach to help prepare our State and local community, as directed by and required by Presidential Preparedness Directive 8. The new program will allow, in fiscal year 2013, to provide \$500 million more to the State and local programs than was appropriated in fiscal year 2012.

As we worked through our programmatic responsibilities we took notes of the lessons learned, improved our customer service to maintain good stewards of the taxpayers' dollars. We instituted FEMASat, an initiative where we are able to look at effective ways to look at problems ahead of time, and like many agencies, realized our personnel costs were some of our highest costs and look at ways that we can improve our response efforts to streamline what we are able to do. We cut costs and streamlined the way we run joint field offices and did a lot of virtual joint field offices.

In all, the 2013 budget will provide FEMA with the level of resources we need to support our important emergency management mission and will help us continue our efforts to how we do business so we can focus on the needs of the community, and most importantly, the needs of the survivors.

Thank you. I look forward to this opportunity and answer any questions that you may have.

[The statement of Mr. Serino follows:]

PREPARED STATEMENT OF RICHARD SERINO

FEBRUARY 29, 2012

I. INTRODUCTION

Good morning Chairman Bilirakis, Ranking Member Richardson, and distinguished Members of the subcommittee. My name is Richard Serino, and I am the Deputy Administrator of the Federal Emergency Management Agency (FEMA). It is an honor to appear before you today on behalf of FEMA to discuss our fiscal year 2013 budget request.

As you know, FEMA has changed the way we do business over the past several years and we are a much more effective agency today than we were just a few years ago. The President's fiscal year 2013 budget reflects FEMA's goal of managing resources more effectively across the Federal Government while ensuring the Nation's resilience and emergency preparedness. We will achieve this goal by developing, sustaining, and leveraging our core capabilities across the country by creating a robust National response capacity using a Whole Community approach based on cross-jurisdictional and readily deployable State and local assets to support National preparedness and response. In addition, FEMA has re-evaluated its programs relative to a return on investment and will continue to focus its resources on those programs that have the most significant impact on the agency's ability to fulfill its emergency management mission. Moreover, FEMA will continue to streamline current business processes and harness the use of innovative technology.

We are especially pleased to inform the committee that for the first time in the history of the Disaster Relief Fund, the fiscal year 2013 request includes a \$500 million reserve cache to prevent the DRF from falling to the dangerously low level it did during September of fiscal year 2011. This budget request exemplifies FEMA's commitment to looking for ways to do our work better, smarter, and faster, including identifying and eliminating redundancies and increasing productivity. We also continue to look for new and innovative ways to leverage the capabilities of our partners and stakeholders.

We understand that FEMA, like all agencies across Government, will have to do more with less. For fiscal year 2013, the President's budget seeks a net discretionary budget authority of approximately \$10.008 billion, which is \$641.5 million dollars, or 6.02 percent, less than FEMA's fiscal year 2012 enacted level.

## II. REVIEWING AND STREAMLINING PROGRAMS

FEMA is constantly reviewing its policies and programs to identify and quickly remedy any existing wasteful practices or processes. Such reviews have resulted in changed policies, streamlined processes, and occasionally, eliminated programs. These efficiency initiatives are crucial if we are to continue accomplishing our mission efficiently and effectively. Throughout the past year, we implemented many efficiency measures such as streamlining our already sound financial business practices, implementing outcome-based strategic planning, and creating improvements to disaster assistance delivery. These efforts will continue next year and are reflected in the fiscal year 2013 budget request.

### *FEMASat*

In January 2011, FEMA began implementing FEMASat, a management process designed to consistently examine specific outcomes across the agency in order to ensure alignment with the administrator's priorities. FEMASat helps us monitor the agency's readiness posture and allows leadership to identify developing trends, shape priorities, and seize opportunities to improve performance. The FEMASat process allows managers to recognize performance gaps based on real data then make the decisions necessary to address those gaps.

Since the inception of this new initiative, we have realized many achievements, including:

- the identification of opportunities to build internal expertise and save costs;
- the adoption of regular metrics and milestone-based reviews by specific component, such as the Mission Support Bureau's weekly briefing to senior staff on their performance measures;
- the establishment of the Office of the Chief Procurement Officer (OCPO) as the responsible party for FEMA's acquisitions process, from start to finish. By reorganizing and assigning this role to the OCPO, a single office will track the entire process and identify inefficiencies and bottlenecks along the way; and
- the refocusing of resources on Individual and Community Preparedness, following discovery that only a small percentage of the preparedness budget had been spent in this area. As a result, I recently directed funding for individual and community preparedness programs be increased by \$10 million. To build and sustain National preparedness and support existing programs, we are developing a campaign to move members of the public from awareness to action. Elements include a year-round effort to support preparedness through media and outreach and expand youth preparedness technical assistance. Technical assistance will increase the volume of youth preparedness programs Nation-wide and enhance the effectiveness and sustainability of those existing. The network of youth and school preparedness will cross ages and sectors, and benefit from a foundation of collective National partners committed to institutionalizing youth and school preparedness.

Throughout the next fiscal year, we will continue to use FEMASat to review the effectiveness of our activities and find ways to eliminate identified inefficiencies.

### *Salaries & Expenses*

The Salaries and Expenses (S&E) appropriation, formerly Management and Administration, provides core mission funding for the development and maintenance of an integrated, Nation-wide capability to prepare for, mitigate against, respond to, and recover from the consequences of major disasters and emergencies. Consistent with Congress' appropriation in fiscal year 2012, the fiscal year 2013 President's budget request has organized the S&E appropriation under the following program/project/activity (PPA) structure: Administrative and Regional Offices, Preparedness and Protection, Response, Recovery, Mitigation, Mission Support, and Centrally

Managed Accounts. This structure ensures that the resources are transparent and grouped with like activities.

#### *State and Local Programs*

FEMA is constantly reviewing all of the agency's policies and programs to identify wasteful practices and processes. To this end the agency proposes in fiscal year 2013 to consolidate its various preparedness grant programs—with the exception of the Emergency Management Performance Grants and Assistance to Firefighter Grants—into a single, comprehensive preparedness grant program called the National Preparedness Grant Program (NPGP).

The NPGP will require grantees to develop and sustain core capabilities outlined in the National Preparedness Goal rather than work to meet mandates within individual, and often disconnected, grant programs. NPGP will also focus on creating a robust National response capacity based on cross-jurisdictional and readily deployable State and local assets.

Consolidating the preparedness grant programs will support the recommendations of Pub. L. 111–271, the Redundancy Elimination and Enhanced Performance for Preparedness Grants Act, and will streamline the grant application process. This will enable grantees to focus on how Federal funds can add value to their jurisdiction's unique preparedness needs while contributing to National response capabilities. To further increase the efficiency of the NPGP, FEMA will issue multi-year guidelines, enabling the agency to focus its efforts on measuring progress towards building and sustaining National capabilities. This consolidation will eliminate administration redundancies and ensure that all preparedness grants are contributing to the National Preparedness Goal.

For fiscal year 2013, FEMA is requesting \$1.54 billion for the NPGP. The complete reorganization of preparedness grants will allow for a more targeted grants approach where States build upon the capabilities established with previous grant money.

#### *Bottom-up Reviews*

Another way that FEMA can identify potentially wasteful practices or opportunities for improvement is by performing programmatic bottom-up reviews (BUR). A bottom-up review is a systematic review of every aspect of an agency program from multiple stakeholder viewpoints and helps identify ways and methods to improve the program.

In December 2011, FEMA initiated a BUR of the Pre-positioned Equipment Program (PEP) to assess the efficacy of the program based on capital investments versus deployments of the PEP caches. The BUR analysis revealed that PEP resources are redundant of capabilities provided by FEMA grant programs and have not been utilized since 2005 for disaster response and the desired return on investment for this program has not been realized. In fact, the caches were only deployed to a limited number of events and in each case, the inventory was not used. Based on the BUR analysis, and having given due diligence to the consideration of potential extenuating factors, FEMA proposes to fully eliminate the Pre-Positioned Equipment Program (PEP) in fiscal year 2013, which will result in a savings of \$6.2 million.

FEMA is also conducting a National Urban Search & Rescue (US&R) BUR to determine whether the US&R Response System, as currently structured, can fulfill the Nation's current and future needs for technical US&R capabilities and to identify strategies to improve the efficiency and effectiveness of the System. In March 2011, an initial report presented dozens of system issues identified through stakeholder interviews. FEMA's Office of Policy and Program Analysis (OPPA) is now in the process of finalizing their report.

The Public Assistance (PA) BUR was kicked off in the spring of 2011 and was designed to be a comprehensive review of the PA program's processes, procedures, and policies. The objectives of the PA BUR are to identify ways to improve the efficiency and effectiveness of the PA program, to make it less burdensome for all, and to develop recommendations for program changes to support the rapid recovery of communities affected by disasters. FEMA has recently concluded the review phase, and based on the input received has developed a vision for an improved PA program. FEMA is currently finalizing a course of action to realize this vision, which will include opportunities to gain feedback from our stakeholders on potential enhancements of revisions to the program.

#### *Pre-Disaster Mitigation*

To ensure a maximum return on investment, efficiency, and effectiveness as well as to reduce redundancy within FEMA grant programs in fiscal year 2013, we propose to eliminate the Pre-disaster Mitigation (PDM) program. The Pre-disaster

Mitigation Program has an unexpended balance of \$174.2 million, and FEMA will be working to allocate these amounts in fiscal year 2013 and recover any unexpended balances.

Since the most costly and frequent natural disaster is flooding, we plan to maximize the use of our flood grant portfolio to assist in managing the risk. FEMA administers four other mitigation grant programs that can fund, or exclusively fund, flood mitigation projects. In addition, PDM funds are used to fund State and local hazard mitigation plans, which is an eligible activity under the Hazard Mitigation Grant Program. FEMA intends to use its sizeable unobligated carryover balance from prior years to close outstanding grants.

### III. DISASTER RELIEF FUND

The Disaster Relief Fund (DRF) accounts for a significant portion of FEMA's budget and mission. For fiscal year 2013, FEMA and the Department of Homeland Security are taking prudent steps to ensure the DRF is funded at the appropriate level to meet the assistance needs of affected communities and disaster survivors following a Presidentially-declared major disaster or emergency. In addition, FEMA has further refined its accounting methodology to align with the Budget Control Act (BCA) of 2012.

As a matter of practice, FEMA continually reassesses out-going obligations and reimbursements held against the DRF balance, such as contract requirements or Public Assistance and Hazard Mitigation projects from past disasters. This consistent financial monitoring allows us to determine if outstanding funds can be de-obligated from previous projects and returned to the DRF. By de-obligating mission assignments and disaster contracts in 2010, and de-obligating funds from completed projects in 2011, FEMA returned over \$4.7 billion (as of September 30, 2011) to the DRF since the beginning of fiscal year 2010.

For fiscal year 2013, FEMA requests \$6.09 billion for the DRF, \$5.5 billion of which is designated as being for disaster relief in response to major disasters. Additionally, we estimate that we will be able to de-obligate \$1.2 billion in fiscal year 2013 by continuing to enforce standard closeout policies, establish and track closeout metrics, and streamline and simplify the closeout process.

FEMA's 2013 request was calculated in accordance with the BCA, and therefore does not account for unexpected catastrophic events (those with expected costs exceeding \$500 million) that may occur in fiscal year 2013. Our request assumes that events costing greater than \$500 million and that occur during fiscal year 2013 will be funded with emergency supplemental funding, as provided for in the BCA. The fiscal year 2013 request, as formulated, accounts for the continuing costs of past large-scale disasters and the expected annual cost of small-scale disasters.

The fiscal year 2013 request also includes a \$500 million reserve cache to prevent the DRF from falling to the dangerously low level that it did during September of fiscal year 2011. This is especially crucial since the end of the fiscal year coincides with the 2013 hurricane season. We are also seeking to avoid a repeat of fiscal year 2010 and fiscal year 2011 when we implemented Immediate Needs Funding restrictions, which delayed critical rebuilding projects.

### IV. INVESTMENTS IN OUR WORKFORCE AND TECHNOLOGY

A key to increasing any agency's efficiency is to make strategic investments in its people and technology. FEMA understands this and has already begun work on key investments that will increase the agency's capabilities and aid us in accomplishing our mission.

#### *Investing in Our Workforce*

In 2011, the Office of the Chief Human Capital Officer (OCHCO) established a new orientation and training program for newly-hired employees. These new training courses teach employees about FEMA, its mission and culture, and how to work with our programs across the organization. OCHCO has already trained more than 450 new hires through this initiative and FEMA will continue to evaluate and improve its onboarding process to ensure that new employees are as productive and prepared as possible.

FEMA is developing several leadership development initiatives to enhance opportunities for growth for our current employees. By investing in leadership programs, we are investing in the future of FEMA. In 2011, FEMA launched the Future Leaders program; a 1-year program designed to enhance a participant's understanding of leadership at FEMA to build their leadership competencies. After a competitive selection process, 33 employees were selected for the inaugural year of the new program and after its completion the group has already begun to positively impact

FEMA. The Future Leaders have been working to promote the FEMA leadership culture throughout the entire agency, as well as serving as inspiration for other young people to enter into emergency management as a potential career, thereby a “win/win” for the whole community.

Additionally, FEMA recognizes that every employee of our agency is an emergency manager, and we are focusing on improved training and position qualifications to ensure we can provide the best possible customer service during disaster response and recovery efforts. FEMA recently developed a National credentialing program focused on a Government-wide and holistic approach to disaster surge staffing. The new FEMA Qualification System (FQS) will ensure that disaster response and recovery professionals are held to consistent expectations of workforce competency so they can perform the critical actions required to help individuals and communities respond to, recover from, and mitigate against disasters. This unified approach will ensure that FEMA employees are receiving the right training and will deliver that training in an organized and efficient manner. We recently held town hall meetings in each of our regional offices, and at our headquarters building here in Washington, to discuss these changes directly with our staff. I personally led the meetings in Regions I, VI, and X, and was incredibly pleased by the productive dialogue and exchange of ideas that we had during the town halls.

#### *IT Automation Modernization*

FEMA is in the process of planning and executing major initiatives in IT automation modernization, streamlining the agency’s information management systems. Currently, FEMA relies on a time-consuming, manual process to pull data about disaster efforts and funding, as well as other programmatic efforts. With the funding proposed in the fiscal year 2013 budget, FEMA will build on the fiscal year 2012 appropriations and work to modernize its IT systems and apply a comprehensive approach that integrates the preparedness, prevention, response, mitigation, and recovery missions when planning its activities. These improvements will allow the agency to more effectively and efficiently articulate metrics and outcomes.

#### *Facility Upgrades to Mt. Weather*

Another important investment contained in this budget is for the Mt. Weather Emergency Operations Center (MWEOC). MWEOC is a 564-acre FEMA facility approximately 64 miles west of Washington, DC. This facility provides the infrastructure necessary to support the agency’s Continuity of Operations (COOP) activities, Incident Management, classified programs, and other all-hazards activities for multiple Federal Executive Branch Departments/Agencies (D/As). MWEOC is currently undergoing a massive infrastructure upgrade to provide modern facilities capable of supporting 21st Century technology and today’s Federal Department and agency requirements. In order to support this initiative, we propose a \$10 million increase in funding in fiscal year 2013.

#### *Modernizing the Emergency Alert System (EAS)*

FEMA is also in the process of modernizing the Nation’s Emergency Alert System (EAS). An important aspect of continuity planning is the technology used to communicate with the public. The Integrated Public Alert and Warning System (IPAWS) program is a modernization and integration of the Nation’s EAS. IPAWS is designed to improve public safety through the rapid dissemination of emergency messages to as many people as possible over as many communications devices as possible. In November 2011, FEMA conducted the first-ever Nation-wide EAS test. This National EAS test assessed the capability of the system to communicate emergency information simultaneously across the United States. FEMA now has the information to determine the extent of the EAS successes and opportunities for improvement so we can now move forward to advance the system and its components.

In addition to modernizing the EAS, FEMA is developing two systems for individuals with enabled mobile devices to receive important emergency messages; the PLAN (Personal Localized Alerting Network), and the CMAS (Commercial Mobile Alerting System). These programs will use mobile technology to provide geographically targeted alert messages such as warnings on imminent threats, AMBER alerts, or emergency messages from the President. PLAN/CMAS leverages the extensive work done by the cellular industry and the DHS Science & Technology Directorate (S&T) to deliver these messages while avoiding the delays commonly found in text-message based systems. This new process is a critical capability as was shown during the moments following the earthquake in this region last August when there were clear delays disseminating text message alerts to the public.

PLAN/CMAS became operational in New York City and Washington, DC, during this past fall and winter, and we anticipate a Nation-wide operational capability beginning April 2012. FEMA is working with the cellular industry and DHS S&T to

conduct test and pilots of this capability over the next several months to ensure its success.

#### V. THE WHOLE COMMUNITY APPROACH: 2011 ACCOMPLISHMENTS

Regardless of the budget environment, it is important to recognize that FEMA's efforts are part of an interconnected plan of action for emergency management. This Whole Community approach to emergency management provides the best framework for leveraging the expertise and resources of our stakeholders at all levels, both Governmental and non-Governmental. Moreover, the Whole Community approach is an important efficiency and cost-saving tool since it maximizes our limited funding by leveraging the capabilities of our partners.

In this past year, we have continued to utilize the Whole Community approach to better fulfill our mission. During fiscal year 2011, FEMA responded to 98 Presidential major disaster declarations, 26 new Presidential emergency declarations, and 112 new fire emergency declarations. In all, the agency's efforts provided needed assistance to 48 States, the District of Columbia, and one territory in responding to a variety of major disasters, including severe winter storms, devastating tornadoes and flooding, wildfires, Hurricane Irene, and Tropical Storm Lee. Some examples of FEMA working with the Whole Community before, during, and after disasters include:

- During the response to Hurricane Irene, Federal officials were embedded in State and local emergency management operation centers and assessment teams were pre-deployed to every State in the storm's path. As a result, leading up to the storm's landfall State and local officials consistently reported no communication challenges—usually the No. 1 problem identified in past disaster response.
- In Missouri, FEMA Emergency Support Function No. 14 provided planning, organizational, and on-site event support for the Joplin Citizen Advisory Recovery Team's first Open House Workshop. Approximately 300 people attended the open house event, during which residents learned about the recovery planning process and had the opportunity to provide their input to the recovery process.
- In Georgia, FEMA and the Georgia Emergency Management Agency collaborated with the State's American Bar Association to provide free legal assistance to survivors.
- In Alabama, FEMA partnered with the Alabama Department of Mental Health to activate Project Rebound in the tornado-affected parts of Alabama to provide free crisis counseling for an extended time after the disaster.
- We connected big businesses to small business in the response and recovery efforts to the devastating Joplin Tornado. In response to the tornadoes across the South, we shared data on store locations, available resources, power restoration and situational awareness with hundreds of private-sector organizations.
- In multiple disasters we coordinated for private-sector support at the community level, working with our joint field offices to facilitate mobile phone charging stations, financial guidance, hygiene kits, billboard messaging, hotel information videos, philanthropic efforts, and more.
- On the preparedness side, we increased private-sector participation in our National Level Exercise to a historic level of over 3,000 participants. And in support of National Preparedness Month, we also inspired significant gains in private-sector coalition members, with more than 1,300 signed members.
- The DHS Center for Faith-based and Neighborhood Partnerships responded to Presidentially-declared disasters in several States. Working in partnership with FEMA Regional Voluntary Agency Liaisons (VALs), The DHS Center, hosted "FEMA 101" sessions for local faith leaders in Alabama to inform them about the FEMA application process and encourage them to assist community members in applying for FEMA assistance. DHS Center supported faith-based and voluntary responses to the Joplin tornado by working with the Volunteer Reception Center established and run by AmeriCorps; The American Red Cross shelter; Convoy of Hope's and Southern Baptist Convention's Disaster Relief operation centers.

These are just a few of many examples of FEMA's efforts to effectively partner with the expertise and resources of our stakeholders at every level.

#### *National Preparedness Goal and System*

In 2011, FEMA became the Federal lead for the implementation of Presidential Policy Directive 8 on National Preparedness (PPD-8). PPD-8 requires the development of both a National Preparedness Goal and a National Preparedness System. The National Preparedness Goal establishes core capabilities for prevention, protection, response, recovery, and mitigation that will serve as the basis for preparedness

activities within FEMA, throughout the Federal Government, and at the State and local levels. The National Preparedness System enhances the Whole Community concept by formalizing engagement across all levels of government to develop and strengthen a consistent preparedness process. Looking ahead, FEMA will continue to organize the implementation of the National Preparedness System in accordance with both PPD-8. FEMA will also be working with partners across the emergency management community to integrate activities into a comprehensive campaign to build and sustain preparedness.

#### *National Disaster Recovery Framework (NDRF)*

In 2011, FEMA released 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 recovery planning and implementation. 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.

In September 2011, FEMA hosted the National Recovery Tabletop Exercise (Recovery TTX). This exercise involved players from the Whole Community, 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 a 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.

#### *Individual Assistance (IA)*

Over the past several years, FEMA has overhauled its recovery capability to provide individual assistance (IA) more quickly and efficiently. In 2005, FEMA had a daily capacity to perform 7,500 home inspections that were used to determine which FEMA repair and replacement grants a disaster survivor may be eligible to receive. Today, FEMA's capacity has increased to 20,000 home inspections daily by the 15th day of the disaster.

FEMA has also established internet registration and applicant intake surge capacity to process up to 200,000 registrations per day during a catastrophic event. Moreover, since the identity of nearly all applicants is authenticated at registration, FEMA is able to strengthen controls against waste, fraud, and abuse. In 2011, web registrations accounted for one-third of all registrations.

In addition to a centralized website, FEMA's National Processing Service Centers (NPSC) have made significant improvements in customer service that have resulted in the ability to quickly and efficiently serve more customers. Through initiation of an Interactive Voice Response (IVR) system, applicants can now check the status of their application without agent intervention. This self-service option for disaster applicants is also provided through a comprehensive on-line capacity. As a result of these new automated options, in calendar year 2011 the Registration Intake and Helpline achieved an average wait time of just 55 seconds and answered more than 1.7 million calls.

#### *Mass Care*

FEMA has improved the way it delivers mass care services by implementing the National Mass Care Strategy. This strategy provides a framework to strengthen and expand resources available to help shelter, feed, and provide other mass care services by pooling expertise and identifying partnership opportunities. The newly created National Mass Care Council was launched in June 2011 and is co-chaired by the American Red Cross, FEMA, and the National Voluntary Organizations Active in Disaster (National VOAD). FEMA is an important part of the emergency management team; however, we have learned that we cannot and should not do it alone. Whole Community is a team approach that not only engages our partners at every level, but allows us to maximize available resources by leveraging their assets and abilities.

#### *Risk Mapping and Flood Insurance*

This past fiscal year, FEMA initiated 385 Risk Mapping, Assessment, and Planning (Risk MAP) projects affecting 5,100 communities and addressed the highest priority engineering data needs, particularly coastal and levee areas. In addition,

the National Flood Insurance Program (NFIP) reduced potential flood losses by an estimated \$1.7 billion and wrote more than 5.5 million flood insurance policies, providing financial protection for more than \$1.25 trillion in property value from flood loss. Moreover, the Unified Hazard Mitigation Assistance (UHMA) program provided up to \$252 million in flood grant funds, which prevented losses of approximately \$502 million. FEMA's mitigation efforts play an essential role in the agency's mission by increasing the resiliency and reducing the financial impact of disasters.

*National Level Exercise 2011 (NLE 11)*

FEMA coordinated the National Level Exercise 2011 (NLE 11) in May 2011 and tested response capabilities to a simulated catastrophic earthquake along the New Madrid Seismic Zone (NMSZ).

The main priority for NLE 11 was to validate National, joint, regional, and State operations planning objectives and courses of action in response to an NMSZ earthquake. This exercise also served as an opportunity to test and evaluate the Whole Community response methodology to effectively collaborate within the NMSZ catastrophic incident management system. Through this exercise, we identified many strengths as well as some areas of improvement that can be applied to both NMSZ earthquake planning and to other catastrophic planning efforts.

Areas of strength identified:

- The U.S. Department of Justice worked with the affected States to facilitate executive orders that deputized Federal law enforcement personnel, allowing them to enforce State and local laws;
- Incident information was disseminated to private-sector partners through two daily conference calls, with participation from approximately 200 private-sector organizations; and
- The National Response Coordination Staff (NRCS) developed an effective National Advanced Operational Plan (N-AOP) to help project shortfalls and inform resource prioritization and allocation decisions.

Areas for improvement identified:

- Existing processes to request, activate, deploy, and track life-saving/life-sustaining resources did not meet FEMA's existing requirements;
- Liability and licensure issues delayed international Urban Search and Rescue and medical teams from supporting the response;
- There were not enough resources or facilities available to support mass care requirements; and
- While redundant communications and Federal communication assets supported the response, there were critical gaps in achieving communications after a catastrophic event and ensuring that the Federal Government can effectively communicate with populations without power.

## VI. CONCLUSION

Over the past several years, FEMA has undergone a major overhaul to improve our existing programs and improve customer service to disaster survivors. The successes we have achieved would not have been possible without the significant resources provided to us by Congress and specifically Members of this committee. Still, we understand that we are competing for finite resources within a budgetary climate that requires us to make difficult program choices and become more even more efficient in our efforts.

The administration's proposed budget reflects the appropriate balance of enabling FEMA to fulfill its mission while reducing spending in several areas and forcing program efficiency and innovative thinking. FEMA will continue to fulfill our most important mission to support our citizens and first responders to ensure that as a Nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.

Thank you again for the opportunity to appear before you today to discuss the proposed FEMA budget for fiscal year 2013.

Mr. BILIRAKIS. I recognize myself for 5 minutes.

As I noted in my opening statement, and I know you just addressed, I believe that the budget request lacks sufficient detail about the proposed National Preparedness Grant Program. We just have to hear more.

When can this subcommittee expect to receive additional information from FEMA, including eligible direct applicants and the risk formula that would be used to allocate the grants? We are

going to have another hearing—I believe it is next week—specifically on this issue. But if you could address that I would appreciate it. Thank you.

Mr. SERINO. Sure. We are in the process of actually going through and—and getting as much input that we can, as you mentioned, from the stakeholders. We are reaching out to our stakeholders as well as, obviously, Members of Congress to get the input on how we are going to implement the National Preparedness Grant Program as we bring together those 16 various programs and consolidate them into one. We plan on doing that and moving forward over the next few weeks.

Mr. BILIRAKIS. Very good.

We are going to try to limit the questioning to 5 minutes, and then maybe we can go for a second round. But I know that Members will have more questions than the time slot allotted, so please enter your questions into the record.

I know that, Administrator, you will also be available for questioning. Thank you very much—after this hearing.

The proposed National Preparedness Grant Program relies heavily on the Threat and Hazard Identification and Risk Assessment, as I mentioned earlier, THIRA, that will be completed by the States. The THIRA requirement was first included in the fiscal year 2011 Homeland Security grant guidance nearly a year ago. As I mentioned, however, the States are still waiting to receive guidance from FEMA on conducting the THIRA.

When will the THIRA guidance be provided to grantees and how will the Department of FEMA work with States to develop these assessments? Second, how will FEMA work to ensure that the input of local stakeholders, again, is included in THIRA?

Mr. SERINO. The THIRA guidance we should have completed within the next, again, few weeks. It is something that we have been pushing for. We should certainly have it, I would say, you know, by the end of the month in March, that we will have it out to our—to the grant stakeholders.

As well, we are also looking at how we are able to bring together and hear from the local and State officials. Having spent my entire career prior to coming here as a local official in emergency response it was important that we reach out to the locals.

The locals are on the ground. The State, the locals know the issues at hand. That is why in the National Preparedness what we have done for this grant and for fiscal year 2012 is actually relax some of the restrictions that were on in the past so that in the previous years could actually use some of that—those grant dollars to free up, and we have removed a lot of the restrictions on those.

Mr. BILIRAKIS. Very good. Thank you.

As you may know, the Government Accountability Office recently released its report on duplication within the Federal Government. In these difficult times we must work to limit duplication—I am sure you agree with that—and any inefficiencies, something that FEMA has tried to address in the budget, and I really appreciate that.

It is for this reason I was surprised, however, to hear that FEMA is considering starting its own Office of Intelligence, which would seem to be duplicative of the work conducted by the Department's

Office of Intelligence and Analysis. Of course, first, is this true? If it is, why? Does FEMA feel that it is receiving the—is it receiving the necessary support from I&A?

Mr. SERINO. What we are looking at doing is actually having more of a liaison ability to make sure that we get the information—not building an office, but actually able to get the information from them, and part of the team is a liaison so we are able to get informed. We are not going to be going out and looking at it and analyzing it; it is more creating a liaison so we are actually able to get the information.

Mr. BILIRAKIS. I see.

Mr. SERINO. Working closely with the intelligence community within the Department—

Mr. BILIRAKIS. Well, I appreciate you clarifying that.

FEMA has been working for years to develop measures and metrics to determine the effectiveness of these grant programs, but we have seen little of these efforts—any results. What is the status of the development of these metrics? When will this committee receive the report on the results of the work FEMA conducted with the National Academy of Public Administration?

Mr. SERINO. We have been working on the National Preparedness Report, and as called for in PPD-8, we will have that done by the end of March 2012 that that report will be completed and will be made available.

Mr. BILIRAKIS. Very good.

One last question. This subcommittee has conducted continuing oversight over the Integrated Public Alert and Warning System, IPAWS. Recently this subcommittee actually approved legislation—it will go to the full committee, we hope, actually next month.

You discuss IPAWS in your statement. Will you elaborate on how the budget request supports the continued development of our alert and warning capabilities?

Mr. SERINO. Sure. We were able to do the National test earlier this last—end of last year, and that provided some information. It was the first ever test, and with that—

Mr. BILIRAKIS. Can you give us an assessment—excuse me—on the National test?

Mr. SERINO. Sure. We learned a lot. It was the first ever National test. We learned a lot. We are still compiling a lot of the information on that, but we are also looking at some of the things that worked very well and some of the places that there were gaps.

We have been working with the communications industry as well as with the general public. A lot of the information that people were concerned about ahead of time actually did not happen, and we had very good response overall. What we plan to do is actually take even more of the data and look and see how we can address it as we move forward both with IPAWS and any future tests that we may be doing.

Mr. BILIRAKIS. Okay. Could you also briefly give me assessment on the implementation of the Personalized Local Alerting Network, and I understand it was deployed in New York City and Washington, DC?

Mr. SERINO. What we were able to do is to have a system that people would actually send messages out to their cell phones. Peo-

ple could sign up for that. We were able to deploy that in a people—in localized areas, similar to what a lot of communities that have Reverse 9–1–1 for land lines, we would also be able to send alert messages out to people’s mobile phones. There are ways that people can sign up for that. It is both in New York, we are also looking and we have started a lot of outreach in our social media area in utilizing cell phones and utilizing mobile applications that people can actually sign up on-line with their mobile phones to get disaster assistance at [m.fema.gov](http://m.fema.gov).

Mr. BILIRAKIS. Thank you very much.

Now I will recognize Ranking Member Richardson, thank you, for 5 minutes.

Ms. RICHARDSON. Actually, I am going to defer my time to the Ranking Member of the committee.

Mr. BILIRAKIS. You are recognized, sir.

Mr. THOMPSON. Thank you very much.

Mr. Serino, kind of explain to us the recoupment letters that have gone out. Where are we on that?

Mr. SERINO. The majority of the recoupment letters have gone out, and probably the most important thing for people to realize is those letters have gone out and for people who have received the letters, that they have 60 days to get back to us so we can look at forgiving those. So I think it is important for people, once they receive those, to make sure they get back to us. All those letters have gone out and we are in the process of going through the entire detail process on the recoupment.

Mr. THOMPSON. Are we publicizing the waivers and other options available to people not just in the letter but—just explain how that is being done.

Mr. SERINO. Right. We have done an outreach in the main areas that were affected both, obviously, through the letters, but also some other outreach through various news media to let them know that this is happening.

Mr. THOMPSON. Can you provide the committee with whatever that outreach has been? The reason I say it is I am from an area that was impacted by Katrina and I have not seen any outreach to date.

Mr. SERINO. Okay.

Mr. THOMPSON. So I am a little concerned about it. So if you would get back to me—

Mr. SERINO. We will get back to you with that, sir.

Mr. THOMPSON. Thank you.

The closeout of some of the Katrina-Rita packages—we saw a report recently where, you know, we still have an awful lot of disasters that have occurred years ago that we have not closed out. What is FEMA’s plan for closing out these projects?

Mr. SERINO. We have an aggressive plan to close out the older disasters—to try to close out over 200 a year. This year I believe we had 103 new offices that are open; we were able to close more than that. We were able to close, like, I believe 120 or so.

We are putting a very aggressive effort towards that. In fact, that is helping us with our Disaster Relief Fund. It is actually recouping money.

Over the last 2 years we have been actually able, through closeouts, through de-obligations, is able to get back \$4.7 billion over the last 2 years. We have an aggressive posture for this year, as well, to continue that and to continue the closeouts as aggressively as possible. Some of the closeouts are more difficult that have been on-going, that are still active, but some of the longer-term ones we have put a very concentrated effort towards that.

Mr. THOMPSON. To the Chairman's comment about the consolidation of the grants program, you talk about stakeholder involvement. Can you provide us the written guidance for stakeholder involvement? Some of us are concerned that you have consolidated 16 programs into one, but we really want to see the plan. If you could provide us with that I think it would be very helpful.

Mr. SERINO. Yes, sir. Be glad to.

Mr. THOMPSON. I guess that was a reference to the issues of the tornadoes in the Midwest last night and yesterday evening. Can you just give us, as best you can, an update on how that situation is developing?

Mr. SERINO. Sure. We actually—I was on an 8:30 brief call this morning and the emergency managing personnel from the State of Kansas were on board with us. They gave us a pretty detailed update as to—there was a number of injuries, I believe—a couple of severe injuries, and also about eight to 10 other minor injuries in this one town that was severely hit. In addition to that, I am not confirmed, of the fatality that was reported on the news, but it wasn't confirmed by them as of about 8:40 this morning.

We have been in contact with each one of the State—our regional administrators in the States affected, called the Governor's office, and spoken with the directors of emergency management. At this time they don't see any need for any Federal assistance at this time, but again, it is very early on. We have been outreaching to them and offering our services and have people on the ground.

Mr. THOMPSON. Just let me say that, as someone who has gone through some of these similar-type situations, an outreach is absolutely important. Katrina taught a lot of lessons, and one of them is the outreach in the beginning works miracles for that process. I would like to compliment the agency on that outreach.

I yield back, Mr. Chairman.

Mr. BILIRAKIS. Thank you, sir. Appreciate it.

Now I will recognize Ranking Member Richardson. Thank you.

Ms. RICHARDSON. Thank you, Mr. Chairman.

Mr. Serino, you said that there was going to be a process for input regarding the consolidation. Have you determined what that process is going to be and when you are going to announce it?

Mr. SERINO. We are in the process of putting that together and looking for various input from Members of Congress, as working with Members of Congress, working with the—we do outreach to the communities, to the first responder, the communities, the communities at the State and local levels, as well. We do that on a fairly regular basis. I don't have all the time lines, but—and where we are going to be doing that—but we can get that to you.

Ms. RICHARDSON. Okay. Just a few things that I would like for you to keep in mind is: One, as we look at regions it is important to understand that some cities might be within their own right just

as large as, you know, another city in another area. So specifically in my community, for example, Long Beach and Los Angeles is combined together, and Los Angeles, within itself, you know, the second-largest city in the entire United States, and yet Long Beach, you know, has—when you look at the port activity, surpasses all of the others except for Los Angeles.

So it is important that—one of the problems we ran into with transportation is that when you consolidate and sometimes you only look at one particular area in one region and you may be missing—if that region, you know, actually encompasses, which is in my case 40 percent of the entire Nation's cargo then clearly you shouldn't only be looking at that region as one grant allocation. So I think it is important in some of the language that I have seen referencing regions that your regions are considering size and scope, because you may have several in one region that, you know, equate to four or five of the others.

The other thing I would encourage is it has been much discussion on this committee is the tiered process. I haven't heard anything of whether you intend upon continuing that, and I would like some specific information if that is the case.

Then the third one is, is the State—as I understand it the State would be supplied with some of these funds. Would the State be a mere pass-through or would the State be the determining factor of who actually gets the dollars? Because if that were to be the case I think I would have a concern and I think probably some of my colleagues, as well, because these funds shouldn't be intended to balance a State's budget but rather to go as it is intended, and it should be risk-based and not for any other purpose.

My other question—I have several. My first one that I have, and excuse my cold here, I have expressed concern in the past of the Office of Disability Integration and Coordination that it lacks the adequate resources to provide the proper assistance to State and local governments as they improve their preparedness plans to accommodate special needs populations. I understand that this year's budget request about 14 percent less funding, or \$73,000, for the office's activities at headquarters. Why does this budget request seek less funding and how will the reduction, in fact, affect the office?

Mr. SERINO. For the Office of Disability Integration we actually have put regional personnel in each one of the regions. We have put—assigned one to each one of our 10 regions in addition to headquarters. We have actually integrated how we deal with functional access needs and disabilities all throughout the agency to—so it is sort of difficult to see in the one line item because it is now we have it in each region. It is over \$1 million that we have assigned to that.

In addition, we have actually put this in how we do response. We are trying to not make—

Ms. RICHARDSON. Isn't it—I apologize, sir, but I have only got a minute left. Doesn't this individual, though, have other responsibilities besides being the disability coordinator?

Mr. SERINO. No. That is their function.

Ms. RICHARDSON. That is their sole function.

Mr. SERINO. In each of the regions, yes.

Ms. RICHARDSON. Okay. So then, what do you anticipate the reduction in the funding would be?

Mr. SERINO. We actually have put them in all the regions. We actually have seen much increase, if you look at funding that was also from the various disasters. They have been at 25 of our different disasters this past year—

Ms. RICHARDSON. Are you telling me there is not a 14 percent reduction in this section?

Mr. SERINO. It is actually spread throughout the organization, so—

Ms. RICHARDSON. So you are telling me there is not a 14 percent or there is no reduction in the Disability Integration and Coordination Office?

Mr. SERINO. I will double-check, but it is actually spread throughout the organization. It is not just that one part in the office. What we do is we have had—moved it into the regional offices in support in each of the regional offices, as well. That is for the one office in the headquarters.

Ms. RICHARDSON. Okay. If you could clarify that for us for the committee in writing. Speaking about the regional offices, in full year 2012 about \$1.18 million was appropriated for activities by the regional coordinators. The FEMA budget request includes only \$1.08 million for regional coordinators. So what I am saying to you is you are telling me there is more and yet the numbers are telling us there is less.

Mr. SERINO. We actually have—they are in all of our regional offices where they are—in each one of the offices we have a person that is assigned to each one of those. In addition to their being there for those in the regional offices they go across the country during a disaster. We had recently in the efforts that they were able to do, for example, in Pennsylvania during flooding in Harrisburg the work that they were able to do was bring together from the disability community at the disaster recovery centers and utilizing some technologies that actually were not in this war came out of the Disaster Relief Fund in order to support the survivors during the disaster.

Ms. RICHARDSON. Mr. Serino, my time is expired, but again, my question isn't where are they going; my question is: Is there a reduction in the budget? Because according to our numbers it is showing there is a reduction in the budget, so that is what I need for you to answer.

But I will catch you on the second round in respect to my colleagues.

Mr. BILIRAKIS. Thank you. Appreciate that.

Now I will recognize the gentleman from Texas, Mr. Farenthold, for 5 minutes.

Mr. FARENTHOLD. Thank you very much.

I would like to take this opportunity to congratulate you on doing what I think we are striving to do in the budget—in the budget and in the Government overall, and that is consolidate and bringing these programs together. The buzzword we hear is eliminating waste, fraud, and abuse, and I think the consolidation that you guys are doing is a step in that—the right direction, and I applaud you for that and hope other agencies will follow.

I understand the other side's concern that some stuff might fall through the cracks in these consolidations but I do believe that if you have one group overlooking everything you don't get a lot of duplicative services. Again, I think that is great and I want to congratulate you on that.

You were also talking about there were some cuts to the mitigation. Could you spend maybe 30 to 45 seconds explaining what—you know, the broad, general areas of that—of those cuts?

Mr. SERINO. Sure. In the pre-disaster mitigation, those cuts were—were made and we are actually looking at how we can take those. There is a lot of unexpended funds in that Pre-Disaster Mitigation Fund from previous years, so we are actually going to be taking that money and moving it forward into this—to this fiscal year into fiscal year 2013 and making it so we can approve some of the projects in the past that some of the cities, counties, and States were unable to do. So we are going to be moving some of those funds.

In addition to that, we are looking at some of the consolidation in the HMPG grants, so we are able to actually utilize some of that because a lot of that is in some of our flooding grants, as well. So it is a combination of the consolidation in that area, as well.

Mr. FARENTHOLD. All right. There was a—you know, we had a big bruhaha in Congress. You all ran out of money last year. Obviously we had a historic degree of disasters that you discussed earlier. How are we planning for that where you all don't come with your hand out come October?

Mr. SERINO. In two different ways. With the Disaster Relief Fund we are asking for \$6.1 billion and we have actually taken and looked at and utilized, looking over the last 10 years, to actually see what we have actually be able to spend and what are—have been for non-catastrophic. In addition to that, we have asked for a \$500 million safety valve relief that we have in there that we can use for emergencies. That is so we don't end up in that same position that we ended up at the end of September last year.

Mr. FARENTHOLD. Great. I don't want to—as a former broadcaster I remain concerned about the Emergency Alert System and the—and the PLAN system. You mentioned that it has been rolled out in the District of Columbia and New York? I am a half-time resident of the District of Columbia. I am not seeing any of the outreach on it; there is nothing that has popped up on my cell phone. Of course, my phone is billed to my Texas address.

It seems like we need to make sure we have got good coverage on this almost to the point rather than being an opt-in system it ought to be an opt-out system, where if your cell phone is in that area you ought to have to opt out. I think you judge how many people just don't follow what goes on in Government on a day-to-day basis. I am not sure any level of outreach will get the level of penetration that I think we would need in the event of a true disaster.

So I would encourage you guys to—to rethink that, even though that is a little off-topic for the budget. I do think you could not budget enough money for outreach to get the level of penetration that you would need for these programs to be successful.

That is basically all I have, and I will yield back the remainder of my time.

Mr. BILIRAKIS. Thank you very much. Appreciate it, sir.

All right, next we have my good friend from the State of Michigan, Mr. Clarke. You are recognized for 5 minutes.

Mr. CLARKE of Michigan. Thank you, Mr. Chairman.

Administrator Serino, appreciate your service. My question is: How can Congress work with you to better protect those high-risk urban areas, such as Metropolitan Detroit, from terrorist attacks, and specifically, how we can allocate more of the existing money under the Urban Areas Security Initiative to those urban areas that are truly at risk? Because Federal money is scarce right now but yet the threat to our urban areas has not diminished.

So let me give you my specific case, is that I am concerned about the citizens and facilities of Metro Detroit being adequately protected by these homeland security funds. I have fought to make sure that Metro Detroit remains eligible for these Urban Areas Security Initiative Funds and last year the Department of Homeland Security awarded over \$9 million to Michigan under this program to protect urban areas from terrorist attacks. Of that \$9 million—and again, the State received the money even though the law says that it is the urban area that would apply for it—of that \$9 million the city of Detroit only received \$800,000. So I wanted to find out how we can better allocate that existing money so it goes to the high-risk area.

Now, Metropolitan Detroit has a large population, which is spread throughout several counties. However, many of the key assets that would be targets of a terrorist attack are within Wayne County, such as our international airport—and we already had somebody try to blow up a plane already. Many of the remaining physical assets are right in the city of Detroit. Now, they have not yet been attacked so I want to make sure that that doesn't happen.

In Detroit we have the busiest international border crossing at all of North America there. We have a large waste water and drinking water system that could be a potential threat for bioterrorist attack.

We have, right on the river front, the symbol of U.S. manufacturing—the world headquarters of General Motors—and it is in a building that has a 70-story tower in it. That is an icon of U.S. manufacturing, and unfortunately, it could be a big target for a terrorist to attack.

So how can we get more of the funds to the city that actually needs to protect its people, protect these assets?

We heard through local homeland security officials, and also looking at the law, that the State of Michigan, as well as other States, can take up to 20 percent of the funding off the top. Now, I am assuming that many States use this money for homeland security purposes. But still, that is a large chunk of money that could go directly to protect our assets.

Also, the geographic area that is considered at risk in Michigan is very broad. Now, although agriculture is a very important job creator in Michigan—it is our second-largest industry—I don't think that the corn fields surrounding Metro Detroit are at risk from attack from al-Qaeda. They will try to blow up the Ambassador Bridge, or contaminate our water supply, or blow up another

plane that—as they attempted to do a few years ago. Our corn fields are not at risk.

So how can we get more of the funds to the city of Detroit and to Metro Detroit, where we actually need that type of protection?

Mr. SERINO. With this new National Preparedness Grant Program it actually is risk-based and actually looking at the risks and where they are, and able to—where we are able to do those. In addition to that, it is also looking at the regional area to look at where those highest risks in the region and how we are able to utilize all the different assets that are in the area to help support, whether it is Detroit, whether it is another city, whether it is Long Beach, whether it is Los Angeles, is looking at it in a regional approach is how we are able to support each other and how the communities are able to support each other so the assets are assets that are not just for the one city but assets for the region, but also assets Nationally, as well.

Mr. CLARKE of Michigan. Mr. Chairman, just with the few minutes that I have, I would like to follow back up with you and your staff just on the issue of Metro Detroit to get more of the existing money directly where it is needed.

Detroit is also in a financial crisis right now for many reasons—housing crisis, we have had many schools that were closed and parents left the city to send their kids to other school districts. But we are in a fiscal crisis and the firefighter grants that the Homeland Security has available for cities requires the cities to match—provide local dollars up to 20 percent. The city of Detroit and other cities facing great financial emergencies may not be able to provide that type of match even though they need to hire more firefighters and better equip their firefighters. What can cities such as the city of Detroit do if they can't meet the matching requirements because of their financial situation, yet they need to be eligible to receive firefighter assistance?

Mr. SERINO. The Firefighter Assistance Grant is actually now, obviously, one of the most popular grants and to continue to help hire firefighters throughout the country. As you requested, we will be more than glad to come and have a specific brief for you for—with our grants folks. We would be glad to do that.

Mr. CLARKE of Michigan. I really appreciate that. Thank you so much, Administrator Serino.

I yield back my time.

Mr. BILIRAKIS. Thank you very much, sir.

I now recognize the gentleman from New York, and he is recognized for 5 minutes, Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

Thank you, Mr. Serino. I was pleased to hear this is a risk-based allocation of resources, and certainly that is good news for New York City.

I had a question on the PLAN—the alert system. Has there been efforts to involve the private sector, the internet service providers, the telecoms, which seem to me that they have the ability do geographically disseminate information and do it much more quickly, and has there been a good level of cooperation there?

Mr. SERINO. Yes. We have actually had very good cooperation with the communications industry—the internet industry. They

have been really partnering with us as technology has changed from where the system was just 5 or 10 years ago to where we are today and looking how we can utilize this new technology in order to get the word out to our, you know, to the public, and—when it is necessary.

In addition to that, we have also had the opportunity to really—during the test but also previously—to make sure we maintain some of the old system with the new system, not going all to the new. But the communications industry has been one of our biggest partners on this.

Mr. TURNER. Could you give me an example of the internet service providers—Yahoo, or AOL, or—and—

Mr. SERINO. Well, for example, not just on the alert system but on some of the outreach that we are able to do, just about 10 days ago or so I was actually in San Francisco and had a technical roundtable that we brought together people from Facebook, from I think Google—there was about 15 different high-tech companies that were there that are actually looking at how we can use new technology moving forward not just in the alert system but also how we are able to—to work and do outreach. Some of those really good ideas were reaching out to those and continuing that dialogue, as well.

Mr. TURNER. Thank you. That is all I have.  
I yield back.

Mr. BILIRAKIS. Thank you.

Now I will recognize Mr. Marino, from the great State of Pennsylvania, for 5 minutes.

Mr. MARINO. Thank you, Chairman.

Good morning, sir. Thank you for being here. I, too, want to commend you on reviewing your budgets line by line. I have been involved in business; I have been involved in the Federal Government as a prosecutor. To date, no one has been able to prove to me that regardless of how efficient an agency is that you cannot strive to tweak it and make it a little better, so I appreciate that.

I have one question and I don't know that it is a simple question. I am from Pennsylvania in the middle district—the 10th district—middle district when I was U.S. attorney, and we were hit by Irene, we were hit by storms prior to that and after that, and actually, a significant amount of damage on the East Coast, and particularly in my district.

What can be done or what funds, if there have been any set aside—I know you are a reactive agency, but what are we doing on the proactive side of not so much in the training area, because you are doing an excellent job there, but actually doing substantive work to mitigate the flooding, if you understand my question?

Mr. SERINO. Yes. Actually, quite a bit of work that we are doing on—a lot of people look at FEMA as just, as you say, a reactive agency. In reality, we actually do quite a bit before that. We both do in flood mitigation and mitigation for all sorts of hazards, as well.

With the new National Disaster Recovery Framework a lot of people think that is recovery after the fact. But we are actually finding that a lot of work that could be done ahead of time actually is going to save not only lives, and dollars, and people's homes and

businesses, but it is also going to help them deal with some of the financial recovery, if people have a plan and plan how to recover after a disaster.

There are certain communities in this country that are really trailblazers on how they are able to do this, and we are actually working with them and it is part of our National Disaster Recovery Framework under PPD-8 that we are actually putting a significant emphasis towards that. We spent a good time yesterday with our mitigators on how we can actually look at—how we can actually look at mitigating before the disaster because, as mentioned earlier, every dollar we spend saves \$4. Actually that is a really low number because you can actually save quite a bit more if you look at how quickly you can get people back to work, back into schools.

Joplin is a great example of that, of how they were able to get people back into the schools 55 days after the tornado struck. That helps bring back the economy and helps bring back people ahead of time.

Mr. MARINO. If you don't mind, I would like to suggest with you three or four areas where I see, from my district, where we may be able to do some proactive work. Overwhelmingly, people refer to it as "dredging the streams," and it is not so much the major rivers, it is—and what I have learned over the past year, it is the tributaries, and the mountain water, and the springs, and the creeks rushing in. I don't refer to it as dredging, but—because during the rainfall so much debris—rock, gravel, stone—washes down into a stream, and of course, when you put something into a stream like that and it piles up several feet the water is going to come up higher faster.

So if we could come up with some type of program and the funds available to prioritize areas that are doing a great deal of damage and have that dredged out and put back and then rebuild those banks to try and mitigate runoff. Another area is older bridges over secondary and tertiary roads, and those bridges sometimes have two pipes separated by a pier in the middle and a great deal of debris washes up to those pipes. If we could, when we are building bridges on secondary and tertiary roads, think about going to the span effect—spanning that small bridge over the section of road instead of having a pier or a pipe in the middle of it that is going to just be a—it will clog up and that causes the back—the flooding, as well.

Then also, preventive measures where people are in a flood zone and continually are in a flood zone, and we have to convey to them that, you know, we will try to help you, buy you out, and get you out of there, but you have to make the decision are you going to take advantage of it or not, and if not, you know, we cannot afford to be rebuilding the property year after year after year in the flooding.

So with that, I appreciate your work and if you need anything from my office or this committee please don't hesitate.

I yield back my time.

Mr. BILIRAKIS. Thank you. Appreciate it very much.

I think we have a little time for a second round, so I am going to go ahead and ask a couple questions if that is okay.

First of all, tell us a little bit more about the FEMA Think Tank—how it works and how can the folks find out about it? What have your experiences been so far?

Mr. SERINO. The FEMA Think Tank is something we started earlier this year, announced it last year, came out from an idea of people at the State and local level on how they can cause—give input to FEMA and the emergency management community as a whole.

The Think Tank is a couple of different facets. You can go online at [www.fema.gov/thinktank](http://www.fema.gov/thinktank) and submit ideas, suggestions, and actually a forum for people to communicate across the country.

The second part of that is actually a call that we actually do once a month that I host that we have people who call in about various issues. Last month was about technology and how we are able to use technology and going back to ham radio operators as a key part of that. We had over 500 people on that call; on the first call we had over 650 people. We had tweets that were generated from that.

Mr. BILIRAKIS. So that is a National call. Not a regional call, a National call.

Mr. SERINO. It is a National call that anybody can call into and offer suggestions. We usually pick a topic or two on how we are able actually to—what the topic is, and so we can consolidate the discussion. Then we have an open forum at the end.

This is not just for FEMA, it is actually for the emergency management community. What we have seen—for example, one of the—the first call was held in Milwaukee, and in Wisconsin the State actually heard some of the things on the call and says, “Geez, we have never heard of that idea,” and now they are implementing it. We saw the same thing with some of the high-tech and some of the applications that other people didn’t know they had.

So it is an open forum for exchange of ideas of—to share those ideas, and it has been very successful. We are having a lot of interest in it. We have had a lot of people who have tweeted about it and we have had a lot of—not just in social media, but a lot of interest from lots of folks.

We also invite any Members here to attend the call. We will make sure people know when the call is, but it is on-line, as well.

Mr. BILIRAKIS. Can we also post this on our Congressional websites to get the word out in our Congressional districts?

Mr. SERINO. That would be great. I think as we talk it is really whole of community and how we can reach out to the community. We do that in many different ways by going out, speaking to folks in person, whether it is at conferences, at meetings, every opportunity we have. This is using the technology that is available now to continue that whole community discussion.

Mr. BILIRAKIS. Very good. Thank you.

Can you elaborate on some of the efficiencies and maybe the redundancies that you have eliminated? You have this in your testimony, but if you could elaborate we would appreciate it very much.

Mr. SERINO. Sure. Some of the things we have done both on the Disaster Relief Fund side, first. I will mention a few of those that we are actually consolidated some of our field offices, that rather than standing up a joint field office for all the disasters we actually looked at doing some of those virtually, and just by doing that vir-

tually we literally have saved millions of dollars on how we are able to do that.

Some of our joint field offices that we actually have open we looked at how we provide security, how we do all of our business processing. We are able to save literally millions of dollars in that area, as well.

In the non-Disaster Relief Fund, we hold what we call FEMASat. It is a metrics measurements. We hold those about every 2 weeks to look at to see how we are able to focus on one area that is cross-cutting in the agency so we are not duplicating, whether it is funds, whether it is personnel. We have seen significant savings and more operational and breaking down the stovepipes between different areas both within the agency and how we can do that in the emergency management community, as well.

I have a list of things that we have been able—both dollars saved as well as opportunities that we have been able to collaborate much better that I would be happy to share with you, as well.

Mr. BILIRAKIS. Very good.

One last question: FEMA has been assigned the role of coordinating agency for the implementation of PPD-8. How is the PPD-8 program executive office coordinating with other DHS components and other Federal agencies and departments on the development of the various frameworks required by PPD-8?

Mr. SERINO. With PPD-8 we have met all the time lines that were set. We have exceeded them. Early on we met the preparedness goal and that was sent out last year ahead of schedule. We got the system that was developed ahead of schedule.

We are in the process now of developing the preparedness report that will be out by the end of March, and as we are developing the frameworks—and this is not just FEMA or DHS, it is—and it is not just Federal Government. We have been reaching out with all the stakeholders. It has been one of the really good collaborations. But we have been getting input from people from the—not just the Federal but the State, the locals, private citizens, the nonprofits have all been giving input to these, as well.

We have been using a lot of technology, as well, to do that, so people can send their inputs in and we look at each one of those—all those comments and integrate as many of those as—we look at all of them and integrate where we can.

Mr. BILIRAKIS. Very good. Thank you very much.

Now I will recognize our Ranking Member.

Ms. RICHARDSON. Thank you, Mr. Chairman. I have got quite a few questions here to wrap up with.

First of all, Mr. Serino, last fall on the issue regarding offsets to fund the Disaster Relief Fund former Secretary of Homeland Security Tom Ridge testified, “Never in the history of this country have we worried about the budget around emergency appropriations for natural disasters and, frankly, in my view we shouldn’t be worried now.” Deputy Administrator, is it your belief or the position of the Department that budget offsets should be required in applying disaster relief funding?

Mr. SERINO. Currently, as the money that we are asking for—the \$6.1 billion—should be adequate to meet the needs that we have for this current fiscal year, for fiscal year 2013.

Ms. RICHARDSON. Mr. Serino, my question is: Do you believe that these funds should be required to have an offset?—is the question.

Mr. SERINO. At this point we believe we are offset with the way we are doing it now.

Ms. RICHARDSON. No. The question is, in regards to prior years, coming years, you may need more money. We may have more disasters than what we are planning on of, unfortunately, this—these dollars. Is it your position and the position of the Department that you should be required to have offsets?

Mr. SERINO. Not at this time.

Ms. RICHARDSON. Okay. Thank you, sir.

Second of all, I just want to clarify and run back to real quick that according to our notes we are showing that there is a reduction in the Offices of Disability Integration and Coordination and also in the regional coordinators, so if you could clarify that for us, as well.

Next, I had a question on—according to the full year 2013 briefing document the committee of FEMA we are expecting a reduction of 695 full-time employees. That does not represent a reduction in staffing levels, is what your folks have said. Is that true?

Mr. SERINO. Correct. What we have done is a number of those employees we just moved, but do it to funding in the line items where they were. The number of folks that moved, for example, in some of the State and local programs were moved and budgeted differently.

To go back to the question on the disability, actually there is no budget reduction that we have between fiscal year 2012 and the fiscal year 2013. In fiscal year 2012 there was \$1.5 million that included the region and \$1.5 million again requested in 2013. Overall personnel, no reduction in the number of staff between the fiscal year 2012 and fiscal year 2013.

Be happy to get with you after this and our staffs, whatever, to see where the disconnect may be.

Ms. RICHARDSON. Okay. Then, sir, also, according to the budget, so let me make sure that I am clear—of the 695 positions you are talking about moving people around but we are not talking about reduction in force?

Mr. SERINO. Correct.

Ms. RICHARDSON. Okay. It is also my understanding there might be cuts to the National Fire Academy. Can you tell us how that would affect training opportunities, particularly for firefighters, especially in these tough budget times?

Mr. SERINO. With the cuts that we are looking at in the National Fire Academy we are actually looking at doing this in some of the various areas of training. We are actually looking, if I am not mistaken, at increasing from last year's level in various ways that we are able to in some of the technology issues because some of the funds that we had initially with the startup costs, and some of those costs now with sustainment so we would be able to see some of the savings there.

Ms. RICHARDSON. Okay. Sir, I understand the consolidation of the grant programs, and as you have heard, many Members of Congress have expressed their concerns to that. Further, in the budget you identify the National Preparedness Grant Program, you

have the First Responders Assistance, and then you have the Management Administration.

But of the grants that are consolidated that had not been in the past it just seems a little odd to me that you left out possibly consolidating—you took care of the first responders, which has always been a No. 1 priority of this Congress, both on the Republican and on the Democratic side. We have always fought to reinstate those appropriate funds. What surprises me is that you didn't identify a consolidated section, for example, for port, transit, and rail.

It just seems a little odd that you would have port, transit, and rail competing with drivers license and, you know, citizen training, and—when we know the exposure that we have with our ports, when all you have to do is look at the bombings around the world on rail. It just seems a little odd of why you would have these programs compete and not set aside a minimum amount of funding to be able to protect these areas.

Mr. SERINO. One of the things that we are looking at is how we can truly consolidate and regionalize so that where people—those dollars that are spent are utilized in the best way possible, and also to make sure that people in the specific areas—the cities and the States—that they look at this on a regional basis, that it is—yes, it is the ports, and yes, it may be transit, but they are also looking at all the assets that are available to them so that they are working together.

Ms. RICHARDSON. Right. But my question is: Wouldn't you agree that it seems odd that you wouldn't have particular funds to protect your ports and your transit and your rail when you compare that to the other programs that you have now dumped them in with—to compete with?

Mr. SERINO. Well, I think the important thing to look at is how these are consolidated, and so we look at a regional risk-based area. It is not just looking at just the ports; it is not looking at just the transit; it is not looking at just, for example, MMRS or UASI. It is looking at how we can consolidate and be more effective.

Ms. RICHARDSON. So, then how are you intended upon allocating this program? Because it seems to me at first you say, "We haven't pulled anything together," but now it seems like to me that you are saying that you are looking at allocating these dollars based upon a regional need.

Mr. SERINO. Well, we are looking at the—based on risk, and—risk, and also with how we are able to work together as a region and have the regional—so the assets that people have can be used regionally as well as not just for that specific area.

Ms. RICHARDSON. So, for example, if a region like New York or Los Angeles, which is where I am from—Los Angeles-Long Beach—if you—if we have major transit, major port, and rail, how are you going to adequately divvy all this up, given your consolidations?

Mr. SERINO. Well, it will be a combination that people will be able to look at that at risk base and then at the same time be working with the State and the locals, as well.

Ms. RICHARDSON. But you have already identified in your previous programs that these areas are risk-based. You have already identified from prior years your Tier 1 cities of New York, Long Beach-Los Angeles, Boston, Chicago, San Francisco, Jersey City,

Newark, San Diego, Philadelphia, District of Columbia, Houston, Dallas-Fort Worth. All of these places have transit, port, and rail.

Mr. SERINO. Right. A lot of those also have UASIs and MMRS systems, and a lot of them have a lot of the other components. What we want to do is make sure that all of those are coordinated working together across the different agencies so there are not the stovepipes within each city or each area so they are not seeing duplicative resources given to one particular region. By combining all these grants is a way for us to do that.

Ms. RICHARDSON. So how are you going to ensure that there is adequate funding for all these different areas if they are competing?

Mr. SERINO. Well, we have—obviously we have a budget and we have to work within that budget, and we are able to, you know, distribute those based on risk across the country.

Ms. RICHARDSON. Okay. Seems like we are going in circles here and I look—I believe the Chairman has already said he is planning on having a hearing, but my question is, if you have already identified that there is a risk—for example, in Long Beach-Los Angeles with the port—you have already identified a risk, that there is transit risk there, you have already identified that there is rail issues there, and you have done the same for New York, and you have done it for UASI, it seems like what is the point, then, of consolidating? Because you have already identified that these issues have—that these particular communities have these problems.

Mr. SERINO. Well, the risk is in those communities; it is in other communities, as well.

Ms. RICHARDSON. Right.

Mr. SERINO. There are various—and a lot of these programs that we have we want to make sure that the previous programs, the UASI, that they are not duplicative, that they are not—the UASI program is not doing the same thing as the port program, as the transit program in one area, and this way of consolidating also ensures that.

Ms. RICHARDSON. Okay. Did you have prior reports that demonstrated that that was the case?

Mr. SERINO. Some—

Ms. RICHARDSON. Yes.

Mr. SERINO. There has been, you know—there are examples given, as well.

Ms. RICHARDSON. Could you supply that to the committee?

Mr. SERINO. Sure.

Ms. RICHARDSON. Okay.

Thank you. I yield back.

Mr. BILIRAKIS. Thank you.

Thank you very much. Again, we are going to have a hearing on this proposal and we will expect these questions to be answered. As you know, there is a lot of concern, but we commend you for, you know, consolidating, but we have to get these answers—these questions answered before we have an opinion on this proposal.

But I want to commend you, also, for being here. Thank you for your valuable testimony.

Of course, I thank the Members, and my Ranking Member here, for asking the tough questions.

The Members of the subcommittee may have some additional questions, and I know we do, and we will ask you to respond in writing, sir.

So the hearing will be—the record will be open for 10 days. Without objection, the subcommittee stands adjourned. Thank you very much for attending.

[Whereupon, at 11:14 a.m., the subcommittee was adjourned.]

