AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

S. Hrg. 112–222

CATASTROPHIC PREPAREDNESS: HOW READY IS FEMA FOR THE NEXT BIG DISASTER?

HEARING

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

MARCH 17, 2011

Available via the World Wide Web: http://www.fdsys.gov/

Printed for the use of the
Committee on Homeland Security and Governmental Affairs

U.S. GOVERNMENT PRINTING OFFICE

67–118 PDF WASHINGTON : 2012

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00001 Fmt 5011 Sfmt 5011 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

JOSEPH I. LIEBERMAN, Connecticut, *Chairman*

CARL LEVIN, Michigan	SUSAN M. COLLINS, Maine
DANIEL K. AKAKA, Hawaii	TOM COBURN, Oklahoma
THOMAS R. CARPER, Delaware	SCOTT P. BROWN, Massachusetts
MARK L. PRYOR, Arkansas	JOHN MCCAIN, Arizona
MARY L. LANDRIEU, Louisiana	RON JOHNSON, Wisconsin
CLAIRE MCCASKILL, Missouri	JOHN ENSIGN, Nevada
JON TESTER, Montana	ROB PORTMAN, Ohio
MARK BEGICH, Alaska	RAND PAUL, Kentucky

MICHAEL L. ALEXANDER, *Staff Director*
MARY BETH SCHULTZ, *Associate Staff Director and Chief Council for Homeland Security Preparedness and Response*
JASON T. BARNOSKY, *Professional Staff Member*
ELYSE F. GREENWALD, *Professional Staff Member*
NICHOLAS A. ROSSI, *Minority Staff Director*
ROBERT L. STRAYER, *Minority Deputy Staff Director*
BRENDAN P. SHIELDS, *Minority Director of Homeland Security Policy*
CHRISTOPHER J. KEACH, *Minority Professional Staff Member*
TRINA DRIESSNACK TYRER, *Chief Clerk*
PATRICIA R. HOGAN, *Publications Clerk and GPO Detailee*
LAURA W. KILBRIDE, *Hearing Clerk*

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00002 Fmt 5904 Sfmt 5904 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

CONTENTS

	Page
Opening statements:	
Senator Lieberman	1
Senator Collins	3
Senator Landrieu	5
Senator Brown	22
Senator Akaka	25
Prepared statements:	
Senator Lieberman	39
Senator Collins	42
Senator Landrieu	45

WITNESSES

THURSDAY, MARCH 17, 2011

Hon. W. Craig Fugate, Administrator, Federal Emergency Management Agency, U.S. Department of Homeland Security	6
Hon. Richard L. Skinner, Former Inspector General of the U.S. Department of Homeland Security	10
William O. Jenkins, Jr., Director, Homeland Security and Justice Issues, U.S. Government Accountability Office	15

ALPHABETICAL LIST OF WITNESSES

Fugate, Hon. W. Craig:	
Testimony	6
Prepared statement	49
Jenkins, William O. Jr.:	
Testimony	15
Prepared statement	89
Skinner, Hon. Richard L.:	
Testimony	10
Prepared statement	66

APPENDIX

Chart titled "Scorecare for Selected FEMA Preparedness Areas," submitted by Senator Lieberman	41
Letter to President Obama, dated March 17, 2011, submitted by Senator Landrieu	47
Report titled "FEMA's Preparedness for the Next Catastrophic Disaster—An Update," Department of Homeland Security, Office of Inspector General, September 2010	103
Responses to post-hearing questions for the Record from:	
Mr. Fugate	185

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00003 Fmt 5904 Sfmt 5904 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

CATASTROPHIC PREPAREDNESS: HOW READY IS FEMA FOR THE NEXT BIG DISASTER?

THURSDAY, MARCH 17, 2011

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

The Committee met, pursuant to notice, at 3:15 p.m., in room SD–342, Dirksen Senate Office Building, Hon. Joseph I. Lieberman, Chairman of the Committee, presiding.

Present: Senators Lieberman, Akaka, Landrieu, Collins, and Brown.

OPENING STATEMENT OF CHAIRMAN LIEBERMAN

Chairman LIEBERMAN. The hearing will come to order. I thank everyone for their patience. As you know, we had two votes on the floor, so we delayed the start of the hearing. I welcome everyone.

We convened this hearing, which had been long planned, long scheduled on the ability of the Federal Emergency Management Agency (FEMA) to respond to a major catastrophe against the compelling backdrop of the tragically catastrophic events unfolding in Japan, an earthquake and tsunami in rapid succession that have already resulted in twice as many deaths as al-Qaeda's attack on America on September 11, 2001. And, of course, no one believes that the deaths and the finding of the dead is over yet.

The earthquake and tsunami have also caused fires and explosions at nuclear power plants that could have nightmarish consequences for Japan and perhaps other countries as well. Japan has been considered the gold standard of earthquake preparedness because they have had repeated experience with earthquakes, but this earthquake registered 9.0 on the Richter scale.

When I say that, I remember that the great San Francisco earthquake of 1906 was apparently 7.6 on the Richter scale, so you can imagine the consequences here. The waves of disaster set off by this earthquake in Japan have exceeded the country's extraordinary preparations. So the events of the past week in Japan lend a sense of urgency to our hearing today as we ask: How well prepared is America for a catastrophe, perhaps one equal to that occurring now in Japan?

Our Committee called its 2006 report about FEMA's response to Hurricane Katrina, "A Nation Still Unprepared," and we were then unprepared. And that lack of preparedness shook the confidence of the American people who naturally asked why their government

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00005 Fmt 6633 Sfmt 6633 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

could not help some of their fellow citizens when they needed it the most.

This Committee's extensive investigation into the failure of all levels of government to prepare for and respond effectively to Hurricane Katrina found a long and troubling list of problems, not least of which was that FEMA, in our opinion, was not and never had been capable of responding to a catastrophe like Hurricane Katrina. And I learned that when it comes to emergency preparedness and response, two words that I thought meant the same do not: Disaster and catastrophe.

Preparedness for most disasters, which FEMA was and certainly is capable of, is different from preparedness for catastrophes like Hurricane Katrina. After our investigation, the Committee drafted and Congress passed the Post-Katrina Emergency Management Reform Act of 2006. Our aim was to rebuild FEMA into a stronger, more capable agency. Five years later, I am convinced that FEMA has, in fact, become stronger and more capable.

But is it strong enough to respond adequately if a catastrophe like the one currently in Japan struck the United States? I think that is the question we want to ask our witnesses today.

Last September, then-Inspector General (IG) of the Department of Homeland Security (DHS), Richard Skinner, released a report on FEMA's transformation since Hurricane Katrina. Mr. Skinner has since retired from public service after a long and distinguished career, but he is fortunately back with us to testify today. His report concluded last September that FEMA has made some form of progress in almost all areas where reform was needed, but that FEMA's management, to speak broadly, still needed improvement.[1]

While today's hearing is focused on FEMA, I think it is important to say that response to and recovery from a disaster or a catastrophe in the United States is the responsibility of a lot of other agencies and other people besides FEMA. Other Federal agencies, State and local government, the private sector, and, in fact, in some sense, every affected American have roles to play. And many of them also need to improve their capabilities.

On a positive note, just recently, the Departments of Defense and Homeland Security, and the congressionally-mandated Council of Governors recently signed off on a very important plan establishing clear rules for when both National Guard and military forces can jointly respond after a disaster. This means that in a large disaster or catastrophe we will have the ability to call on the resources of the Department of Defense in a more timely and effective manner.

Five years after Hurricane Katrina, again I conclude, we are better prepared for a catastrophe than we have ever been. But the epic disaster in Japan reminds us that FEMA must continue to improve as both old and new threats loom, some from nature like the earthquake and tsunami, others from human enemies like the one we faced on September 11, 2001. I know Administrator Fugate and the dedicated public servants with whom he works at FEMA will continue to chart a successful path forward. Thank you.

Senator Collins.

---

[1] The report referenced by Senator Lieberman can be found in the Appendix on page 103.

OPENING STATEMENT OF SENATOR COLLINS

Senator COLLINS. Thank you, Mr. Chairman. The earthquake and tsunami that struck Japan last week destroyed entire communities, killed thousands of people, and caused the release of radiation at nuclear power plants. Our thoughts are with the Japanese people and with the rescuers and responders, including units from our own country. This horrific natural disaster reminds us that we need to do our best to prepare for the unpredictable, and that is the focus of today's hearing.

In the past year, we have witnessed three disasters involving the development and use of emergency resources. The proper word probably is catastrophes, as the Chairman has said. First, the explosion aboard the Deepwater Horizon oil rig last spring led to economic and environmental damages that have yet to be completely tallied. A West Virginia coal mine explosion killed 29 people in August and was the worst in decades. And now there is uncertainty and fear in Japan about the amounts of radiation emitted from nuclear power plants in the area hit by the tsunami.

In addition to the humanitarian crisis, the aftermath of the earthquake has raised concerns about the safety of nuclear power at a time when it is being revisited as an alternative to fossil fuels and as a means of lowering greenhouse gas emissions. Regardless of whether a disaster strikes our energy supply or another sector of our economy or part of our Nation, we need to be prepared.

We do not know when the next disaster will hit. We do know that the U.S. Geological Survey estimates that within the next 30 years, the probability is 94 percent chance that an earthquake of 7.0 magnitude, or greater, will occur in California. We know that inevitably there will be hurricanes, floods, and tornados, and we recognize that a terrorist attack using a weapon of mass destruction in a large city would certainly strain our capabilities.

Today, I look forward to hearing from our witnesses how well-equipped the United States is for any catastrophic disaster regardless of the cause. What is the level of our preparedness to protect important energy sources? What are we learning from the nuclear accidents in Japan and the Gulf Coast oil spill in the past year? How well are we prepared for a major earthquake in this country? Do we have the communication and medical systems necessary to respond to the explosion of a dirty bomb?

More than 4 years ago, Congress enacted the Post-Katrina Emergency Management Reform Act which the Chairman and I authored. That bill was designed to take the hard-learned lessons of Hurricane Katrina and bring about improvements in our Nation's overall emergency preparedness and response systems.

Our law has indeed improved FEMA's disaster response capabilities. From major floods to wildfires, we have witnessed improvements throughout the country. In Maine, I saw firsthand this progress in FEMA's responses to the Patriot's Day storm of 2007, the spring 2008 floods in Aroostook County, and other disasters since then.

FEMA certainly has become a more effective, better led agency during the past 4 years. But nevertheless, questions remain about our ability to handle a mega-disaster. I also have serious concerns about FEMA's stewardship of Federal funds. One of those hard-

learned lessons from the aftermath of Hurricane Katrina was that FEMA's assistance programs were highly vulnerable to fraud and improper payments.

Our Committee, with the assistance of the IG and the Government Accountability Office (GAO), documented more than a billion dollars in misspent funds. In some cases, these taxpayer dollars were literally gambled away. Funds were also spent on liquor, bail bonds, and diamond engagement rings. FEMA also paid millions of dollars for housing assistance to hundreds of applicants who apparently resided in State and Federal prisons.

While victims certainly should receive prompt, appropriate relief, FEMA needs to strike that careful balance between expediting relief and ensuring that criminals do not defraud the system, and that means having strong internal controls.

Unfortunately, safeguarding taxpayer dollars remains an area in which FEMA has yet to achieve success. A December 2010 report by the Inspector General revealed that FEMA had stopped attempting to recover improper disaster assistance payments made after Hurricanes Katrina and Rita and subsequent disasters.

The IG identified approximately 160,000 applicants that had received improper disaster assistance payments totaling more than $643 million. Even more disturbing, FEMA's efforts to recoup these improper payments ended in 2007 after a court found that its recovery procedures were inadequate. More than 3 years later, a new process for recovering these payments has only been initiated this week.

I do want to point out some bright spots in the September 2010 DHS Inspector General's report. In particular, the IG found that FEMA had made substantial progress, and we see it on the chart,[1] in improving emergency communications. Ensuring that first responders can communicate during a disaster is vital. Indeed, when communications failed after September 11, 2001, and during Hurricane Katrina, it cost lives.

The IG also highlights the effectiveness of the regional emergency communications working groups in each of the 10 FEMA regions. Since I pushed very hard for this reform, I am very pleased to see the progress that has been made. This October will mark the 5th anniversary of the Post-Katrina Emergency Management Reform Act. By that time, I hope that FEMA will have made significant progress in improving our Nation's preparedness for the next catastrophe.

Finally I want to join the Chairman in thanking former Inspector General Skinner for his extraordinary service, not just to the department, but throughout his career to our country. He has certainly been a valuable asset as our Committee conducted its investigations and oversights of the department, and I am grateful for his aggressive approach to combating waste, fraud, and abuse, and helping to improve the management of programs at DHS. So, Mr. Skinner, thank you for your service. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks very much, Senator Collins.

[1] The chart referenced by Senator Collins appears in the Appendix on page 41.

Senator Landrieu, you have been so involved in these matters regarding FEMA, obviously, ever since Hurricane Katrina, would you like to make an opening statement?

OPENING STATEMENT OF SENATOR LANDRIEU

Senator LANDRIEU. Thank you, Mr. Chairman, and Ranking Member Collins. I really appreciate it because I have to get back to the floor. I am managing a bill on the floor and unable to stay for the remainder of the hearing, so I really appreciate it and I will try to be very brief, but there are a few important things that I would like to share.

First of all, I think the calling of this hearing is very important and I thank the Chairman and Ranking Member. Their attention after the Hurricanes Katrina, Rita, Gustav, and Ike disasters, and many other disasters, has been important to all of us as we have tried to recover along the Gulf Coast and in other States and communities. Your efforts have really strengthened FEMA's response capabilities.

But I do want to point to a couple of things that I am concerned about. Looking at the situation, Mr. Chairman, in Japan reminds us again that disasters of large magnitudes, catastrophic disasters, can and will occur. What concerns me is right now in this Congress, there are efforts to significantly reduce funding for the Department of Homeland Security to cover an existing shortfall in FEMA's Disaster Relief Fund (DRF).

It does not make any sense to me that the House of Representatives would cut funding from these important programs, $1.5 billion in additional funding is needed just to meet the cost of eligible projects for this year, and the House has proposed that we pay for these projects from past disasters by using money that we are supposed to be using to prepare for future disasters.

I have sent a letter to the President.[1] I thank the Chairman for signing this letter and would ask the other Members of this Committee to review it, if you could, because we are going to find ourselves back in the same position we were before Hurricane Katrina struck, which is under-funding our preparedness for future disasters and not being ready when it happens.

In addition, the House Continuing Resolution (CR) is cutting $68 million for FEMA Management and Administration including information technology (IT). To Senator Collins' point, this is exactly the money that is necessary for FEMA to keep up their computer software and reporting mechanisms to cut down on fraud and abuse. So on one hand, we are asking them to come down hard on fraud and abuse; on the other hand, we are taking away their money that enables them to do that. That is not right, and it is not fair.

In addition, it is projected that the FEMA Disaster Relief Fund is going to run out of money 3 months before the fiscal year ends. This happened last year, and, Mr. Chairman, if we do not weigh in with the Administration and with our colleagues on both sides of the aisle, it is going to happen again.

[1] The letter to President Obama referenced by Senator Landrieu appears in the Appendix on page 47.

The only final thing I will say—and I am looking forward to reading the details of the report—is that there is some encouraging news and mostly because you and Senator Collins have done such a good job of staying on point. I am proud that as a Subcommittee chairman, I held literally dozens of hearings in 4 years on this exact subject, and hopefully, some of the hearings that we held contributed to some of the improvements we will hear about today.

But on the issue of fraud and abuse—and I know that Senator Collins is very concerned about this and I am, too. But on behalf of many people on the Gulf Coast, I have to state for the record that some people are being accused of fraud because they could not provide the title to their home or insurance documents.

In floods and in earthquakes, documents are lost. Some people are being accused of fraud because they could not provide free and clear title to their home. It has been in generations for years. They simply do not have a clear title after several generations.

There are some accused of receiving duplicate payments just because there is a mixup or omission of names like junior instead of senior or senior instead of junior or boulevard, drive, or highway as opposed to what it is supposed to be, or other data entry errors.

So I know that fraud is a serious issue. I join Senator Jeff Sessions and others in clamping down, raising the fines, increasing the penalties for people that would try to game the system. It is particularly horrible, I think, for people to try to game a system in the middle of a disaster. I mean, really, their penalties should significantly be higher in that regard and they are. But we have to be careful calling some of these mis-classifications fraud when they really are not in my definition of fraud.

And finally, when we go to collect this money back, particularly, Senator Collins, I just want to say that I hope that the money we put into collecting these funds back are cost-effective, because some of these payments were $1,000 or $2,000 and there are hundreds of thousands of people that we may have to track down. I know letters went out this week for 5,500. But let us just be careful that when we seek to get the money back, it is a good expenditure of taxpayer dollars and not just throwing good money after bad.

I am going to submit the rest to the record. I thank the Chairman and Ranking Member very much.

Chairman LIEBERMAN. Thanks, Senator Landrieu, both for coming off the floor while you are managing the Small Business bill, but also for your leadership of the Subcommittee, and we will continue to try to carry forward with your assistance. Thank you.

Let us go to the witnesses. Again, I thank you for being here, all three of you, and we will begin with the Hon. Craig Fugate, Administrator of the Federal Emergency Management Agency at the U.S. Department of Homeland Security. Good afternoon.

TESTIMONY OF HON. W. CRAIG FUGATE,[1] ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. FUGATE. Thank you, Mr. Chairman, Ranking Member Collins, and Senator Landrieu. I am going to try to go through my oral

[1] The prepared statement of Mr. Fugate appears in the Appendix on page 49.

statement here and give more time for questions because I think this is really a better setting for the questions that you have in response, but I just want to give a summary.

We have been looking at this since I have been at FEMA, from the standpoint of planning and what do we do in a catastrophic disaster response. As you pointed out, we respond to a lot of disasters. We implement the Stafford Act to provide assistance, but that is not the same thing as when it is a response that requires a coordinated Federal agency where we actually have a lot of different resources that have to go very quickly to an area where we may not have a lot of information.

And so looking at the backdrop of what has happened in Japan, and again, I cannot even imagine what my counterparts are doing, how they are standing up to this because, again, this is what we are in the business for. It is the most challenging thing you can deal with. So not only the losses, but our counterparts, knowing what they are going through now and the challenges they are facing, and trying to step back from that and go, "What if it happened here and what would we do?" And so, the thrust of my comments will be from that approach.

As you know, the lead for our international response is the U.S. Agency for International Development (USAID). We are in a support role. Two of the teams that have gone to Japan to assist in search and rescue are the Urban Search and Rescue Teams that, again, are authorized as part of FEMA. There are 28 teams, two of which are dual supported by both us and USAID, that are designated for the international response. These are the teams that have been to Haiti, Christchurch, and now are in Japan.

We also stand by to assist the USAID, but Japan is a very industrialized country with many resources, so many of the things that we could offer have not been needed, although we stay in support of that. But the events there remind us that disasters, as you point out, do not always give us warning, do not always follow a season, and often do not happen where we have expected to have the worst impacts.

So for that reason, a term we use at FEMA is, we cannot plan for easy. We have to plan for real. We cannot look at what we are merely capable of. We have to look at what the impacts could be to our communities and then determine how we meet those needs and change those outcomes.

We put a lot of emphasis on the first 72 hours. We think this is a key area. We saw this in Hurricane Katrina. We have seen it in other disasters. If aid is not reaching the people that need it, if we are not safe and secure, if we are not able to do the search and rescue, if we cannot get the commodities there quickly enough, it becomes extremely difficult to change the outcome for those survivors.

And so, from this you actually changed some of the provisions of the Stafford Act when you amended the Homeland Security Act with the Post-Katrina Emergency Management Reform Act that very clearly stated it was the intent of Congress that we would not merely operate in a pool system waiting for a request for help or waiting for the situation to develop; that FEMA and the Federal family could begin mobilizing and moving resources when we deter-

mine that something has happened or think it is about to happen, even prior to a formal request from a governor.

We have used that provision numerous times since I have been at FEMA from the American Samoa tsunami to the flooding in Tennessee to, most recently, the tsunami warnings that were issued for Hawaii and the West Coast, in moving and pre-positioning supplies as you have directed us to do in these situations.

Chairman LIEBERMAN. Just talk a little bit more about that because I think it will be interesting to people who are listening or watching on TV.

Mr. FUGATE. Well, previously, and this is one of the findings and concerns you raised during Hurricane Katrina, it was not always clear if FEMA could begin moving resources, particularly in tasking our Federal family in moving supplies such as food, generators, cots, and blankets, prior to a request from a governor.

And in looking at that, you clarified that under the Stafford Act, at the direction of the President, FEMA could activate and use the DRF to begin sending missions to our various Federal agencies as well as deploying resources.

Chairman LIEBERMAN. Before anything happened.

Mr. FUGATE. Before anything happened. So when the tsunami warning centers in Hawaii and in Alaska began issuing tsunami warnings——

Chairman LIEBERMAN. Last weekend.

Mr. FUGATE. Last weekend, last Friday. Actually, I got my call about two o'clock in the morning. And this event occurred a little after midnight our time. Our Region 9 office, which covers the Pacific, was already stood up. We made a decision that we would stand up fully FEMA's support to the West Coast and to the islands and territories. We began moving supplies out of our logistics centers, which you have also authorized and provided additional funding so we have more supplies on hand.

Chairman LIEBERMAN. So you got the logistics centers disbursed around the country?

Mr. FUGATE. Yes, sir. They are strategically located around the country so that we are closer to the areas that we need assistance. We have a facility at Moffett Field in California, and we began the process of getting supplies loaded up.

Chairman LIEBERMAN. What kinds of supplies?

Mr. FUGATE. In this case, we thought the primary event would be destruction along the coast, people being displaced, people possibly being in shelters. And so we have a distribution center in Guam, a distribution center in Hawaii, and then the distribution center we activated on the West Coast to begin moving shelf-stable food.

But also one of the things that came out of the Commission on Children and Disasters, we know if we just send the shelf-stable meals but we do not send infant formula or baby food, that it is not addressing the need of children. So we have actually built that into our capability now and began moving supplies closer to the California coast where historically they have mapped their greatest risk from tsunamis, just like we do for hurricanes and map the coastal areas.

Along the West Coast, they have actually mapped those areas at greatest risk for tsunamis, so we know where the population areas would be and what relative risk we could have. What we did not know was how big the wave would be. But given the magnitude of the earthquake, the size of it was one that suggested that you could see as much as a two-meter, or almost six-foot tsunami.

And again, this is not like a wave breaking on a beach. As you saw the videos in Japan, you get that idea of a six-foot wall of water that is literally rushing in and flowing in and not going out and how devastating that could be. We also had our folks in Hawaii that went into the Governor's emergency operations center in Hawaii, as he was activating and evacuating his coast, and had our supplies ready to go there.

So this process really comes back to, in the critical moments when we think that there may be an event—we had this triggering event. We knew a major earthquake had occurred, so we knew the tsunami risk was there. We had the forecast, but we did not know what the impact was going to be. We began moving these supplies based upon what we projected, what we call our maximum of maximum—what is the worst case impact we would see along our coast—and began moving for that.

Again, it is a process that says that we have to understand and be in close contact with our warning centers, we have to be in close contact with our State partners, we have to be communicating across the Federal family, and we are doing this as a team. This just is not FEMA doing stuff. We are talking to Admiral James Winnefeld at U.S. Northern Command (NORTHCOM) in case we are going to need more resources there. We are talking to our State counterparts, anything they are concerned about, anything they need to adjust.

And so, this process really comes back to, I think, the heart of what you tried to get to in the Post-Katrina Reform Act, is FEMA had to be more agile, be able to build a better team, recognizing there is a lot more capacity and capabilities out there than just what we bring, but we have to move much faster in these events.

But as Senator Collins points out, we also have to declare, when are we stable and when do we need to engage the safeties to make sure we are not just spending money or doing things that are no longer necessary. So we define outcomes that we want to achieve in this initial response such as life safety and life sustaining activities.

I think this goes back to one of the heart of the issues. When we cannot do that, we oftentimes defaulted back to the monetary assistance programs because we could not get enough supplies in to meet the basic needs, and found ourselves with not many options.

So part of this is really working in partnership with also the private sector because this is the other thing we never really did. We always came up with what I call a government-centered response to disasters and we never realized that before that disaster happened, in every community, there were grocery stores, hardware stores, gas stations, pharmacies, and we would oftentimes plan our response irregardless of what they were doing.

We now have representatives of the private sector actually part of the FEMA team in our Response Center here in Washington

helping us coordinate with them so that we do not compete with the private sector. We go where they are not, where they have the difficulties or they have destruction so that we can focus our response on those areas of heaviest devastation, but also in those unique populations, as you pointed out, Mr. Chairman, and I know that Senator Collins has talked about this before.

We talk about this as it is one of our responsibilities, but I want to make sure people understand why we tell people to be prepared. There are going to be heavily-impacted areas that should not have to compete with those of us who could have been prepared and should have been ready. They should not get in line behind us. Those people that do not have the resources, that do not have the ability to do these things should not get in line behind us because we did not get ready. This is a shared responsibility.

In these types of catastrophic disasters, government needs to focus on the safety and security, the search and rescue, and the most vulnerable populations, working with the rest of the team including our volunteer organizations and our businesses. But it is important that the public recognizes the ability that they can prepare so that those first critical days, they are not competing with the most vulnerable, heaviest-impacted populations, is key to our success.

And so, as we talk about, are we prepared for a catastrophic disaster, we have made, I think, significant improvements with the tools we have. We have much work to be done. And as the IG has pointed out, there are many of what we would look at inside the procedural controls and processes that still need strengthening to ensure that not only can we be rapid and fast, like I say, we want to be fast, we want speed. We do not want haste where we have waste and abuse to the system. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Administrator Fugate. That is a very good beginning. We look forward to the question and answer period.

Richard Skinner, thanks so much for returning to Capitol Hill once more. It is your report of last September of FEMA's Preparedness for the Next Catastrophic Disaster, An Update, that led us to plan this hearing a long time ago. It comes, obviously, in the immediate context of the tragedy in Japan, so it is just inevitable that we will be looking at the report based on what is happening there now. But it is a great piece of work, typical of the high standards that you reached throughout your career in public service, and we welcome your testimony on the report now.

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

Mr. SKINNER. Thank you, Mr. Chairman and Ranking Member Collins. It is a pleasure to be here again this afternoon. I do not really feel like I have retired yet, as I have been spending a considerable amount of time actually preparing for this hearing. But it is my pleasure and honor to be here. I cannot agree with you more. The tragic events that are unfolding today in Japan are a stark re-

[1] The prepared statement of Mr. Skinner appears in the Appendix on page 66.

minder of how important catastrophic preparedness is. It can and will happen here. It is just a matter of when.

If you asked me if we, as a Nation, are better prepared than we were 20 years ago, 10 years ago, or even 5 years ago, the answer to that is yes, of course we are. We have made tremendous strides, particularly, Senator Collins, like you pointed out, over the last 4 years since Hurricane Katrina. But if you ask, are we as prepared as we can be or should be, then the answer to that is no, we are not.

While FEMA has made notable progress to improve its preparedness capabilities over the years, it is doing so, at least in my opinion, at a snail's pace. After 32 years in existence and with the many lessons learned from past disasters such as Hurricane Hugo back in the late 1980s, and Hurricane Andrew in the early 1990s, and, of course, Hurricane Katrina and the Northridge earthquake, and the September 11, 2001, attacks, we as a Nation should be much better prepared than we are today.

There does not appear to be, in my opinion, a sense of urgency within FEMA to turn words and plans into action. FEMA is an agency that always seems, in my opinion, to be an agency that is always in a constant state of flux, at least during the 20 years that I have been working with them.

Many of the concerns that the Office of the Inspector General (OIG), GAO, and FEMA itself identified after Hurricane Andrew in 1992, nearly 20 years ago, are the same concerns that the OIG identified in its September 2010 update of FEMA's catastrophic disaster preparedness capabilities.

Over the years, FEMA has created multiple task forces, working groups, panels, and councils to develop remedial action plans to address these issues. They produced libraries full of lessons learned, draft plans, draft guidelines, and draft documents, many of which were shelved or took a back seat to the urgency of its mission demands; that is, to respond to the latest disaster. Consequently, momentum towards finalization and the implementation of key initiatives is either slowed or lost altogether.

The four issues that I will talk about today that concern me the most are one, the failure of FEMA to build a strong management support infrastructure to sustain its disaster operations. This includes information technology development and integration, financial management, acquisition management, grants management, and human resource management.

These functions are absolutely critical to the success of FEMA's programs and operations. Yet, whenever there is a major disaster or whenever FEMA is required to reduce its budget, these are the first activities to be cut, as evidenced by the President's 2012 budget to Congress and the many budget cuts imposed by Congress itself over the years.

This is short-sighted and in the long term will increase the costs of disaster operations and disaster programs. It will also increase FEMA's vulnerabilities to fraud, waste, and abuse, and will adversely affect the quality of services to individuals and communities affected by disasters.

In January of this year, the DHS OIG reported—incidentally, I was still the IG at that time—that FEMA's existing IT systems

were not integrated, do not meet user needs and are cumbersome to operate, and do not provide the IT capabilities needed by users to carry out disaster response and recovery operations, in a timely, efficient, and effective manner.

Furthermore, FEMA does not even have a complete documented inventory of its system to support disasters, nor does it have a comprehensive IT strategic plan with clearly defined goals for its components. Program and field offices, we found, are continuing to develop IT systems independently of the office of the Chief Information Officer (CIO) and have been slow to adopt FEMA's standard IT development approach.

Without modern integrated systems, FEMA is hard-pressed to perform at its best, as evidenced by the fraud, waste, and abuse that has plagued the agency since its inception. It cannot prepare timely and reliable financial reports from which to make informed financial management decisions.

It cannot readily share critical information within its own ranks, or with its Federal partners at the Federal, State, and local levels. It cannot track its disaster work force, the status of its mission assignments, or work being performed by its contractors and grantees, at least not with any reasonable degree of reliability.

Until these issues are addressed, FEMA's programs and taxpayer dollars will continue to be vulnerable to fraud, wasteful spending, and poor performance, similar to the wasteful spending for unneeded travel trailers after Hurricane Katrina or the millions paid to ineligible disaster assistance applicants, or the millions paid to unscrupulous contractors.

Granted, FEMA recognizes and is attempting to remedy many of these problems and weaknesses, and has actually made some headway, as you can see and have heard from the Administrator today. However, does FEMA have the resolve and wherewithal to sustain those efforts?

The ability of FEMA to do so is fragile, not only because of the early stage of development that these initiatives are in, but also because of the Nation's economic environment and the constant disruptions caused by the inordinate number of disasters that FEMA must service each year.

Unless there is a sustained commitment and continuing investment of resources, there is a good chance, if history is to serve as an indicator, that we will be talking about these same problems 5 or 10 years from now.

The second issue that concerns me is the lack of performance standards and metrics to measure the level of disaster preparedness at all levels of government, Federal, State, and local. In July 1993, 18 years ago, GAO reported that FEMA had neither established performance standards nor developed a program for evaluating Federal, State, and local preparedness for catastrophic disaster response.

Until that is accomplished, according to GAO, FEMA will not be able to judge the Nation's readiness, nor will it be able to hold itself or its State and local partners accountable. In 1998, 13 years ago, FEMA claimed to be in the process of developing a methodology for assessing hazard risk and disaster response capabilities. Yet, to this day, FEMA has not finalized its methodology, nor has

it finalized the systems and performance metrics and processes necessary to track and measure emergency management capabilities and performance.

State and local governments have received billions of dollars over the past 8 years and are estimated to receive billions more over the years to come. However, without a bona fide performance measurement system, it is impossible to determine whether these annual investments are actually improving our Nation's disaster preparedness posture.

Furthermore, without clear, meaningful performance standards, FEMA lacks the tools necessary to make informed funding decisions. In today's economic climate, it is critical that FEMA concentrate its limited resources on those hazards that pose the greatest risk to the country.

The third issue that concerns me is the lack of transparency and accountability in the use of disaster relief funds and to prevent fraud, waste, and abuse of those funds. Literally hundreds and hundreds of OIG audits and investigations over the years have demonstrated that FEMA programs are extremely vulnerable to fraud, waste, and abuse.

Yet, FEMA still has not developed a robust program to curtail fraud, waste, and abuse within its programs. The extent of the fraud and abuse that the OIG uncovers every year, year after year for the past 20 years, at least since I have been associated with FEMA, is unacceptable and it needs to be addressed and it needs to be addressed aggressively.

Unfortunately, there is a long-standing mindset within the FEMA rank and file that fraud prevention is the exclusive responsibility of the OIG. Many believe that FEMA's responsibility is simply to dole out funds to individuals and communities affected by a disaster, and it is the OIG's responsibility to catch those who have received those funds through fraudulent means.

This flawed mindset is costing the American taxpayer millions of dollars each and every year. Fraud prevention is a shared responsibility. In 2007, in response to an OIG proposal, FEMA created a Fraud Prevention Unit to address the complaints of widespread fraudulent activity after four disasters struck Florida in 2004.

Since then, the unit has been renamed and placed in FEMA's Office of the Chief Security Officer. Although the concept behind the fraud unit is sound, it is under-staffed, under-funded, and lacks the latest in fraud prevention technology to be effective. Furthermore, organizationally, it is buried in the bowels of the agency with very little, if any, visibility within the rank and file.

Consequently, its utility has not been fully utilized. FEMA needs to increase the visibility of the fraud unit, expand its scope of responsibility to include all disaster relief programs nationwide, and mandate fraud prevention training for all of its employees. This should help strike a balance between providing assistance and ensuring fiscal responsibility.

A good model that FEMA may want to emulate is the one developed by the Recovery, Accountability, and Transparency Board, which was created by Congress in 2009 to promote transparency and accountability and to prevent fraud, waste, and abuse for nearly $800 billion in economic stimulus recovery programs. Within 9

months of its creation, the board developed and put into place government-wide systems to provide transparency and accountability and to identify and prevent fraud, waste, and abuse.

As a result of that initiative, fraud, waste, and abuse of economic stimulus funds have been kept to an absolute minimum. There is no reason why a small agency such as FEMA cannot do the same. We as taxpayers deserve to know that our tax dollars are not being wasted or spent on fraudulent activities. To that end, I believe that FEMA should review and incorporate many of the precedent-setting measures used by the Recovery Board in order to ensure proper stewardship of taxpayer dollars.

Finally, I am concerned about the diminished emphasis being placed on community outreach and awareness to improve hazard mitigation strategies and projects and outcomes. Mitigation is considered the cornerstone of emergency management. It attempts to prevent hazards from developing into disasters or to reduce the effects of disasters when they do occur.

In the late 1990s, FEMA launched an aggressive community outreach and awareness campaign to educate the public about the importance of mitigation and to create a network of mitigation partners, both in the public and private sectors, to collaborate on the development and implementation of risk-based, all hazards mitigation strategies and projects.

In fact, this campaign was the impetus for the Disaster Mitigation Act of 2000. Unfortunately, this initiative lost its momentum due to the change in administrations and the tragic events of September 11, 2001. America's attention turned to fighting and preventing terrorism and mitigation faded into the background as an emergency management priority. As a result, FEMA is now struggling to coordinate the mitigation efforts of its stakeholders and develop a national hazard mitigation strategy.

To lessen the impact of a catastrophic disaster, mitigation needs to be elevated again as a top emergency management priority. And FEMA needs to relaunch its campaign to educate the public and its mitigation partners about the importance of developing and implementing mitigation strategies and programs.

In conclusion, notwithstanding the many initiatives underway, many of them very good, I remain concerned about FEMA's capability and resolve to sustain an effective and efficient catastrophic disaster preparedness strategy and program.

FEMA's increased involvement in routine disasters, coupled with the recent economic downturn and the impact that it is having on government budgets at all levels, could easily derail the many initiatives currently underway, which is unfortunate. In this day and age, it is more important than ever that FEMA be prepared to assist State and local governments.

Mr. Chairman, Ranking Member Collins, that concludes my statement. I will be happy to answer any questions you may have.

Chairman LIEBERMAN. Thanks, Mr. Skinner. That was direct, as we expect from you. Maybe I would call it the tough love that we expect from a great inspector general. When we get to the questions, I will ask Mr. Fugate if he wants to respond.

Our final witness is William O. Jenkins, Jr., Director of Homeland Security and Justice Issues at the U.S. Government Accountability Office, known and loved as GAO.

TESTIMONY OF WILLIAM O. JENKINS, JR.,[1] DIRECTOR, HOMELAND SECURITY AND JUSTICE ISSUES, U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Mr. JENKINS. Chairman Lieberman and Ranking Member Collins, I appreciate the opportunity to be here today to discuss FEMA's efforts to measure and assess national capabilities to respond to a catastrophic disaster. So some of my comments will echo those of Mr. Skinner.

The horrifying and heart-wrenching photos and videos from Japan vividly illustrate one of the key characteristics of a catastrophic disaster. The response capabilities of the affected areas are almost immediately overwhelmed, and substantial outside assistance is quickly needed. Effective response requires the resources and coordinated action of a wide array of government and non-governmental entities. The Hurricane Katrina response drew on resources from almost every State in the lower 48.

Basically preparing for disasters requires identifying what needs to be done, by whom, and how well it should be done. More specifically, this includes identifying: One, the nature of the risks faced in specific geographic areas; two, the types and scale of the potential disaster consequences arising from these risks; three, the desired outcomes in addressing these consequences; four, the capabilities needed to achieve the desired outcomes; five, who should fund, develop, and maintain specific needed capabilities; and six, metrics for assessing the extent to which needed capabilities are available for deployment.

Detailed operational plans are the blueprint for who should do what and how the activities of the many players will be managed and coordinated. Training to perform assigned roles and capabilities should be coupled with exercises to test and assess the operational plan and identify areas of strength and gaps that need to be addressed.

The Federal Government has provided more than $34 billion to States, localities, and some non-governmental organizations to enhance their capabilities to protect, prevent, respond, and recover from major disasters. The Post-Katrina Emergency Management Reform Act gave FEMA responsibility for leading the Nation in developing a national preparedness system, developing measures of desire capabilities, and assessing those capabilities and the resources needed to achieve them.

This is a complex and daunting task. As Mr. Fugate notes in many public presentations, it is a task that FEMA may lead, but whose success requires the effective partnership of numerous government and non-governmental entities, as well as the American public.

In September 2010, the Local, State, Tribal, and Federal Task Force on Preparedness reported there was no agreed-upon method of assessing disaster preparedness or the extent to which Federal

[1] The prepared statement of Mr. Jenkins appears in the Appendix on page 89.

grants have enhanced disaster capabilities and preparedness. They suggested a 3-year time line with associated annual tasks for developing capability metrics.

FEMA has initiated a number of efforts over the years to develop a method of defining and measuring preparedness. FEMA has characterized most of the assessment methodologies it has developed as guidance or tools that non-Federal entities can choose to use or not. One result of this approach is that available data are largely self-reported, difficult to validate, and not necessarily comparable across reporting jurisdictions and entities, thus making it difficult to get a picture of national preparedness.

Each of the efforts to date has partially advanced the ability to define and measure disaster preparedness. However, they have not been integrated into a comprehensive approach with metrics that enables FEMA and its partners to assess national preparedness as envisioned by the Post-Katrina Act.

Until it does have an integrated approach, FEMA will not have a basis to operationalize and implement an assessment of disaster preparedness across the Nation, nor will it be able to effectively target grant resources to the areas of greatest need and potential benefit. It is essential that there be a useful, reliable way of comparing capability levels across entities and jurisdictions with catastrophic response roles and responsibilities.

FEMA has embarked on a new initiative called Whole of Community which incorporates 13 core response capabilities with an emphasis on stabilizing a catastrophic disaster's effect in the first 72 hours. This approach will be tested in the National Level Exercise this year using a major earthquake on the New Madrid fault. This new effort is in its early stages, and it is too early to assess its success.

Whatever approach is eventually used, it is essential that there be a defined end state we want to achieve; a reliable means of assessing where we are in our ability to achieve that end state; that roles and responsibilities are clear; and that we rigorously test and periodically re-evaluate the assumptions on which disaster planning is based.

According to news accounts, Japan experienced a significantly bigger earthquake and tsunami than the one for which it had planned and prepared for the geographic area hit by the disaster. It has faced the cumulative effects of three quickly succeeding disasters, any one of which would have been considered a major disaster.

All disasters represent opportunities for learning and assessment, and this one is no different. A careful assessment of the Japanese experience can be useful to our own future disaster planning and preparation. That concludes my statement, Mr. Chairman. I would be pleased to respond to questions you or the Ranking Member may have.

Chairman LIEBERMAN. Thanks very much, Mr. Jenkins. It was a very helpful statement. We will do 7-minute rounds at the beginning.

Administrator Fugate, I want to give you a chance to at least begin a response to the testimonies of Mr. Skinner and Mr. Jenkins. I want to offer you also the opportunity to file a written re-

sponse for the Committee's record because we want to get to other questions. But I thought you should have a chance, particularly on the various elements of management, to respond to what Mr. Skinner said.

Mr. FUGATE. Well, thank you, Mr. Chairman. Much of what is in the IG's report we are not disagreeing with, but I think, again, that is not to say that we are not taking steps, we are. And to say it is not a priority, I would beg to differ. The results may not be there yet in the IG's report. But I will give you an example, Mr. Chairman, and again, we will respond in writing.

But I will give you a sense of when I got to FEMA, the Disaster Relief Fund was basically a piggy bank that was used, oftentimes, in ways that it was not intented for. We found ourselves funding positions that were not directly tied to disasters. It was oftentimes used as, if something was not going right, we would go look at the DRF when it was not a disaster.

One of our first steps was to identify all the positions that were no longer doing primary disaster work, that were still being funded, particularly from the Hurricane Katrina era, that had become something that you had already funded in positions. We worked with the Office of Management and Budget (OMB) and staff to eliminate all the positions that were being funded out of DRF and move them into our budgets. We had a 2-year transition period, and we were successful in doing that.

The other thing we looked at was the cost of administering disasters. In many cases, we were setting up and mobilizing large numbers of folks to administer disasters, and we asked the question, Can we do this without necessarily setting up a facility? So we introduced and had built upon a concept that was already there, what we call a virtual joint field office. Instead of going out and setting up an office, can we work this from the region and avoid that cost? It does not slow down our response and recovery, but it does reduce the overall cost of how we administer the disaster itself.

For fraud and waste, we have been working to make sure that we have the acquisition staff we need. A large percentage of our acquisition staff are contractors doing those conversions over and getting them certified; requiring that not only those people that, by law, are required to have ethics training do, but require all FEMA employees to take ethics training annually. As was pointed out, this was a huge issue in the response in Hurricane Katrina, not having a strong acquisition force and people that can go out and utilize contracts that were already bid appropriately that we could use in a disaster. And if we do have to do acquisition, having the acquisition specialist to go in the field to support the joint field office. These are things we had not done before that we are implementing.

Again, I think many of these things we take to heart. Our implementation of it is not as swift as you would like or as the IG would like, but I think these are areas we are moving forward.

A big part of this was getting the staff hired, getting them trained, and as the IG has pointed out, both in his reports and his testimony, is maintaining and getting staff trained and in those po-

sitions so that as we deal with disasters, we are not always pulling from staff that are responsible for the day-to-day management.

And again, as part of that was looking at our management structure and putting a higher priority on these backbone systems that are required to do the day-to-day business, but also support disaster response.

So while I will not disagree with the findings of the IG, I would state that it is not a lack of effort, but those results may not be necessarily showing up yet as we continue to work to build that capability.

Chairman LIEBERMAN. We will continue to monitor, obviously, and after some period of time come back and do another oversight hearing, hopefully not in the shadow of a catastrophic disaster somewhere in the world.

Let me go to some questions that come off of what is happening in Japan now. To state the obvious to you, FEMA is not responsible for the safety of the operation of nuclear power plants. That is the purview of the Nuclear Regulatory Commission (NRC). FEMA has responsibility, along with other entities, for being prepared to respond to an accident at a nuclear power plant, the effect of weather, earthquakes, or a terrorist attack on the nuclear power plant.

I am interested, since we have all, unfortunately, learned a lot about types of nuclear reactors, whether the plans for a response that you have are affected by the particular designs of nuclear power plants, or whether that gets to a level of detail and nuance that is hard for you to get to. In other words, whether you evaluate the resiliency of a particular nuclear power plant as you plan a preparedness strategy for an event at that plant.

Mr. FUGATE. Mr. Chairman, this goes back to the findings from Three Mile Island that required, at that time, the new FEMA that was created in the reorganization that President Carter signed; that under the Nuclear Regulatory Commission's regulations, FEMA was responsible for administering what is called the Radiological Emergency Preparedness Program, which was to work with local and State governments.

In this particular program, the determination as to what level we prepared to is based upon those regulations that were established by the Nuclear Regulatory Commission based upon the findings after Three Mile Island. They are not specific to the reactor. They are specific to the regulations, and the regulations require that planning for individuals is based upon a 10-mile planning zone around the facilities with an additional 50-mile emergency planning zone for what is determined to be ingestion or the possibility of food pathway risk.

These plans and the exercises that are done and required to be certified for those plants are conducted on a recurring basis against the standards in the regulations. So it would be something where the Nuclear Regulatory Commission would make determinations as to modifications to the distances or actions taken.

Our job is to make sure that we work as a team with local and State government, that they can execute those protective measures, which may include evacuation, decontamination of vehicles traveling through the area, sheltering, the warning systems, and other

protective actions that local and State officials would take in the event that an accident occurred.

Chairman LIEBERMAN. So let me ask you the baseline question, maybe the circumstance is answered, but if a combination of events like the ones that have occurred in Japan occurred here in the United States, would FEMA be prepared to respond?

Mr. FUGATE. Given what we are seeing there, it would go, I think, far beyond what we currently have in our Radiological Emergency Preparedness Program. But fortunately, we built a lot of capability within the National Guard, within the Department of Defense, but also within the local hazardous material teams that have received these grant fundings, particularly when we look at the threat of improvised nuclear devices or radiological dispersal devices.

So with the civil support teams that have been built within the National Guard or the Chemical, Biological, Radiological, Nuclear, and High Yield Explosives (CBRNE) capabilities that NORTHCOM has to respond in support of these teams, we have, I think, for this type of event—again, we would not speak to the reactor. That would be really the lead of the NRC. But if there were consequences off sites, the ability to monitor that is a team effort, the ability to do the decontamination and support the evacuations, I think there is a lot more capability that even goes beyond what we have in our commercial reactor safety programs that could be brought to bear, mainly because of the additional preparedness we do for improvised devices or dispersal devices.

Chairman LIEBERMAN. Well, that is an important answer, and I hope people who are listening find it reassuring. One is, we live in a world with a lot of risks. But the capabilities to respond to a terrorist attack involving a radiological device or, at worst, a nuclear weapon here in the United States, those capabilities also, obviously, can be brought to bear in the case of an accident or a natural disaster such as the one we are watching in Japan now, which already is, but may have significant radiological consequences.

I think it is very important to state that since September 11, 2001, and, of course, intensely since Hurricane Katrina, we have developed extra capacities that FEMA can bring to bear, particularly within the Defense Department on, as you say, the response teams and the National Guards, which are right there and will probably be the first responders—apart from local law enforcement—on the site.

And second, very specialized skills in specialized units that are stood up at the national level within the Defense Department, to come in and deal with the radiological consequences of such an event. I guess my question is, have I got it right?

Mr. FUGATE. Yes, sir. It is what we call a multi-layer, all-hazard approach that many of these teams that were originally designed for commercial nuclear power plants actually give locals the capability to respond to other threats. And conversely, the funds and the building of the teams to respond to the threat of a dispersal device gives us more capability to respond to any event that could occur as an accident.

So in the area of all-hazard, this is one of the things we really try to emphasize, when we build these capabilities, oftentimes we

are building them against known threats or in the case of terrorism. But the ability to use them for those things that you did not expect, or were greater than what your plans were for, really come back to the heart of what we are trying to get to, is planning for these likely maximum events and realize that it really takes the ability to leverage all of our resources, not necessarily as originally planned, but how they could be utilized as part of the team if we saw this type of event.

Chairman LIEBERMAN. And again, just finally—and then I will yield, I am over my time—under Northern Command, which is a command of our military which has responsibility now for Homeland Security, we have these two units, 4,500 people in each one, one active duty, one reserve, that are specially trained to respond to events of this kind and to get there as quickly as possible, certainly within the 72-hour window that you have talked about. Thanks, Administrator. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Administrator, you have pointed out that the Nuclear Regulatory Commission would be the lead agency if the United States were to experience the kind of accident or level of damage at a commercial nuclear reactor that is occurring now in Japan. But FEMA, under the national planning scenarios, is responsible for the operational planning under a number of scenarios, one of which is a major earthquake, another is a nuclear attack, and another is essentially a dirty bomb.

Has FEMA completed the operational planning for those 15 scenarios that clearly outlines the roles and responsibilities of all of your partners? In other words, is it really clear who is responsible for what if, God forbid, we had the kind of multiple catastrophe that Japan is experiencing right now?

Mr. FUGATE. In looking at the 15 planning scenarios, and I think we are collapsing some of this down into what are the things that we respond to that are similar and what are the unique authorities that are different across those?

And this comes back to, when we are doing the all-hazard planning and looking at the catastrophic, we are actually looking at an improvised nuclear device, the earthquake scenarios, particularly in California, and the Category 5 hurricanes, and looking at the possible total number of casualties, the impacts, and response to support that, and then going back through the authorities of which Federal agencies would have different pieces of that.

One of the things that you will note is that the Nuclear Regulatory Commission, as a regulatory agency, is responsible for the power plants. But if an event occurs outside of that that is not a regulated facility, it is actually the Department of Energy that has the lead on the radiological response.

And so, it is our ability to go through these and look at and deconflict where we have the authorities, make sure they are clear, and part of this is through the exercises that we do to look at this. We, most recently, conducted exercises looking at nuclear power plants and looking at whose authorities are there and what we would operate under.

So as we go through these scenarios, that is what we are doing. The status of that, I will go back and submit that in writing be-

cause each one of those scenarios has various components that are being completed or have been completed for the planning scenarios.

Senator COLLINS. Mr. Skinner and Mr. Jenkins, are the roles and responsibilities clear, in your judgment, under the 15 disaster scenarios that should be operational planning is not yet completed for? I mean, I am sort of answering my own question because if it is not completed, it is unlikely to be clear. But what is your assessment? I will start with you, Mr. Skinner.

Mr. SKINNER. First, I would like to say that we have not done a study to determine the clarity of the individual roles. But during the course of our work, we were able to determine that the responsibilities are becoming clearer, and this is a direct result, I think, of the confusion that we witnessed after Hurricane Katrina. People sat down in the room and started more clearly defining who is on first, who has the operational responsibilities, and who is in charge.

So in that regard, after Hurricane Katrina, we feel comfortable that the clarity of the roles are becoming clearer. But again, a lot of these things are not complete. So we are really trying to use a crystal ball to predict how is it going to play out in the future.

But with regards to earthquakes that Administrator Fugate referred to, and as well as nuclear detonation and major hurricanes, Category 5 hurricanes, as a result of that work, we feel that the roles are relatively clear.

Senator COLLINS. Mr. Jenkins, do you agree?

Mr. JENKINS. Yes, I do agree with that. I think there has definitely been progress made, but I think one of the issues that we are concerned about is, until you get these plans completed, one of the things that is important for State, local, or other officials that are involved, it is the totality of the roles and responsibilities that we have across these scenarios, and then what are the capabilities we need to be able to carry out those roles and responsibilities effectively.

So it is really important to know the totality of that so you know, this is what I am responsible for, these are the kind of capabilities I need to build.

Senator COLLINS. Mr. Skinner, you put out a report in December that revealed that FEMA had stopped attempting to recover improper disaster assistance payments that were made after Hurricanes Katrina and Rita, and you identified approximately 160,000 applicants that have received improper payments totaling more than $643 million.

Is this in addition to the improper uses of the $2,000 debit cards that were given out in the wake of Hurricane Katrina?

Mr. SKINNER. Yes, it is. Also, it does not include those cases of fraudulent activity that we investigated. I would like to make clear something that Senator Landrieu made reference to, that is, simply because you have filed an incomplete application or have unclear data on your application, does not automatically put you in a bucket as a fraudulent applicant. It puts you in a bucket as a potential ineligible applicant.

Senator COLLINS. And there is a difference.

Mr. SKINNER. There is a very big difference.

Senator COLLINS. Absolutely.

Mr. SKINNER. And I would like to make that clarification.

Senator COLLINS. I am pleased that you did because I was going to ask you that very question. I want to ask you a series of questions about that, but since my time on this round is almost expired, I will wait for the next round.

Chairman LIEBERMAN. Thanks, Senator Collins.

Senator Brown, welcome. Thanks for being here.

OPENING STATEMENT OF SENATOR BROWN

Senator BROWN. I would not miss it. I do not think I have, actually, so happy to be here, obviously. I appreciate you holding this hearing.

A report published in a Boston paper indicates that the Bay State Nuclear Power Plant is the second highest in the Nation for the potential of suffering core damage from an earthquake. Are any of you familiar with that report at all?

Mr. JENKINS. No, I am not.

Mr. SKINNER. No.

Senator BROWN. No?

Mr. FUGATE. Mr. Chairman, Senator, I think I am familiar with the—is this the ranking of the power plant?

Senator BROWN. Right.

Mr. FUGATE. Was this the one done by the NRC that went back and re-ranked the probability of the events?

Senator BROWN. Yes.

Mr. FUGATE. I have seen that report, sir.

Senator BROWN. So in light of that, they were number two apparently. Have there been any efforts by any of you at all to reach out and make sure that we are squared away?

Mr. FUGATE. Senator, what is going on inside of the plant and the regulatory part of that is the purview of the Nuclear Regulatory Commission. But around each one of the licensed nuclear power plants, FEMA supports State and local governments to do the exercises that they do for certification and exercises and drills for those plants.

The report is from the NRC, but what we do at FEMA and have been doing prior to this report is based upon the regulatory guidance and requirements to do the exercises and the things we exercise against. That is an ongoing program. So I am not sure what the NRC, with this report, what, if anything, would change from that regarding the plant.

Senator BROWN. So if I wanted to find that out, I would have to reach out to them?

Mr. FUGATE. Yes, sir.

Senator BROWN. We will do that.

Also, let me just backtrack for a second. God forbid anything like this happens, so I will just take this particular plant. It is near the ocean, very similar situation, apparently is No. 2 at risk in the country. How confident are you that if something like this happens in the United States, that you will have the ability—and I understand, apparently, from some of the testimony and what I have read is, apparently you guys are in charge in terms of implementing. You are the go-to people now. Is that accurate in terms of dictating who does what and who is in charge?

Is it an ongoing plan that is developing?

Mr. FUGATE. In response to a nuclear power plant, inside of the facility is regulated by the Nuclear Regulatory Commission. Outside of the plant is actually the local and State responders with FEMA supporting them. And if you had a scenario that resulted in a release, the most important thing to occur would be to successfully evacuate people away from that plant.

Those are the type of things that the exercise plans work on. These are the things that local and State officials train against. And our role at the Federal Government would be to support them with additional resources, if required, in the event that an evacuation had to take place.

But those are the things that I think, from the standpoint of your questions—if you would like, Senators, to have our staff reach out with the State and give your staff an update on what those plans are so you can take a look at that and get a better idea what——

Senator BROWN. Yes, that would be great because I am concerned about who is in charge. Listening and doing, some of the work on it, I have a great concern. It is like the left hand—very similar to a Hurricane Katrina situation. There is going to be a lot of breakdowns. I know there has been a lot of improvement. I want to, obviously, make that well-known.

But now we are getting to the point where we always seem to be reactionary instead of, obviously, keeping ahead of the ball game.

I do not want to take the thunder from Senator Collins's comments about the $643 million and the difference between fraudulent and ineligible, and I am just going to make a statement, which is, I find it amazing that we just give away millions and millions of dollars with really no accountability.

And if, in fact, we have improperly paid somebody, that we go after it. We get a collection agency, we go after it, we get our money, give them a third, collect whatever we have to do. I was in a Medicare/Medicaid hearing the other day, and they were talking about $76 billion that were just given out, whether it is through ineligible or fraudulent. But the bottom line is, there is a breakdown somewhere and being one of the newer people here, still over a year away, I am just flabbergasted at the amount of just—it is a million here, a million there. We are fighting for millions.

My State could use millions, whether it is Low Income Home Energy Assistance Program (LIHEAP) money, Head Start programs, or the fishing industry.

I have to run to another hearing, but I would love to hear, like Senator Collins, where is the money, is it coming back, and why did they give up? So I do not want to take away from that, but I do have time for one or two more questions.

When you talk about the all-hazard approach, and I think it is an extension of what I was just asking, and if you could maybe follow up again with my office and how we can do it offline. With everything that is happening, and I have been following it, what happened in Japan, like everybody else. It is just so devastating. I cannot imagine that there is going to be one agency in Massachusetts who would just say, "OK, you go here, you go here."

So I am really concerned, not only in Massachusetts but throughout the country if something like this happens. I am not confident yet, and I am hopeful that someone can give me the information to make sure that we all know what to do. Is it evacuation? Is it command and control? Is it military? I think it is a combination of everything. Can you shed any light on my thoughts?

Mr. FUGATE. In the time we have, I can start and then I would like to have an opportunity, Senator Brown——

Senator BROWN. Well, we can do that, because I do not want to take Senator Akaka's time.

Mr. FUGATE. Well, I just want to make this one point.

Chairman LIEBERMAN. I think you are asking an important question so I would urge Administrator Fugate to give you a response.

Mr. FUGATE. In many of our disasters, and we always start with who is going to be the closest responders no matter how big the disaster, it is always the local responders. And in some cases, as we saw in this, they can be destroyed in the disaster itself. We saw this in Hurricane Katrina, we saw this in the tsunami. The next layer is the governor and their team, including the un-impacted communities and the National Guard responding. And then the next level is the Federal Government.

I think one of the things that is a little bit different that this Committee saw was the fact that previously FEMA would have to wait for somebody to call for help before we could begin mobilizing the Federal resources, including the Department of Defense. This Committee changed the law so that no longer do we have to wait until a State is overwhelmed. But even if there is the appearance that they may need that help, we can start mobilizing resources.

But one of the key things is it is done as a coordinated effort with the local officials, the governor and their team, and then the President's team as directed under the Homeland Security Act and the Stafford Act to coordinate Federal assistance so that governors do not have to go shopping the Federal agencies to figure out who is coming or who does what.

I think this is the one thing this Committee really focused on after Hurricane Katrina was, you had to make sure that the governor, who is then responsible for coordinating the response in their State, has that one place that is going to coordinate on behalf of the President, all the Federal resources including the Department of Defense, in their disaster.

Senator BROWN. I would love to talk to you about this some more, maybe someone from your staff, we can connect.

Mr. FUGATE. Yes.

Senator BROWN. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Senator Brown.

Administrator, am I not right that once a year, FEMA and the NRC, and perhaps local officials, go through a dry run about a disaster at every nuclear plant in the country? Is that right?

Mr. FUGATE. It is actually a little bit more than that. We do a formal, evaluated exercise where we actually grade the operator and the local governments and State governments, and every 2 years they actually have to be certified and any deficiencies or areas requiring correction have to be addressed.

They perform about four drills a year. Those could be anything from a decontamination exercise where we are actually taking vehicles and how you would wash them down and monitor, or the warning systems, or other parts of the plan.

And generally, they also have practice exercises built into that cycle. So rather than just every 2 years you do one exercise, there is a series of drills and exercises, and then the evaluated exercise is where they are actually graded on their ability to perform those functions.

Again, it is done against those regulatory functions that say, you have to warn the population in this amount of time from the time the event escalates. You have to be able to shelter and evacuate the populations within these time frames. You have to be able to do all these things against a population at risk. So it is actually based on who lives there, what is that population?

Chairman LIEBERMAN. Right.

Mr. FUGATE. And it is adjusted to that particular community and that local and State government response.

Chairman LIEBERMAN. So in the case the power plant in Massachusetts, there is a plan if something should happen?

Mr. FUGATE. I would imagine if you went to the local phone books, you could actually find a map. This is generally how we do stuff, get the information out so people know if you live inside of that zone, that this may be an evacuation zone. You will generally find that you have outdoor warning systems, sirens, or telephone notification systems that are enhancing our emergency alert system tied to that area.

You will find that the local responders have a lot more equipment for radiological monitoring and detection than you would normally find. These are kind of the things, again, because these are point-specific hazards, that we plan against and you exercise against. They are very well-known to the local officials and the State officials who do that planning.

Chairman LIEBERMAN. Thank you. Senator Akaka, welcome.

OPENING STATEMENT OF SENATOR AKAKA

Senator AKAKA. Thank you very much, Mr. Chairman and Senator Collins. Thank you for holding this hearing. I also want to extend my thank you to the witnesses for being here today.

I would like to recognize FEMA, particularly Region 9 Administrator Nancy Ward, for collaborating extensively with Hawaii's civil defense and joint catastrophic planning. She does a great job. My home State of Hawaii and the Pacific territories face unique challenges, as you know very well, because of their remote locations and a limited logistics base in Hawaii. There is still much for us to do, and I am glad that we are having this hearing.

Administrator Fugate, as you know, States rely on neighboring States to provide critical assistance in the event of a disaster. However, Hawaii is over 2,000 miles from the mainland, so other States may not be able to provide timely support. FEMA has a disaster supply warehouse in west Oahu and one in Guam. Should a major disaster strike Hawaii, either damaging the warehouse or overwhelming our supplies, what plans does FEMA have to quickly resupply Hawaii?

Mr. FUGATE. Well, thank you for that question, Senator, and also I have to thank the State of Hawaii and the Hawaiian National Guard who helped us respond to American Samoa when the tsunami hit there. The challenges, again as we know in the Pacific, the distances, require us to both leverage what we have in the FEMA warehouses, but also our local coordination with Pacific Command (PACOM), and their resources.

When Nancy Ward, as you pointed out, one of our regional administrators, starts to talk with her counterparts there in Hawaii or in the territories in the event that we see something coming—again, we know the distances, we know we cannot wait—we are oftentimes starting to look at how we will start to ship or fly resources in.

This is the close coordination that we have, both with our ability to charter aircraft, but also work with the Department of Defense for those most critical supplies. As you remember in American Samoa, one of the key issues the governor had was for generators, and he could not wait for them to come by barge because he had to get his critical systems back up. So we were able to task, initially, DOD and later contractors, to fly those generators in there.

So again, it goes back to the authorities this Committee has vested. When we know we have these tremendous distances, we oftentimes have to make decisions before we have requests or before we have all the information to start moving, particularly in the most critical life saving supplies because we will not have time to make up.

So those are the continency plans, again as in Guam and in Hawaii. We base those supplies on the time it would take to ship supplies, but recognize that if they are impacted, we would actually be flying supplies as soon as airfields were available.

Senator AKAKA. Yes. I agree that coordination relationship with the military really makes a difference. Administrator Fugate, as was evident in the recent events, Hawaii and Pacific Coast States and territories face the greatest tsunami hazard in the United States. The National Oceanic and Atmospheric Administration (NOAA) manages Federal tsunami detection and warning efforts, and partners with Federal agencies to reduce tsunami risks.

How is FEMA working with NOAA to coordinate tsunami preparedness and response plans?

Mr. FUGATE. We work very closely, as they are the subject matter experts on the hazard, and in supporting the States and territories as they map their innundation zones. One of the areas that we help them in their tsunami-ready programs is in the warning systems. This is an area that we are currently working with the governor of American Samoa who did not have a tsunami warning system prior to the last event, particularly the outdoor notification systems, which we saw work very effectively in Hawaii during this last crisis.

So we continue to work with NOAA as they give us the warnings to activate through our national warning systems, was how we originally got those calls out to the States and territories that we did have a tsunami warning. And then working with the grant programs we provide, for them to build and develop those warning systems. This is the other part of, again, looking at where we are

making progress with these homeland security funds, is building warning systems for these types of events.

Fortunately, we had a lot more warning in this one, but as we saw with American Samoa, you can very often have the earthquake occur and the tsunami occur right after that. So the warning piece of this, the mapping, and the understanding of those hazards are key so that local officials have the information about who and where and how far you need to evacuate. Then we need to support them through the Integrated Public Alert and Warning System (IPAWS) and the other warning tools that we have enhancing the emergency alert system and outdoor warning systems so we can warn that population in time.

Senator AKAKA. Administrator Fugate, according to census data, nearly 25 million adults in the United States do not speak English well. FEMA must communicate effectively during disaster response and recovery with a large and diverse population of non-English speakers. What steps has FEMA taken to make sure that it can do so?

Mr. FUGATE. We continue to look at our populations, and one of the concepts that is not new—it is actually, I thought, pretty much a reflection of what this Committee was trying to drive at. We needed to quit planning for easy and plan for real.

English does not cut it if I am deaf and hard of hearing and all I know is American sign language and all you gave me is closed caption and that is not my first language. Or if my primary language and the language that I was born with is not English, and in a crisis, I cannot understand what you are trying to tell me to do and I do not get the information I need.

So we work very closely back with our State and local partners to look at the languages and the needs and recognize that we have to make sure that we are providing information in a way that people need it, not what is convenient to us. So we have worked to provide more and more of our preparedness information in multiple languages.

We have created, in addition to our Ready.gov Web site, a Listo.gov, which is a full site in Spanish, as well as ensuring that in the various languages in our States where they have identified significant populations, that we provide preparedness information in those languages, that we have those language skills available to back up our registration centers.

But most importantly, we understand that American sign language is also a language that we have to be able to communicate in, and we cannot depend just upon text messaging or text crawls to reach that population.

Senator AKAKA. Yes. Well, I thank you very much for the work that you are doing, and I wish you well.

Mr. FUGATE. Thank you, sir.

Senator AKAKA. Thank you very much, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Senator Akaka.

The reports that I have seen, Administrator Fugate, indicate that as a result of the earthquake and tsunami in Japan, there are more than 400,000 people who have been forced from their homes and they are living in emergency shelters or with relatives. Apparently another 24,000 or 25,000 are stranded. Obviously these are

the nightmarish memories we have of Hurricane Katrina with people pushed out of their homes and not an adequate system to give them shelter.

I know that FEMA recently signed an agreement with the American Red Cross to co-lead efforts for mass care and sheltering after a disaster, including what we call today a catastrophic disaster. What will be the capacity in most parts of the country? In other words, I know 430,000 is an enormous number, but how many people, under FEMA's current organization, will we be able to shelter who have been made homeless by a catastrophe?

Mr. FUGATE. Mr. Chairman, that, a lot of times, is going to be based upon the State and the types of hazards they have. In the State of Florida where I came from, we had shelter capacity getting up to over 800,000, but we would not expect to use that because very rarely would a hurricane produce that big of an evacuation.

But this is what we are doing. I think this comes back to what the IG and GAO have really come back on. When we are trying to talk about preparedness, unless we are planning against a number, it is hard. It is about how you get traction because everything is always localized or state-based.

So in our strategic plan, when we said we were going to do all this stuff, I said, well, put a number against it because I cannot measure it.

Chairman LIEBERMAN. Right.

Mr. FUGATE. So we started looking at, if you looked at what we call the maximum-maximum, you look at an improvised nuclear device, the most catastrophic thing we could think of in a metropolitan area, if we looked at our worst Category 5 hurricane hitting in the most populated areas, if we look at these large earthquakes, what are these upper end numbers?

And we start finding that the numbers actually look, primarily at the numbers we are seeing from Japan, we were actually looking at these types of numbers.

Chairman LIEBERMAN. So it would potentially be over 400,000 or in that range?

Mr. FUGATE. Yes, sir. We have actually looked at, for casualties requiring medical assistance, several hundred thousand. This is why we were trying to plan our logistics and ability to move to those areas. We know we have the risk, but also where we did not see it coming, but all of a sudden it is there. For about a million-and-a-half. We need to see if we get enough supplies and provide enough capacity.

And what may happen is you may not be able to shelter people in the surrounding areas, because if the devastation is that great——

Chairman LIEBERMAN. Right.

Mr. FUGATE [continuing]. What you may end up having to do is move people to where you could shelter them.

Chairman LIEBERMAN. Right.

Mr. FUGATE. And that is one of the advantages of working with the Red Cross and other volunteer organizations, as we saw in Hurricane Katrina when we had to actually start moving people out of there, is to move them to areas outside of that area and provide that. And then this is, again, in the short-term shelter phase

of getting people where we are meeting the most basic needs of medical care, food, water, and a roof over their heads, until we can see what is next.

Is this some place we can get back to, or in the case we are seeing there, this devastation will not be repaired quickly. You are not going to be doing temporary housing there. You are going to have to find a longer-term housing solution as people make a decision about what is the next step.

Chairman LIEBERMAN. So are we prepared now to temporarily house that number of people?

Mr. FUGATE. I think we could say it would not be in any one area. We would have to distribute those folks across the country.

Chairman LIEBERMAN. Right.

Mr. FUGATE. But these are the things we are planning against, and I think this is where we are looking at. What does it take to get there and how do we build that capacity based upon the local and State, but where do we fill those gaps? And so, if you go to certain parts of the country, yes, they have that capability because of the threats they face. But what if it occurs somewhere we were not expecting that?

Chairman LIEBERMAN. Right.

Mr. FUGATE. We do not have a hazard they planned against, but we still have to meet that need. So this is where we are trying to go on national preparedness, looking at these events, add them up, and determining the upper number. Can you move enough supplies in to provide emergency food, medical care, and basic sheltering for that population? And if you cannot bring it to them, can you take them from that area and get them to where they can? This really becomes, I think, critical when we are talking about housing. So this is what we are planning against, and also looking at the time frames to do it.

Chairman LIEBERMAN. Mr. Skinner, did you have a response you wanted to offer for that?

Mr. SKINNER. I agree. FEMA, from the lessons learned in Hurricane Katrina, has actually taken some very positive steps towards sheltering and short-term housing——

Chairman LIEBERMAN. Right.

Mr. SKINNER. And they are also experimenting with different types of housing. It can be a very complex issue. One of the concerns that we have, what we are witnessing now after Hurricane Katrina and as well as the disasters in Florida, is not sheltering or short-term housing, but it is long-term housing. And that is an issue that I think still needs to be addressed.

There are still some thorny relationships that have to be built to accommodate the population for its long-term housing because these things will oftentimes last 2, 3, or 4 years before you can move back home.

Chairman LIEBERMAN. Right. Thanks. One of the things our Committee has done, we feel at various times that we have to ask extreme questions, and we have done some hearings and work on what our preparedness would be to respond to, as I mentioned earlier, the explosion of a radiological device by a terrorist, or a nuclear weapon.

And one of the striking conclusions is how people behave in response to that can actually save tens of thousands of lives. In some cases, a decision not to run, to evacuate, will save your life. And we heard expert testimony that is what particularly critical, and, of course, it would be critical in the case of an event at a nuclear power plant as well, is public messaging.

So I wanted to ask you, Administrator Fugate, if you could give us kind of a status report about where FEMA is now on effective messaging to the public in the case of a radiological incident.

Mr. FUGATE. Mr. Chairman, the first thing people have to understand is that, surprising as it may be and this is what the experts told you, a nuclear detonation is actually more survivable than people realize if they know those important steps.

This was actually done and it got overshadowed by the situation in Japan, but we were already scheduled to do this—we did what we call a webinar with our Citizen Corps Program with the Department of Energy and their experts to start talking about messaging and sheltering in place and working with our Citizen Corps Councils.

So we did this as part of a webinar to really start bringing up these topics that have historically been so difficult to talk about if this does happen, these are the things people need to do. So this was a webinar that was actually done this week where we brought people in, and it allows us to bring people very cost-effectively into an environment where we can have subject matter experts briefing them.

But starting this process using our Citizen Corps Councils as the locals to start thinking about how you message this locally, what is going to be effective—and again, there is actually a book with this title, "How do you Think About the Unthinkable"—and communicate that in a way that is not based upon fear, but of the actions you could take to survive.

So we are working with Department of Energy experts. Their national laboratories are really who are the experts in these areas, and actually we are conducting this webinar this week on how we work with our Citizen Corps Councils and talk about something that is very difficult to talk about.

Chairman LIEBERMAN. So, that is a work in progress now?

Mr. FUGATE. Yes, sir.

Chairman LIEBERMAN. But obviously, you are working on it. I presume that you train all the local areas around the country to use both existing communication systems, public ones like radio and television, but also, obviously, now you use Internet and cellphone and the like?

Mr. FUGATE. Yes, sir. Again, this is what I really challenged our team on, there is this tendency that we make people communicate the way we are set up to communicate——

Chairman LIEBERMAN. Right.

Mr. FUGATE [continuing]. But not always recognizing that there are different tools and the people are not using the same tools we are. So how do you start incorporating that in and look at how people communicate versus the way we are prepared to do it?

So looking at things in social media and other tools. I will give you a really short example because I know that you want to ask

more questions. But we provide information to the public on Web pages. Well, most disasters, if I am evacuated in a shelter, do I have a computer and a Web page I can get to?

Chairman LIEBERMAN. Right.

Mr. FUGATE. But I may have a smartphone.

Chairman LIEBERMAN. Correct.

Mr. FUGATE. And we have seen in many of our events, the phones are actually working, even in Haiti after the earthquake, surprisingly. So we went back and said, "Let us quit making people go to a Web page when, if they are going to be on a mobile phone, let us change our delivery.

So we created a mobile FEMA page—it is www.m.FEMA.gov—that works well on a cellphone, because you do not need to see our organization charts, you do not need to see any of our pretty pictures and graphs. What you need is the information about what is happening. And so, we have been really trying to look at how people are using these tools, what makes sense, how are they going to get information, and trying to put it in a way that is useful to them, not what was convenient for us.

Chairman LIEBERMAN. Good work. That is very sensible. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Skinner, in your testimony you gave us the depressing news that fraud and improper payments have plagued FEMA for a very long time. I remember when I was Chairman of this Committee back in the good old days, that I held a hearing to look at fraud after Hurricane Andrew, and we found improper payments. It was Senator Bill Nelson who suggested that we have those hearings.

Then Hurricane Katrina hit and we found just terrible, hundreds of millions of dollars in improper payments, fraud, and abuse. It is troubling to me that you can go back decades, apparently, and there still is a lack of attention to this problem.

I was thinking about the fact that the President's budget cuts FEMA's budget, and it cuts it in ways that may actually be harmful because it cuts some IT projects out. But what is even more disturbing to me is perhaps these cuts would not be necessary if we had not lost more than a billion dollars over the years in improper payments. Certainly that money could be put to better use.

Could you help guide us on what we should be asking FEMA to do? What kind of controls should be put in place so when the next catastrophe inevitably hits, we do not see a repetition of widespread fraud, waste, and abuse? You referred to the work that was done with the stimulus bill, and I agree with you that the transparency and accountability was much better. But what specifically would you recommend be done?

Mr. SKINNER. I think, first, Administrator Fugate coined it very concisely, and that is, FEMA needs to act fast, but not act hastely. With regards to their individual assistance programs, there is a mindset that FEMA has to have the money out on the street within hours. Therefore, FEMA will make a blanket payment and worry about the fraud later. Unfortunately, FEMA does not have the resources or the wherewithal to go back and try to recoup payments that were improperly distributed.

With improved internal controls, it may slow the process up a few hours, but not days or weeks or, like the old days in Hurricane Hugo where it took months to make payments, or Hurricane Andrew, where it took weeks to make payments, or the Northridge earthquare, where it took weeks. We can still make timely payments to those that are deserving, that are in need, but at the same time be able to offer a screening process and has the internal controls and red flags in place to put aside those applications that are in question, whether they be just because of poor information or because it is a fraudulent application. That is one thing.

The second thing is, I think, with the public assistance programs, we can do a better job there as well with regards to providing better oversight. The Recovery Board, responsible for the oversight of close to $800 billion, were able to produce expenditure reports. The board requires anyone that is receiving any funds, State or local governments, or primary contractor at the sub-grantee level, to report to the Recovery Board.

The system is already in place. Anyone can use this system. The Department of Energy introduced this system years ago and it is something, I think, FEMA might want to consider because I believe that transparency drives accountability.

What you do not have is just one IG looking at you. You have millions of IGs looking at you, because when the local citizens see where the money is going, how it has been spent, then they can report that there is something amiss, that the money is not going where it should, or that contractors are receiving preferential treatment or are not performing as they should. And that is what drives the accountability.

We can produce that type of reporting after a disaster and train the State and locals, it is not difficult. Everyone thought it would be. Everyone thought it would drive costs up at State and local budgets. It did not.

The technology today now allows you to take that information and transform it into very usable formats that can be manipulated to permit your own personal assessments. Reporters may want to take the data and manipulate it to determine what type of demographics certain funds are going to. State and local governments could take it to see what type of projects we are spending money on. Education versus highways or airports, things of that nature. It can be manipulated to meet your individual needs.

At the same time, the Recovery Board developed a screening process to assist program managers. When contracts or grants are awarded, the board can run them through open-source information systems as well as law enforcement information systems, and give advise—whether those recipients have associations with anyone that may have tried to defraud the government in the past.

And, as a result, the board is able to stop those grants, those contracts, early on before money was spent. Because once the money is spent, it is very difficult to get it back.

Senator COLLINS. Do you not think there is also a deterrent effect when you announce that there is going to be an aggressive effort to prevent waste, fraud, abuse, mismanagement, and improper payments? I think one reason that the Recovery Board was successful, largely, is it was set up from the beginning. It was very

well publicized. There were Web sites to track spending, and as you said, that enlisted the public to help be the eyes and ears.

But I would also argue that there is a deterrent impact if you go after some of the fraud. I know FEMA has argued that it is too expensive to go after some of this, "small dollar fraud" that, in a cumulative sense, is huge amounts of money. But, in fact, I think it is worth the money of going after it because of the message it sends that it is not going to be tolerated.

Mr. SKINNER. Absolutely, and I personally witnessed that after Hurricanes Andrew and Katrina, and after the Northridge earthquake. A good example is in Northridge. Early on, we made somewhere between a dozen to two dozen arrests within the first 2 weeks after FEMA checks went out. When we made those arrests, we publicized them on the radio, on the television, in the newspaper, every media outlet that we could. Within days, $20 million, $30 million was voluntarily returned to FEMA.

I witnessed the same thing after Hurricane Andrew. After we made four arrests, the following day, $11 million was returned to FEMA. It does have a deterrent effect.

Also, a contractor or grantee is less inclined to steal funds because of the transparency that exists. We know where the funds are going, we are watching how it is being spent. Those contractors or grantees who intend to steal, will oftentimes back off knowing that it is just too risky.

Senator COLLINS. Mr. Fugate, you have heard what Mr. Skinner has said, that it is worth going after this money. I realize you were not Administrator at the time of Hurricane Katrina, but, in fact, there has been a new process that the Chief Counsel has for recouping improper payments that has been languishing since late 2008. Yesterday we received word that FEMA is going to start implementing the new process.

That is a long gap that really sends the wrong message. So I guess I am asking for you to give a commitment to put in those internal controls. I think it is a false choice between providing the money quickly enough and providing it in a way that guards against fraud. In today's world with the technology we have, it is not an either/or proposition. So I want to encourage you. I am going to ask you, are you going to go after some of these improper payments?

Mr. FUGATE. The answer is yes, particularly those recoupments where we know that we had duplication of benefits. And again, if it was fraud, I think the IG would agree that since I have been there, if I find fraud, I have been pretty aggressive about referring it as soon as we know it. And that I also agree that those that have done this willfully needed to be treated as fraud.

But where we have had those that have oftentimes, either a lack of information, duplication of benefits, or were not eligible, is to seek that reimbursement. We are doing it. I would also like to point out that the IG was also correct in that it has got to be speed, not haste. So the question is, why are we giving them money? What is the need we are having to meet that we are not meeting otherwise?

I think it is not the size of scale to reassure you that it would scale up in a catastrophic disaster, but in the floods in Tennessee

where we believe it was about $100 million—it was bigger than this—but the $100 million in assistance in the first 30 days, nobody got a check unless they registered, had their home inspection, and they received their funds.

Again, we were working on speed. We got the inspectors in there. Oftentimes, the turn-around time was in several days, so we did not create the demand to bypass that system. And we also worked very aggressively with the Department of Housing and Urban Development (HUD) to go into the shelters because these people that were in shelters were going to need disaster housing assistance, and get them into those Disaster Housing Assistance Programs (DHAP).

It was not to the scale we saw in Hurricane Katrina, but we want to have a positive verification that you were actually living where you say you were, that we actually had the inspector get there, verify the damages, and again, as we go through this and look at the recoupments on that disaster, did we drive that error rate down through that process and with those controls?

And the other piece of this is, again in responding, if we can achieve the goal of meeting those basic needs and decrease the need to default to financial assistance, which generally is a sign that you cannot get supplies in, you are not able to get enough critical infrastructure up, and you are not meeting basic needs, so what you are going to do is basically give money to people and say, "Go figure it out yourself."

That, I think, comes back to that aggressive response at the front end. And then look at the financial assistance, not as the primary tool we use, but to help them as we start getting stabilized and move into those first steps of recovery.

Senator COLLINS. And were not those $2,000 debit cards just an invitation to improper spending? I mean, look what they were used for: Firearms, bail bonds, diamond rings, entertainment. They were not used for food, water, medical supplies in far too many cases. Should we be giving out $2,000 debit cards with few questions asked? You were not there at the time.

Mr. FUGATE. Yes. I think the Senator makes the point that—again, I think this is something the IG can go back and say in Hurricanes Hugo and Andrew, in Loma Prieta, and other cases, if you are not meeting the basic needs, and the response that oftentimes is the fallback and it does invite a lot of challenges to administer.

Senator COLLINS. I want to say, here and now, that we are not going to give out $2,000 debit cards.

Mr. FUGATE. We are not doing debit cards anymore, and that program went away. But I have to be cautious—an example would be the tsunami itself. We may not be able to get in there and do home inspections, so we may have to look at other ways to verify that people lived there.

This is where the IG is giving us recommendations to use tools like using the type of things you could do if anybody was applying for a loan, getting the background information, utility bills, other information to verify, versus what has happened before where you just go and say, everybody in this ZIP code is going to get assistance.

So again, as people register, we may not be able to go do an inspection. Are there other ways to minimize the number of people applying for assistance by showing us some way that they were in that area without necessarily doing a home inspection? But where we can, it makes it very, I think, efficient to be able to have an inspector go to where you were living, verify it was damaged, it was in a disaster.

I think that is a huge step to reduce the level of fraud. And then oftentimes, we will see if it was ineligible or duplication of benefits because of insurance, not because we were in such haste we were not able to take those steps.

Senator COLLINS. Thank you. I realize I have gone way over my time and I apologize.

Chairman LIEBERMAN. No, not at all. It was important, and the answer was no about the debit card program.

As I look back to Hurricane Katrina, to make a long and complicated story too short, first off, we had an extraordinary natural disaster event, as, of course, has happened now in Japan.

But part of what happened is that all levels of government, including the Federal Government and FEMA, did not act quickly and preventably, and as it became clear that was so, particularly with the television coverage, everybody became horrified about how people were being treated or not taken care of on the Gulf Coast. In some sense, the government overreacted and started to kind of throw out assistance in a way that was just—it was terribly wasteful and was also inviting fraud. That is just what we got.

Mr. Skinner, do you want to comment on that at all?

Mr. SKINNER. I think that is exactly what happened, and it was the same thing after Hurricane Andrew because the cavalry was slow to arrive——

Chairman LIEBERMAN. Right.

Mr. SKINNER [continuing]. And the best way to treat the situation was to get funds out on the street as fast as possible whether you were eligible or not.

Chairman LIEBERMAN. Yes. And that is where—something you said earlier, Mr. Fugate, about getting supplies out there, meeting the needs, and once you do that, you do not have to start throwing debit cards or money or anything else around.

Mr. FUGATE. Well, the other issue for both you and the Ranking Member is, because the amount of funds that we provide are really not designed to make people whole——

Chairman LIEBERMAN. Right.

Mr. FUGATE [continuing]. The less money that we give them, incrementally that takes away from the total amount, because again, it comes back to the issue of, if they have lost everything and do not have insurance, which is why they are eligible for these funds, they do not qualify for a Small Business Administration (SBA) loan, you want as much of that money going towards their recovery, not their immediate needs.

And so again, this also comes back to the preservation of what the intention of these funds were. It has never been the intent of Congress to make you whole after a disaster. These funds were to help you start recovery. And so, if we are putting these funds out ahead of time and they are not really getting to that point, it actu-

ally decreases the ability to support people when they really should start now to manage things on their own and being able to use these funds to start that recovery process, versus these funds going out in the emergency phase.

And, as the IG has pointed out, if the basic needs are not being met and we are in this situation, we go from being fast to a lot of haste and then that, in turn, leads to fraud, waste, and the inability to really make sure we are good stewards of the funds. And so, we put a high premium on this idea of stabilization and speed to support this and drive, then, the next steps of that initial recovery with these funds so they are going towards the intended purposes.

Chairman LIEBERMAN. Right. Do you want to respond to that? I want to ask you, Administrator, just one more factual question which may be of interest to people watching relating to Japan.

There has been concern, and I think a certain amount of confusion, about what the potential danger is to the United States from the nuclear plant problems in Japan. And particularly, as the media has been following it the last few days and the sense that the possibility of a meltdown at one of the plants or an explosion, if the emission of a large amount of radioactivity goes up, people have been worried about the extent to which the West Coast of the United States, particularly Hawaii, and obviously Guam and the Mariana Islands, are maybe subject to some danger. I wonder if you would give us your current sense of what that possibility is.

Mr. FUGATE. I will refer back to the statement made by the Chairman of the Nuclear Regulatory Commission. In looking at all these scenarios, they do not see any radiation reaching the United States that would be a danger or require protective actions. But in anticipation of this, FEMA in support of the Department of Energy—they have a system called RadNet, which is an existing system, that 24 hours a day, 7 days a week, monitors various elements—air, water, and other types of things across the country.

And so, if we were to detect anything, we may detect things that are well below any levels that require action.

Chairman LIEBERMAN. Right.

Mr. FUGATE. This happened during Chernobyl. But we did not currently have any monitors in our territories, particularly Guam and the Commonwealth of the Northern Mariana Islands. So we were in a support role again. The Environmental Protection Agency (EPA) is in the lead role. They deployed monitors out to augment that network they already have, as well as supporting Alaska with additional monitors, particularly out in the Aleutian Islands.

Chairman LIEBERMAN. Right.

Mr. FUGATE. So this is two-part, one, based upon the scenario that the Nuclear Regulatory Commission does not see this reaching the U.S. territories or the West Coast. But we also have an active monitoring system that EPA expanded to be able to do active monitoring to verify that and provide that information. And the EPA is, again, looking at this, not that we think we are going to get something, but we need to be able to answer the question, Well, are you testing, are you monitoring, are you sure?

And so, this was the decision, to send these monitors out to Guam and the Commonwealth of the Northern Mariana Islands, as

well as in the Aleutian Islands where we did not currently have existing monitors.

Chairman LIEBERMAN. As I understand it, we have more than 100 existing monitors along the West Coast——

Mr. FUGATE. Yes, sir.

Chairman LIEBERMAN [continuing]. Measuring radiation.

Mr. FUGATE. In fact, this is a public Web site that EPA operates, that you can go to their Web page and take a look at where these sites are and their current activities, what they monitor and the purpose and the history of the program.

Chairman LIEBERMAN. So I presume that, just trying to be helpful, that people, including on the West Coast, should not yet be taking potassium iodine pills as a preventive of any kind because right now there is no risk, and there is some slight risk of side effects from those pills for some people?

Mr. FUGATE. Yes, sir, Mr. Chairman. As I understand it, the State Department of Health for both the State of Hawaii and for the State of California are telling people that this is something they should not be doing. There is no indicator to do this. And their recommendation is that people not take potassium iodine in this event. It is not warranted, and, as you point out, there may be other concerns.

So both of those State health offices are telling people that they do not recommend this and that they would not want you to take this based upon this event because they do not see where there would be any need in this event, and we do have the active monitoring that is taking place now.

Chairman LIEBERMAN. I appreciate those answers. I hope they are helpful to people. I thank the three witnesses. Senator Collins and I were commenting to each other here that in a sense, we were conducting two hearings at once, one on the IG's report and on the management of FEMA, and then the other on what has happened in Japan. We tried to bring them together.

I appreciate the patience of the witnesses as we did that. I appreciate the work of the witnesses. All of your statements, of course, will be included in the record in full. We are going to keep the record of this hearing open for 15 days for any additional statements you would like to put in the record and any questions that our colleagues or we may have of you.

Senator Collins, do you have anything more?

Senator COLLINS. No.

Chairman LIEBERMAN. Thank you very much. With that, the hearing is adjourned.

[Whereupon, at 5:27 p.m., the Committee was adjourned.]

APPENDIX

United States Senate
Committee on Homeland Security and Governmental Affairs
Chairman Joseph I. Lieberman, ID-Conn.

Opening Statement of Chairman Joseph Lieberman
"Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster?"
Homeland Security and Governmental Affairs Committee
March 17, 2011

The hearing will come to order. I welcome everyone. We convene this hearing, which had been long-planned, on FEMA's ability to respond to a major catastrophe against the compelling backdrop of the tragically catastrophic events unfolding in Japan: an earthquake and tsunami in rapid succession that have already resulted twice as many deaths as al Qaeda's attack on America on 9/11 – and no one believes all the dead have been found yet. The earthquake and tsunami also have caused fires and explosions at nuclear power plants that could have nightmarish consequences for Japan and perhaps other countries as well.

Japan has been considered the gold standard of earthquake preparedness because they've had repeated experience with earthquakes, but this earthquake registered 9.0 on the Richter scale. I always when I say that remember that the great San Francisco earthquake was apparently 7.6 on the Richter scale, so you can imagine the consequences here. The waves of disaster set off by this earthquake in Japan have exceeded the country's extraordinary preparations. So the events of the past week in Japan lend a sense of urgency to our hearing today as ask how well prepared is America for a catastrophe equal to the one unfolding now in Japan.

Our Committee called its 2006 report about FEMA's response to Hurricane Katrina "A Nation Still Unprepared." We were then unprepared, and that lack of preparedness shook the confidence of the American people who naturally asked why their government couldn't help some of their fellow citizens when they needed it the most. This Committee's extensive investigation into the failure of all levels of government to prepare for and respond effectively to Hurricane Katrina found a long and troubling list of problems, not least of which was that FEMA, in our opinion, was not and never had been capable of responding to a catastrophe like Hurricane Katrina.

Here is where I learned that when it comes to emergency preparedness and response, two words that I thought meant the same, there is a difference between a disaster and a catastrophe. Preparedness for most disasters is different from preparedness for catastrophes like Katrina.

After our investigation, the Committee drafted and Congress passed the Post Katrina Emergency Management Reform Act in 2006. Our aim was to rebuild FEMA into a stronger, more capable agency. Five years later, I am convinced that FEMA has in fact become stronger and more capable. But is it strong enough to respond adequately if a catastrophe like the one currently in Japan struck the United States? I think that's the question we want to ask our witnesses today

Last September, then Inspector General of the Department of Homeland Security Richard Skinner released a report on FEMA's transformation since Katrina. Mr. Skinner has since retired from public service after a long and distinguished career, but he's fortunately back with us to testify today. His report concluded that FEMA has made some progress in almost all areas where reform was needed but that FEMA's management, to speak broadly, still needed significant improvement.

While today's hearing is focused on FEMA, I think it's important to say response to and recovery from disaster is the responsibility of a lot of other agencies and people. Other federal agencies, state and local

---

340 Dirksen Senate Office Building, Washington, D.C. 20510
Tel: (202) 224-2627 Web: http://hsgac.senate.gov

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00043 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.001

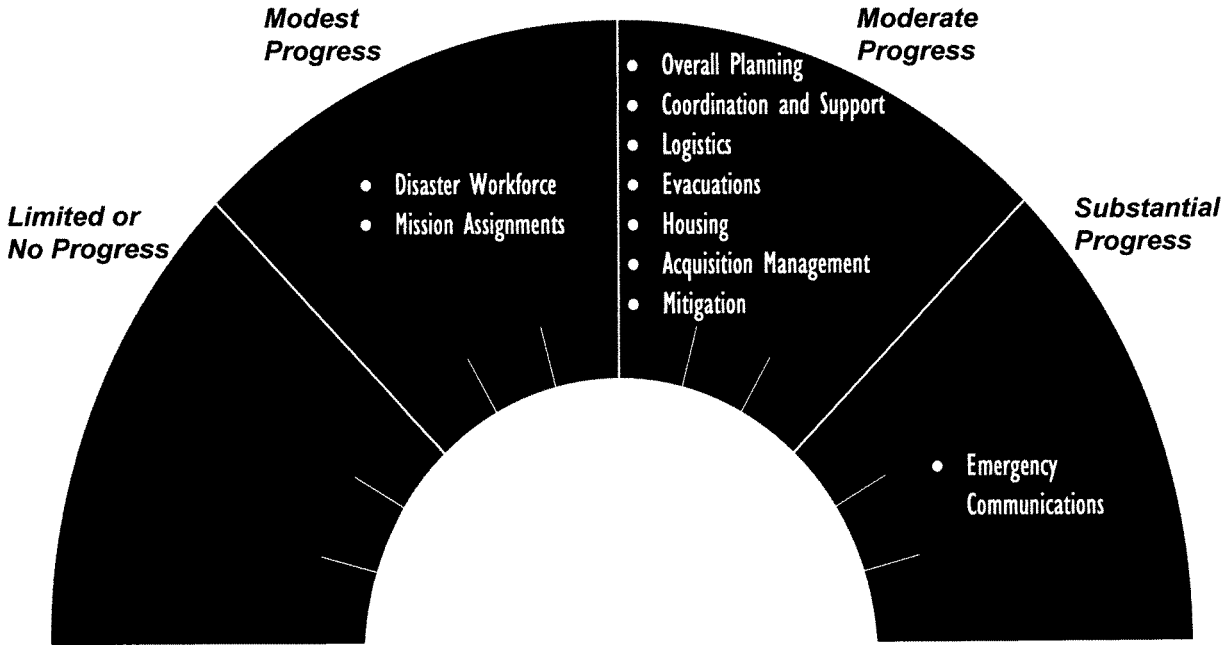
governments, the private sector, and in some sense every American have roles to play, and many of them also need to improve their capabilities. On a positive note, the Departments of Defense and Homeland Security, and the Congressionally-mandated Council of Governors, recently signed off on a very important plan establishing clear rules for when both National Guard and military forces can jointly respond after a disaster. This means in a large disaster we will have the ability to call on the resources of the Department of Defense in a more effective and timely manner.

Five years after Katrina, I conclude we are better prepared for a catastrophe than we have ever been. But the epic disaster in Japan reminds us that FEMA must continue to improve. As both old and new threats loom – some from nature, like the earthquake and tsunami, others from human enemies, like the one we faced on 9-11-01, I know Administrator Fugate and the dedicated public servants with whom he works at FEMA will chart a successful path forward.

Senator Collins?

-30-

Scorecard for Selected FEMA Preparedness Areas



VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00045 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.003

Statement of Ranking Member
Senator Susan M. Collins

Catastrophic Preparedness:
How Ready Is FEMA for the Next Big Disaster?

Committee on Homeland Security and Governmental Affairs
March 17, 2011

★ ★ ★

The earthquake and tsunami that struck Japan last week destroyed entire communities, killed thousands of people, and caused the release of radiation at nuclear power plants. Our thoughts are with the Japanese people and with the rescuers and responders, including units from our own country.

This horrific natural disaster reminds us that we need to do our best to prepare for the unpredictable. That is the focus of today's hearing.

In the past year, we have witnessed three catastrophes involving the development and use of energy resources.

- The explosion aboard the Deepwater Horizon oil rig last spring led to economic and environmental damage that has yet to be completely tallied.

- A West Virginia coal mine explosion that killed 29 in August was the worst in decades.

- And now, there is uncertainty and fear in Japan about the amounts of radiation emitted from nuclear power plants in the area hit by a tsunami.

In addition to the humanitarian crisis, the aftermath of the quake has raised concerns about the safety of nuclear power at a time when it is being revisited as an alternative to fossil fuels and as a means of lowering greenhouse gas emissions.

Regardless of whether a disaster strikes our energy supply or another part of our nation, we need to be prepared. We don't know when the next disaster will hit. We do know the U.S. Geological Survey estimates that within the next 30 years the probability is 94 percent that an earthquake of 7.0 magnitude or greater will occur in California. We also know that inevitably, there will be hurricanes, floods, and tornadoes. And we

67118.004

recognize that a terrorist attack using a weapon of mass destruction in a large city would strain our capabilities.

I want to hear today from our witnesses how well equipped the United States is for any catastrophic disaster regardless of the cause. What is our level of preparedness to protect important energy sources? What are we learning from the nuclear accidents in Japan and the Gulf Coast oil spill in the past year? How well are we prepared for a major earthquake in the United States? Do we have the communication and medical systems necessary to respond to the explosion of a dirty bomb?

More than four years ago, Congress enacted the Post-Katrina Emergency Management Reform Act, which the Chairman and I authored. The legislation was designed to take the hard-learned lessons of Hurricane Katrina and bring about improvements in the nation's overall emergency preparedness and response systems.

Our law has indeed improved FEMA's disaster response capabilities. From major floods to wildfires, we have witnessed improvements throughout the country. In Maine, I saw this progress in FEMA's responses to the Patriot's Day storm of 2007, the spring 2008 floods in Aroostook County, and other disasters since then. FEMA has become a more effective, better led agency during the past four years. Nevertheless, questions remain about our ability to handle a mega-disaster.

I also have concerns about FEMA's stewardship of federal funds.

One of those hard-learned lessons from the aftermath of Hurricane Katrina was that FEMA's assistance programs were highly vulnerable to fraud and improper payments. Our Committee, with the assistance of GAO and the IG, documented more than a billion dollars in misspent funds. In some cases, these taxpayer dollars were literally gambled away. Funds were also spent on bail bonds and diamond engagement rings. FEMA also paid millions of dollars for housing assistance to hundreds of applicants who apparently were in state and federal prisons.

While victims should receive appropriate relief, FEMA needs to strike the careful balance between expediting relief and ensuring that criminals do not defraud the system.

Unfortunately, safeguarding taxpayer dollars remains an area in which FEMA has yet to achieve success. A December 2010 report by the DHS Inspector General revealed that FEMA had stopped attempting to recover improper disaster assistance payments made after Hurricanes Katrina and Rita and subsequent disasters. The Inspector General identified

67118.005

approximately 160,000 applicants that had received improper disaster assistance payments totaling more than $643 million.

Even more disturbing, FEMA's efforts to recoup these improper payments ended in 2007 after a court found FEMA's recovery procedures to be inadequate. More than three years later, a new process for recovering these payments has only been initiated this week.

I do want to point out some bright spots in the September 2010 DHS Inspector General's report. In particular, the IG found that FEMA had made substantial progress in improving emergency communications coordination with officials at the federal, state, and local levels. Ensuring that first responders can communicate during a disaster is vital – indeed, when communications failed after 9/11 and during Hurricane Katrina, it cost lives.

The IG also highlights the effectiveness of the regional emergency communications working groups in each of the 10 FEMA regions. These groups, composed of federal, state, and local responders, were established in the Post-Katrina Emergency Management Reform Act.

This October will mark the fifth anniversary of the Post-Katrina Emergency Management Reform Act. By that time, I hope FEMA will have made significant progress in improving our nation's preparedness for the next catastrophe.

Finally, I want to highlight Inspector General Skinner's service to our country. Mr. Skinner has been a valuable asset as our Committee conducted its oversight of the new department. I appreciate his aggressive approach to combating waste, fraud, and abuse at DHS. Thank you for your service.

67118.006

Opening Statement of Senator Mary L. Landrieu
Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster?
March 17, 2011

The earthquake and tsunami in Japan serve as a sobering reminder that catastrophic disasters can strike anywhere at any time. The United States has deployed relief supplies, search and rescue teams, and nuclear experts, and the prayers of our entire nation are with the people of Japan during this very difficult time.

It has been 5 years since more than 2,000 Americans were killed when Hurricane Katrina leveled the Gulf Coast, and the federal levee failures in New Orleans left an entire city underwater for several weeks. The Gulf Coast region is still recovering from the devastating impact of Hurricanes Katrina and Rita. We have a lot of work still to do to improve our nation's capacity to prepare for, respond to, and recover from the next major catastrophe. In order to remain vigilant against these threats, we need to reduce vulnerability through smarter land use and building safety standards. We must also strengthen preparedness by developing robust alert and warning systems, training first responders, and testing our plans for evacuation, sheltering, and supply chain management.

Administrator Fugate, I appreciate you being here today to discuss catastrophic preparedness both within your agency and among the many partners in society and government on whom you rely. Your role demands that you provide leadership in ensuring that our Nation is ready for the unknown - in terms of timing, scale, and type of event that could ultimately wreak havoc upon our country.

This is no small task. Emergency management responsibilities in this country are shared among multiple levels of government, the private and nonprofit sectors, and individual citizens. Some of our citizenry is vulnerable, including our children, the elderly, the poor, and the disabled. The resources to support this mission are increasingly limited throughout government and the economy. So continuing to focus on preparing for the unknown in this environment is a serious challenge.

I am very concerned about the current shortfall in the Disaster Relief Fund. FEMA is projected to run out of money more than 3 months before the end of the fiscal year, at the very beginning of hurricane season. I wrote to President Obama over a month ago, asking that he send a supplemental funding request to Congress to plug the $1.6 billion gap, but he has not taken any action. The Disaster Relief Fund almost ran out of money last year too, and FEMA was forced to freeze recovery and mitigation projects across the country for 5 months because the Administration did not seek funding in a timely manner. Two weeks ago, Secretary Napolitano testified before my Subcommittee that a supplemental was necessary, but we continue to wait. Today, I will be sending another letter to the President, along with a number of my colleagues on this matter. If a catastrophe the size of Katrina struck today, FEMA would run out of money in 3 days. So from a budgetary standpoint at least, the answer to the question posed in the title of this hearing is a resounding "no".

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00049 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.007

It doesn't make sense to pay for previous disasters by scaling back the agencies that must respond to future ones, but the House recently passed spending cuts to FEMA operations, Coast Guard acquisitions, and grants to State and local first responders. I hope some of you will discuss H.R. 1's potential impacts on catastrophic preparedness.

I would also like to hear our witnesses' views on the Stafford Act's capacity to facilitate recovery from a catastrophic incident, and the importance of linking grant funding to preparedness outcomes.

I appreciate the opportunity to evaluate the progress we have made since Katrina and Rita, and the challenges that remain to improving our ability to respond to and recover from the next catastrophe. As horrific as the situation is in Japan, as we watch the disaster unfold, there is no mistaking the fact that readiness saves lives. Japan leads the world in building safety and citizen preparedness, and thousands of people survived because of it. Those lessons should not be lost upon us.

I thank the Chairman and Ranking Member for calling this very important hearing, and look forward to the witnesses' testimony.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00050 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.008

United States Senate

WASHINGTON, DC 20510

March 17, 2011

The President
The White House
Washington, D.C. 20510

Dear Mr. President:

Based on the latest estimates from the Federal Emergency Management Agency (FEMA), the Disaster Relief Fund is expected to be exhausted in June, at the very beginning of the hurricane season. A minimum of $1.565 billion is needed just to meet the costs of eligible projects for the balance of this fiscal year. This shortfall is largely the result of past catastrophic and major disasters, such as Hurricanes Katrina, Rita, Gustav, and Ike, the Midwest floods of 2008, and the Tennessee floods of 2010.

There are currently 49 States that are recovering from major disasters that you have declared under the Robert T. Stafford Act. All of these recovery efforts would be put on hold if FEMA is forced to stop disaster payments. Last year, FEMA was forced to stop such payments for five months, delaying recovery and increasing costs across the Nation. We should not allow history to repeat itself.

Further complicating this funding problem is the imminent onset of the flood season. The National Weather Service is projecting that the country is at risk of, "moderate to major flooding this spring", particularly in the Midwest. The tragic events in Japan have reminded us of the potential consequences of a catastrophic disaster. In responding to a catastrophic disaster such as Hurricane Katrina, the current Disaster Relief Fund balance would be exhausted in three days.

In the absence of an emergency supplemental request from you, the House Republican Leadership decided to include an additional $1.565 billion of non-emergency funding for the Disaster Relief Fund in H.R. 1. In order to pay for this shortfall, H.R. 1 reduces funding for the Coast Guard, FEMA, and State and local first responders and emergency managers, the very agencies that are responsible for preparing for and responding to future disasters. It is true that in these tough economic times, it is critical that we make disciplined funding decisions, but it makes no sense to strip agencies of the resources they need to prepare for future disasters in order to pay for the costs of past disasters. This problem only gets worse next year. FEMA estimates the additional shortfall in FY 2012 to be $3 billion.

We simply cannot return to the days when FEMA could not do its job. Therefore, we ask you to submit, without delay, a request for emergency supplemental funding. H.R. 1, as it passed

67118.009

the House, contains $159 billion of emergency funding for Overseas Contingencies because the Department of Defense cannot absorb the cost of the wars within its base budget. Similarly, the Department of Homeland Security cannot absorb the costs of catastrophic disasters in its base budget.

Funding shortfalls in the Disaster Relief Fund with an emergency designation is consistent with past practice, by Democrats and Republicans alike. Since 1992, $110 billion out of $128 billion appropriated to the DRF has been emergency spending, primarily for Hurricanes Katrina, Rita, Gustav, and Ike, and 9/11. In your budget estimates, you have included an allowance for disaster costs, a responsible recognition of the potential costs of disasters. However, absent an emergency supplemental request, this allowance is nothing more than an unfilled promise to communities recovering from disasters.

We thank you for your consideration of this important matter.

Sincerely,

Senator Mary Landrieu
Senator Sheldon Whitehouse
Senator Tom Harkin
Senator Dianne Feinstein
Senator Al Franken
Senator Joe Lieberman
Senator Barbara Boxer
Senator Richard Durbin
Senator Jack Reed
Senator Kent Conrad
Senator Amy Klobuchar
Senator Frank Lautenberg
Senator Ron Wyden
Senator Jay Rockefeller

Written Statement of

Craig Fugate

Administrator

Federal Emergency Management Agency

FEMA

"Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster?"

Before the
Homeland Security and
Governmental Affairs Committee
U.S. Senate
Washington, DC

March 17, 2011

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00053 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.011

I. Introduction

Good morning Chairman Lieberman, Ranking Member Collins, and distinguished Members of the Committee. My name is Craig Fugate, and I am the Administrator of the Federal Emergency Management Agency (FEMA). It is an honor to appear before you today on behalf of FEMA to discuss our preparedness for catastrophic disasters. Planning and preparing for catastrophic disasters is a top priority at FEMA, and we appreciate the Committee's attention to this important matter.

In September 2010, the Department of Homeland Security's Office of Inspector General (OIG) issued a report on FEMA's preparedness for the next catastrophic disaster. The report assessed FEMA's preparedness on several key issues: overall planning, coordination and support, emergency communications, logistics, evacuations, housing, disaster workforce, mission assignments, acquisition management and mitigation.

The OIG report recognized the significant progress that FEMA has made over the past two years. The report also discussed areas where FEMA can continue to improve upon its ability to prepare for, protect against, respond to, recover from, and mitigate all hazards. While we are proud of the gains we have made over the past several years, we will continue to approach our work with vigilance, always striving to do better.

In my testimony today, I will discuss how FEMA is working to improve our preparedness through the "Whole Community" framework. This approach recognizes that FEMA is not the nation's emergency management team – FEMA is only a part of the team. In order to successfully prepare for, protect against, respond to, recover from, and mitigate all hazards, we must work with the entire emergency management community. This "Whole Community" includes FEMA and our partners at the federal level; our state, local, tribal and territorial governmental partners; non-governmental organizations like faith-based and non-profit groups and private sector industry; and most importantly, individuals, families, and communities, who continue to be our greatest assets and the key to our success.

In order to fulfill our mission, we must recognize that these parties are all important participants in the emergency management community, and make sure that all these participants work together as one team. In my testimony today, I will address all of the different participants in the "Whole Community" and discuss how we work together in order to ensure the greatest level of preparedness for a catastrophic disaster.

II. The Role of the Federal Government in Catastrophic Disasters

While our efforts must involve the entire emergency management community, FEMA clearly has an important role to play in preparing for, protecting against, responding to, recovering from, and mitigating all hazards. The recent OIG report addresses FEMA's need to integrate the Agency's emergency preparedness, protection, response, recovery and mitigation responsibilities so that we can better fulfill our mission.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00054 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.012

These efforts were underway even before the OIG issued its report. On October 1, 2009, the Response, Recovery, Federal Coordinating Officer Program, and Logistics Management Directorates were combined under a new Office of Response and Recovery to more closely align the organizational structure with FEMA's operational mission. This reorganization has enhanced FEMA's ability to perform its mission of coordinating and providing an immediate federal disaster response and recovery capability with state, local and tribal partners in anticipation of, or immediately following, a major disaster.

Under the new Office of Response and Recovery, we have also established a new Planning Division that is focused on national, regional and chemical, biological, radiological, nuclear and explosive catastrophic planning efforts. The Planning Division is responsible for developing and coordinating joint state/federal catastrophic incident plans, leading the development and alignment of national-level interagency efforts, and coordinating with FEMA's National Preparedness Directorate on regional grant planning initiatives to align all catastrophic planning efforts. The Office of Response and Recovery is also producing needed operational doctrine and response readiness standards.

FEMA's Disaster Workforce

I agree with the OIG that in order to fulfill our role within the emergency management community, we need a trained and effective disaster workforce. In order to maximize the use of our personnel, we must not only ensure that positions are filled, but also that employees receive training that enables them to perform the task at hand.

In February 2010, as part of a broader headquarters realignment, the Disaster Reserve Workforce and Human Capital Divisions of FEMA were integrated into the new Office of the Chief Component Human Capital Officer (OCCHCO). As a result, the Disaster Workforce Division now oversees the readiness and deployment functions for the entire disaster workforce of full-time and reserve employees. Additionally, a critical mass of staffing in the budget, policy and system areas are able to provide more effective services to both the institutional and deployable workforces.

FEMA also recognizes the need to ensure that every person who is called upon to assist in an emergency is up to the task. To that end, in early 2010, FEMA established a National Credentialing Program in order to coordinate activities, incorporate policies, and recommend guidance and standards for credentialing all FEMA personnel and state, tribal and local officials who require access to disaster areas or FEMA facilities during an emergency. The Deputy Administrator for Protection and National Preparedness is responsible for the National Credentialing Program. This program will also ensure unity of effort in line with the National Response Framework (NRF).

Pursuant to the standards and guidelines set forth in the National Credentialing Program, FEMA's Office of Response and Recovery began working in 2010 to broaden the oversight of its Agency-wide credentialing program for FEMA employees. This credentialing program—known as the FEMA Qualification System (FQS)—represents an important step forward in

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00055 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.013

credentialing FEMA employees. FEMA's credentialing program was reconfigured to provide unity of effort with all levels of the emergency management community.

FEMA's success depends both on a trained disaster workforce as well as a fully-staffed group of permanent full-time employees. We have implemented an aggressive hiring strategy. As of February 24, 2011, the agency has filled 94 percent of its 5,405 positions. This number is reflective of the FEMA-imposed administrative 'salary cap' put in place for all program offices, which has limited the funding on hiring of positions. While fill rates may ebb and flow as employees join our team, move on to other opportunities, or retire, it is the Agency's goal to maintain at least a 90 percent staffing level throughout FY 2011. Also, at the end of 2010, FEMA brought on board its full time Chief Component Human Capital Officer.

FEMA's Acquisition Management

As part of its audit of FEMA's acquisition management capability, the OIG noted progress with respect to having pre-disaster contracts in place; recruiting, training and retaining sufficient acquisition staff; and post-award oversight.

FEMA is committed to ensuring effective acquisition management, which both strengthens our response capability and ensures that we are good stewards of taxpayer dollars. To that end, the Office of the Chief Procurement Officer (OCPO) at FEMA continues to make progress on acquisition management, balancing the use of prepositioned contracts with the requirements of Section 307 of the Stafford Act which pertains to requiring FEMA to contract with local vendors to the maximum extent possible when responding to a declared major disaster.

The Acquisition Operations Division of OCPO, under which the majority of contracting officers and contract specialists are employed, has an 85 percent fill rate, and we continue to work to fill necessary positions. We have also increased our contract oversight and administration of disaster contracts, avoiding and eliminating waste, fraud and abuse in the contracting process. OCPO has gained approval for 26 Direct Charge Cadre of On-call Response Employees (CORE) that will constitute a Disaster Acquisition Response Team (DART) whose primary focus will be to respond to disasters and provide contract administration and oversight of the large disaster contracts in the field. We will continue to work to improve our acquisition management capability.

FEMA will continue to improve its capabilities by recruiting, training and retaining sufficient staff in all areas necessary to ensure preparedness for a catastrophic disaster and working closely with the entire emergency management community. One of the most important ways we do that is through our partnerships at the federal level.

Federal Catastrophic Planning

FEMA coordinates closely with our federal partners in catastrophic planning, mission assignments, interagency agreements and advanced contracts for commodities, among other ways. These partnerships are essential to FEMA's ability to carry out its mission by leveraging the full capacity of the federal government to prepare for, respond to, recover from and mitigate a catastrophic incident.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00056 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.014

FEMA has expanded its coordination with other federal agencies to smooth and adapt coordination of federal support when it is needed. A key component of the NRF is the Catastrophic Incident Annex (NRF-CIA), which establishes the context and overarching strategy for implementing and coordinating an accelerated, proactive national response to a catastrophic incident. Recognizing that federal resources may be required to augment state, tribal, and local response efforts, the NRF-CIA establishes protocols to pre-identify and rapidly deploy key essential resources (e.g., medical teams, search and rescue teams, transportable shelters, medical and equipment caches, etc.).

Under the NRF, federal agencies are grouped by capability and type of expertise into 15 Emergency Support Functions (ESFs) to provide the planning, support, resources, program implementation, and emergency services needed during a disaster. The ESFs serve as the primary operational-level mechanisms supporting state, local and tribal efforts--coordinated by FEMA--in providing disaster assistance in functional areas such as transportation, communications, public works and engineering, firefighting, mass care, housing, human services, public health and medical services, search and rescue, agriculture, and energy. The signatories to the NRF provide substantial disaster response assistance in their areas of expertise, as well as operational support when assigned missions to support the disaster response.

FEMA also coordinates ESF emergency management and interagency planning, and collaborates with the ESFs through the Emergency Support Function Leadership Group (ESFLG). FEMA has reenergized coordination within the interagency through the ESFLG, as well as the Regional Interagency Steering Committees (RISC), and is in the final stages of revising the ESFLG charter to more clearly identify and share leadership responsibilities in coordinating interagency activities related to the ongoing management of the NRF and associated activities. FEMA is also working to provide national interagency planning oversight, and can elevate issues not resolved at the ESFLG level to the National Security Staff's Domestic Resiliency Group for review and resolution. The ESFLG members have begun to work more closely by conducting monthly meetings and work groups as required. Routine coordination with the RISC in each FEMA region has also increased and is providing better regional and state perspectives and helping us to identify grassroots issues for resolution.

One example of FEMA-led interagency coordination that produced enormously successful results is FEMA's work on the Deepwater Integrated Services Team (DIST) during and after the Gulf oil spill. The DIST included a variety of subgroups drawing on the expertise of members from a number of federal agencies. The DIST Language Access Subgroup, for example, included members from FEMA, the DHS Office for Civil Rights and Civil Liberties, the Department of Health and Human Services, the White House Initiative on Asian Americans and Pacific Islanders, the Department of Justice, and others. This subgroup was instrumental in leveraging the information and resources available to the participating coalition of federal agencies to ensure that limited English proficient populations in the Gulf, including the large community of Vietnamese-speaking individuals in the Gulf fishing industry, had access to critical information and assistance. FEMA will replicate this successful model to ensure equal access to all populations in the event of a future catastrophic incident.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00057 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.015

As another example of our federal response efforts, national catastrophic planning also includes developing a Federal Interagency Operations Plan for Earthquakes. This plan is oriented toward response and short-term recovery, and will address federal capabilities supporting response efforts to a catastrophic earthquake occurring anywhere in the United States and its territories. FEMA's regions are also partnering directly with their states on joint planning efforts with a focus on specific fault zones or other hazards present within those regions. The overarching Federal Interagency Operations Plan ties all of these efforts together in a capstone document to address the means by which the federal interagency will prepare for and respond to a catastrophic earthquake. This plan will be evaluated in National Level Exercise (NLE) 2011.

National efforts to ensure resilience in the U.S. are focusing on improving existing catastrophic event preparedness capabilities, but with a renewed conviction to plan for the most extreme disasters. We are building on the strengths of local communities and citizens and integrating the public as a critical resource and definite part of the solution. The faith based communities, fraternal and trade associations, and the broader marketplace are all viewed as important to collaboration and are included in the planning efforts. While the impact of catastrophes will certainly be felt at the federal and state levels, they have the potential to be most devastating at the community level. Therefore, our catastrophic response strategy is being designed to quickly stabilize communities, and calibrated to support their timely recovery and return to municipal self-sufficiency. We recognize that only through close cooperation with all partners can we begin to close gaps and agree on the most critical objectives.

Regional Catastrophic Planning

Regional catastrophic planning, and the development of operational plans, is underway for several different geographic areas on catastrophic planning efforts. These include plans addressing catastrophic earthquakes, hurricanes (separate efforts are looking at such events in New England, Louisiana, and Florida), dam failures, improvised nuclear device detonation, evacuation and sheltering of populations during catastrophic events, and preparing for other special events such as the State of the Union Address and the Asia-Pacific Economic Cooperation Summit. FEMA is also working with state partners in at least seven regions to develop "all-hazard" plans based on hazard surveys and risk assessments occurring in each region and state. All of these plans are being developed by our regions – with support from FEMA headquarters – in partnership with federal, state, and local agencies through the six phases of the planning process, as outlined in our recently published Regional Planning Guide.

The plans will address the unique considerations that exist in the event of a catastrophic incident and identify the tasks and activities that federal, state and other partners will carry out to meet response objectives. They will also specifically identify how resources, personnel, and assets will be allocated in order to execute the mission objectives and priorities, and include a concept of operations with supporting annexes. Scenario and damage information to inform the planning efforts is provided by the U.S. Geological Survey and the academic community. A staff estimate is conducted by the state-federal planning team to refine requirements and develop courses of action to address identified needs. To drive decisions as the plans are developed, a senior steering committee is established with membership from the governors' offices, our regional administrators, adjutants general, the defense coordinating officers, and other state and federal officials.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00058 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.016

Mission Assignments

FEMA uses mission assignments to request disaster response support from other federal agencies. Mission assignments are work orders issued by FEMA to other federal agencies that direct the completion of a specific task and are intended to meet urgent, immediate and short term needs. They allow FEMA to quickly request federal partners to provide critical resources, services or expertise. To date, FEMA has developed 250 pre-scripted mission assignments with 29 federal agencies.

The recent OIG report underscored the importance of clear mission assignments and highlighted that FEMA has developed a standard operating procedures manual for mission assignments that outlines policies, procedures, and processes used to collaborate with other federal agencies and organizations when responding to disasters. The report noted the need for FEMA to have reliable IT systems for its mission assignment processes that are integrated with the systems of our federal partners, so that information is efficiently and effectively shared. We agree with the OIG's assessment and are working actively to implement their recommendations.

We have completed interagency coordination and pre-scripted mission assignments to ensure the delivery of an array of federal capabilities and resources. This support ranges from heavy-lift helicopters from the Department of Defense, to generators from the U.S. Army Corps of Engineers, to disaster medical assistance teams from the Department of Health and Human Services, and emergency road clearing teams from the U.S. Forest Service. These pre-scripted mission assignments drive a more rapid and responsive delivery of federal support to states, communities and tribes.

Logistics

Our logistics capability is also dependent upon strong and sustained federal partnerships. FEMA serves as co-lead with the General Services Administration (GSA) for the NRF's Emergency Support Function 7, Logistics Management and Resources Support. FEMA also serves as the national logistics coordinator, helping to foster a unique interagency supply chain partnership between FEMA, GSA, the Department of Defense and the United States Army Corps of Engineers. We leverage the expertise and capability of our federal partners to improve and sustain our supply chain operations. This level of interagency coordination allows us to be good stewards of federal dollars by limiting readiness costs and ensuring that we pay for services only at the time of request. FEMA also uses contracts, which can be activated to provide services such as ambulance and bus evacuation, both pre- and post-event, as well as facilities support, electrical generator maintenance and temporary housing support.

An effective logistics operation depends on a trained and talented workforce. Since 2007, FEMA has almost tripled the number of permanent full-time logistics staff and has reprogrammed 15 headquarters positions to the field in order to enhance the regional logistics response capability, improving the quality of our overall response.

The recent OIG audit and report discussed FEMA's logistics capability and highlighted both progress and shortfalls in FEMA's Total Asset Visibility Program. FEMA is implementing the

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00059 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.017

Logistics Supply Chain Management System (LSCMS), formerly known as the Total Asset Visibility Program, to provide asset and in-transit visibility as well as electronic order management for all primary commodities. LSCMS embraces more than just total asset visibility; it encompasses the entire supply chain management process. Currently, all ten FEMA regions have LSCMS program capability to electronically track orders, shipments in transit and shipments received in near real time. The aspect of the program that manages warehouse inventory is currently available in three of FEMA's nine distribution centers. Five of the remaining six distribution centers should have this same capability by June 2011, with the last remaining center to be completed by 2012.

Also, we will systematically upgrade our National Distribution Centers, which are at the core of FEMA's supply chain transformation effort and are essential to FEMA's fundamental life-sustaining and saving assets. The improved warehousing strategy will provide the capacity and flexibility to respond effectively and efficiently to the full set of disaster scenarios. The official opening and ribbon-cutting ceremony for our new distribution center in Atlanta was held on November 17, 2010.

III. The Role of State, Local and Tribal Governmental Partners

Communication and coordination with state, local and tribal governments is another essential part of our effort to integrate the entire emergency management community. We agree with the OIG report on the need to effectively coordinate with state, local and tribal governments. FEMA's leadership comes from diverse backgrounds, but we share something vital: direct, on-the-ground experience in state and local emergency management. Our experiences have helped us realize and appreciate the important role that state, local and tribal governments play in disaster preparedness, response and recovery. FEMA's success is heavily dependent upon our ability to communicate, coordinate and work closely with these groups.

As an example, the OIG report discussed the importance of providing state and local law enforcement access to FEMA's disaster recovery assistance files. We wholeheartedly agree. In order to accomplish this, we now have a process in place that routinely allows FEMA to disclose information to law enforcement when certain criteria are met. We also coordinate closely with state and local emergency management officials to ensure clear lines of information sharing.

Emergency Communication

We agree with the OIG report that emergency communications issues presented an impediment to operations in the immediate aftermath of both the September 11, 2001 attacks and Hurricane Katrina. The ability to effectively communicate during and immediately after a disaster is essential to fulfilling our mission. When working on a tight timeframe with partners at the federal, regional, state, local and tribal levels, making sure that everyone is on the same page is absolutely essential. As a result, we have worked hard and put systems in place to ensure that we can coordinate and communicate in ways accessible to diverse communities that allow us to accomplish our objectives during disasters.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00060 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.018

Moreover, the OIG report addressed several aspects of FEMA's emergency communications ability, including coordination with state, local and tribal responders. We were pleased that the OIG report noted substantial progress in FEMA's coordination of emergency communications support for state, local and tribal responders during Stafford Act incidents, as well as management of the deployment and operation of communications assets. The Disaster Emergency Communications (DEC) Division has significantly enhanced state and local governments' communications capabilities through supporting the development of communications plans. To date, DEC has provided support in the establishment of 36 state-specific plans to improve the nation's interoperability capabilities. We will deliver six additional state plans in FY2011.

Logistics Capability Assessment Tool

The OIG report recommended that FEMA work with state partners to identify and overcome state and local logistical deficiencies, which we are doing with the implementation of the Logistics Capability Assessment Tool (LCAT). The LCAT allows states to automatically self-assess their logistics maturity in five key areas: logistics planning, operations, organization, property management and distribution management. We have also created a guidance document that assists the states with the emergency supplies grant approval process as they determine their needs through LCAT self-assessment.

Grant Programs

Over the past five years, FEMA and DHS have provided more than $23.8 billion for state and local projects through our homeland security and preparedness grant programs and an additional $2.5 billion in firefighter grants. This financial support to our state and local partners has been coupled with intensive stakeholder outreach.

FEMA also supports its state and local partners through its Regional Catastrophic Preparedness Grant Program (RCPGP) initiative. The RCPGP has provided over $30 million annually to enhance catastrophic incident preparedness in 10 high-risk, high-consequence urban areas and their surrounding regions. RCPGP is intended to support coordination of regional all-hazard planning for catastrophic events, including the development of integrated plans, protocols and procedures to manage a catastrophic event. The deliverables from the RCPGP will be made available throughout the country to enhance national resilience.

Beginning in FY 2009, critical emergency provisions, such as shelf-stable food products, water and basic medical supplies, became allowable expenses under the Homeland Security Grant Program, State Homeland Security Program (SHSP), allowing states to apply for SHSP funding to address these needs. The states of Louisiana and Indiana were approved for funding for critical emergency supplies in FY2010 under the SHSP.

Tribal Outreach

To continue our collaborative relationships with tribal governments, FEMA has tribal liaisons in all FEMA regions with federally recognized tribes. Our emphasis is on treating the tribes on a

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00061 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.019

nation-to-nation level. Federally recognized tribes have a unique and direct relationship with the federal government, and therefore require specific outreach to ensure a successful collaboration.

At the direction of President Obama, FEMA established a Tribal Policy on June 29, 2010, to articulate the Agency's commitment to respect and honor tribes as equal partners. We are currently in the final stages of developing the implementation plan for this Tribal Policy. FEMA remains committed to recognizing the sovereign rights, authority, and unique status of tribal governments and is committed to working in close partnership with Indian tribes.

Evacuations

As the OIG correctly pointed out, emergency evacuations are the primary responsibility of state and local governments. However, if state and local emergency management systems become overwhelmed in the event of a disaster, FEMA may implement and support a federalized evacuation to augment the state, tribal and local government plans and operations. The OIG report assessed FEMA's evacuation plans and operations, noting progress in many areas, while recognizing—as we do—that there is more work to do.

As the OIG report accurately noted, evacuations during the 2008 hurricane season demonstrate that FEMA's efforts are having an impact. Over 2 million people were successfully evacuated, including during Hurricanes Gustav and Ike. Moreover, FEMA is finalizing a national system for states to track evacuees. One example of the tools being developed is the Evacuee Support Planning Guide – FEMA P-760 – a planning resource for states that may receive a substantial number of evacuees from another state and for states that may experience a large evacuation from one area of the state to another. FEMA has also developed reimbursement policies for states to host evacuees and tools such as the National Mass Evacuation Tracking Systems (NMETS).

As part of the planning process, and at the request of the states, FEMA has been:

- Assisting states in identifying potential host states for evacuees.
- Providing technical assistance for the implementation of the NMETS. This system is both manual and computer-based, and is designed to assist states in tracking the movement of transportation-assisted evacuees, their household pets, luggage and medical equipment during evacuations.
- Coordinating with state government-assisted transportation providers to maintain accurate manifests.
- Supporting evacuees throughout the evacuation process, both in reception areas as well as host states.
- Coordinating with household pet service providers to ensure that adequate sheltering and services are available during the evacuation.
- Coordinating with partner agencies to plan for and provide mass care support to evacuees as they return home and enter permanent housing.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00062 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.020

IV. The Role of Non-Governmental Organizations

Government can and will continue to serve disaster survivors. However, we fully recognize that a government-centric approach to disaster management will not be enough to meet the challenges posed by a catastrophic incident. That is why we must fully engage our entire societal capacity, leveraging trade associations, non-governmental organizations – including those that represent different linguistic and ethnic minority groups, faith-based organizations, private industry, and social and fraternal organizations. These are the organizations that provide the bulk of services to communities every day, and to the extent that they are able, they should continue to be the primary provider of such services in a disaster. The quicker these entities are able to get back on their feet, the faster communities as a whole will be able to recover.

Private Sector Collaboration

The private sector is a key partner in our catastrophic planning efforts. Various companies and organizations have worked with FEMA at the state and regional levels to collaborate and help develop catastrophic plans. Key corporate and academic experts have provided essential resources and input, and we have established relationships to facilitate response and recovery in coordination with these entities.

At the national level, we are working with the private sector on a host of issues that will benefit our catastrophic planning. We have corporate candidates, nominated by the Retail Industry Leaders Association, serving three-month rotations within our National Response Coordination Center (NRCC). We have included private sector, volunteer and faith-based representatives in our no-notice "thunderbolt" response and recovery exercises, and we have shared ideas and lessons learned on a wide array of technology initiatives, including mobile applications, shared data feeds, and alert warnings through smart phones and other devices. Finally, one of our primary working groups is chaired by a member of the private sector, in order to support National Level Exercise 2011 (NLE 11) by engaging the private sector. This working group has already begun planning at the state, regional and national levels alongside DHS and FEMA planners. As we move forward with all aspects of planning for a catastrophic earthquake event, the private sector is collaborating with us every step of the way, and our progress is better for it.

Non-Profit Community

Working with the non-profit community is an essential part of our integrated emergency response and recovery efforts. In May 2010, FEMA entered into a new MOU with National Voluntary Organizations Active in Disaster (NVOAD), a coalition of 50 national non-profit disaster relief organizations. The MOU serves as the basis for greater communication with NVOAD members, fostering more inclusive planning and ultimately enhancing services to disaster survivors. This past July, FEMA entered into a new MOA with the National Council on Independent Living to grant access to FEMA Disaster Recovery Centers and assist people with disabilities. In October 2010, FEMA and the American Red Cross signed a MOA that sets the framework for the Red Cross and FEMA to jointly lead the planning and coordination of mass care services, which will strengthen and expand the resources available to help shelter, feed, provide emergency first aid and deliver supplies to survivors of a disaster. This co-led

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00063 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.021

partnership between FEMA and the Red Cross will leverage the resourcing strengths of the federal government and the sheltering, feeding and bulk distribution expertise of the Red Cross.

V. The Role of Individuals, Families and Communities

In a disaster environment, we work not just with governmental entities and private sector organizations, but with individuals, families and communities as well. In these arenas, FEMA has worked to remove barriers to access for members of diverse communities. As an example, FEMA's Individual Assistance Division in the Recovery Directorate of the Office of Response and Recovery helps disaster survivors with housing, crisis counseling, low interest loans, legal services, disaster case management, and unemployment assistance, among other services.

Housing

The OIG report addressed FEMA's disaster housing assistance, noting the strides we have made towards implementing a comprehensive strategy for managing disaster housing resources. We value the OIG's input and are working actively to implement its recommendations.

One area the OIG reviewed was FEMA's development of a National Disaster Housing Strategy. The National Disaster Housing Task Force Concept of Operations was posted for public comment from December 9, 2010 to January 10, 2011. Comments received are currently in the adjudication process.

The OIG also assessed FEMA's plans to purchase, track and dispose of temporary housing units. FEMA's FY 2011 baseline inventory of temporary housing units will remain at 4,000 units ready for dispatch. Through auctions conducted by the GSA in early 2010, FEMA sold most of its excess inventory; however, bidders are still in the process of removing the housing units. As the OIG report states, we had previously stated that FEMA would close all supporting storage sites by the end of 2011. We are pleased to report that we are ahead of schedule.

Finally, the OIG recommended that FEMA strengthen state and local commitment to house affected citizens. Toward that end, FEMA has developed the Disaster Temporary Housing Operational Guide, which describes FEMA's approach for disaster-related sheltering and temporary housing needs. This guide was recently released for public comment, and FEMA is currently working to incorporate the extensive public input.

In an effort to increase the number of headquarters and regional staff trained to execute a disaster housing mission, the Individual Assistance Division developed a new training course entitled *Direct Housing Operations for Managers*, which provides a comprehensive introduction to all aspects of a FEMA direct housing mission. This four-day course includes detailed instruction on pre-operational planning, supply chain management, site management, information tracking requirements, contract management, and the recertification process. To date, a total of 220 FEMA staff from the field, regional offices, and headquarters have completed the course.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00064 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.022

FEMA will continue to build upon the progress it has made, ensuring a strong and robust disaster housing program. However, incorporating individuals, families and communities into catastrophic disaster planning involves not just what we can do for people in the event of a disaster, but also how we can work with them to increase their overall preparedness.

Personal Preparedness

Family members, friends, co-workers and neighbors are our nation's 'first' first responders in the initial 72 hours following a disaster. They are often the first ones to help with evacuations, search and rescue, food, water, shelter, and medical care, and undertake many other critical response functions well before emergency responders arrive. Individuals and communities are key assets, not liabilities. They offer specialized knowledge and skills, provide neighbor-to-neighbor assistance, and allow emergency responders to focus their resources where they are most needed.

For that reason, personal preparedness remains a national priority. Nothing will contribute more to saving and sustaining lives than a citizenry prepared and provisioned to reduce its exposure to harm, or, when unavoidable harm comes, to function in an austere, reduced-services environment in the days immediately following a catastrophic disaster. Each family that takes even the most basic preparedness actions, such as having sufficient water and non-perishable food for at least 72 hours, frees responders and critical resources that can be used to provide for those who truly need assistance.

Incorporating People with Disabilities into Disaster Planning

Planning for disaster means that our planning must be inclusive of people of different ages and abilities. We need greater inclusion built into our participatory planning and preparedness activities. This includes meeting the access and functional needs of people with disabilities in preparing for and during disasters.

Historically, our nation's emergency management team–at all levels–has not planned well for meeting the access and functional needs of people with disabilities during disasters. Most of our planning has been supplemental, contained in annexes, and treated as special needs. However, we are now taking critical steps in the right direction to ensure that we plan for the whole community, integrating people with disabilities into all of our disaster planning, response and recovery scenarios.

In February 2010, FEMA established the Office of Disability Integration and Coordination, and in July 2010, established the first-ever Disability Working Group within FEMA. The Disability Working Group is responsible for ensuring that access and functional needs of children and adults with disabilities are fully integrated into all aspects of FEMA's disaster planning, preparedness, response, recovery and mitigation efforts initiated and coordinated at the federal level.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00065 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.023

In October of last year, FEMA published Guidance on Planning for Integration of Functional Needs Support Services in General Population Shelters. This guidance for states provides comprehensive information and tools for meeting integrated sheltering requirements.

FEMA is also committed to placing Regional Disability Integration Specialists in each of FEMA's ten regions. Eight are already on board on a permanent full-time basis, and an additional one is in place on an acting basis.

When communities integrate the needs of children and adults with disabilities and others with access and functional needs into their community wide planning initiatives, they maximize resources, meet their obligations and strengthen their ability to prepare for, protect against, respond to, recover from and mitigate all hazards. FEMA is committed to initiatives that increase the participation of people with disabilities in emergency planning.

Children in Disasters

Similarly, we must all work together to meet the unique needs of children during a disaster, and ensure that their needs are considered at the outset of our planning and preparedness discussions. Emergency management officials at all levels need to plan and prepare for all who live in a community, including children, who comprise approximately 25 percent of the U.S. population. For that reason, FEMA established a Children's Working Group (CWG) responsible for coordinating the Agency's efforts, in partnership with other federal agencies and non-governmental stakeholders, to ensure that the needs of children are considered and integrated into all disaster planning, preparedness, response and recovery efforts initiated at the federal level.

As an example, in preparation for Hurricane Earl earlier this year, we pre-positioned commodities in preparation for the hurricane to make landfall, including water, meals and generators. However, military-style Meals Ready to Eat (MREs) and other provisions are not necessarily suitable for young children. As a result, we also pre-positioned commodities for children, including infant formula, baby food, electrolytes and diapers. We need to anticipate, understand and specifically plan for the needs of children.

FEMA has taken specific action in order to ensure that such planning occurs, including the following:

- Children's disaster-related needs have been integrated into several planning and guidance documents, including the second version of the Comprehensive Preparedness Guide 101, which serves as a framework for all planning guidance.

- FEMA's 2010 Homeland Security Grant Program Guidance provides clarification as to how grant dollars may be used to support preparedness and planning activities for children.

- FEMA and the Department of Health and Human Services - Administration for Children and Families (ACF) finalized an interagency agreement in December 2009 allowing for the rapid

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00066 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.024

deployment of case managers by ACF to a disaster affected area when requested by a state following a presidentially declared disaster.

- FEMA's Emergency Management Institute developed a course entitled "Planning for Children and Disasters" which provides emergency managers and implementers of children's programs with guidance on meeting children's disaster related needs. EMI has reported 2,385 successful completions.

- FEMA has expanded its Student Tools for Emergency Planning (STEP) Program, reaching an additional 6,000 students this current school year.

- FEMA's Public Assistance Division published a fact sheet clarifying reimbursement eligibility for child care services under the Stafford Act. Guidance has been disseminated to FEMA Regions and key stakeholders.

- FEMA's Lessons Learned Information Sharing (LLIS) recently launched a "Children and Disasters" page to be utilized by practitioners and others in the emergency management community.

- Members of the CWG collaborated with the American Red Cross and other pediatric experts to develop an Infant and Toddler Shelter Supply List, identifying the basic items necessary to sustain infants and children in mass care shelters and emergency congregate care environments. This list has been integrated into various FEMA planning and guidance documents.

- FEMA is partnering with the Department of Justice - Office of Juvenile Justice and Delinquency Prevention, and the Department of Health and Human Services - Administration for Children and Families - Office of Child Care, to support the development of emergency preparedness planning guidance and overall efforts of addressing children's disaster related needs.

- FEMA and the Department of Education co-led a Youth Summit focused on supporting a structured and comprehensive approach to preparedness education for youth. Participants included federal, state, tribal and local governments, non-governmental stakeholders, pediatric experts, and emergency management specialists from Australia, Chile, Israel, and New Zealand.

CWG serves as the primary point of contact for FEMA's Emergency Support Function #6 (Mass Care, Emergency Assistance, Housing, and Human Services) coordination efforts in response to Presidentially-declared disasters to address the needs of children.

- Through the direction of USAID, FEMA coordinated the procurement of infant supplies to support evacuees of the Haiti Earthquake waiting to depart from the Port Au Prince Airport. Supplies were delivered approximately 12 hours after the request was received.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00067 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.025

- FEMA and the National Center for Missing and Exploited Children (NCMEC) are in the process of developing a cooperative agreement which would allow FEMA to provide funding and other resources (i.e., search for and reunification of missing children, office space for the National Emergency Child Locator Center and FEMA staffing to support call center operations) to the NCMEC.

We will continue to incorporate everyone into our disaster planning, recognizing that all populations help to make up the emergency management community.

VI. The "Whole Community" Initiative

As we work to implement the recommendations of the OIG report and make improvements to FEMA's programs, we must be sure to avoid viewing these initiatives as separate from one another. We must view all of the work FEMA does in concert with the rest of the emergency management community as part of a broad plan for addressing the demands and challenges of a catastrophic disaster.

To ensure that our efforts become part of an interconnected plan of action, we are focused on our "Whole Community" initiative. This initiative will continue to leverage the capabilities that both governmental and non-governmental entities play in preparing for a catastrophic disaster.

We cannot effectively respond to a catastrophic disaster alone. Our planning and preparedness scenarios require all parties to pitch in, including FEMA and its partners at the federal level; state, local and tribal governments; non-governmental organizations in the non-profit, faith-based and private sector communities; and most importantly, diverse individuals, families, and communities, who continue to be our most important assets and allies in our ability to respond to and recover from a major disaster.

As the name of the initiative indicates, it is truly the *whole* community that must be prepared to respond in ways that extend beyond the normal paradigms in which we have traditionally operated. As a result, when we at FEMA address our own preparedness and response capabilities, we now do it through the "Whole Community" framework. And it is through that lens that we will work to implement the recommendations from the recent OIG report in order to improve upon our preparedness for the next catastrophic disaster.

"Whole Community" uses planning assumptions for catastrophic disasters that are based on the worst case scenarios. These scenarios are designed to challenge preparedness at all levels of government and force innovative, non-traditional solutions as part of the response strategy to such events.

To begin this change in national preparedness practice and doctrine, we are enlisting the active participation of the whole community, partnering with emergency management, public health, security, law enforcement, critical infrastructure and medical organizations to plan, train, organize and heighten awareness as a team.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00068 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.026

The "Whole Community" initiative identifies the highest priority tasks necessary to save and sustain lives and stabilize a community or region during the crucial first 72 hours after a catastrophe. This initiative also addresses the fundamental pillars of the entire emergency management spectrum. While the initial 72-hour period after an incident is the most critical in saving and sustaining lives, the Whole Community approach spans not only response operations following a disaster, but also recovery, prevention, protection, and mitigation activities that occur before, during and after a catastrophic event.

VII. Conclusion

FEMA's mission is to support our citizens and first responders to ensure we work together as a nation to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. Too often we have overlooked our role as supporting citizens and first responders. The "Whole Community" initiative recognizes that FEMA is not the nation's emergency management team – FEMA is just part of the team.

FEMA continues to play an integral role as part of the emergency management community. However, we know that we cannot and should not do it alone. We know of the capabilities of federal agencies, which can be leveraged in the event of a disaster to provide a robust federal response. We know of the importance of effective coordination with state, local and tribal governments, who provide direct, on the ground experience, and who usually have initial and primary responsibility for disaster response. We know that non-governmental organizations, like faith-based and non-profit groups, and private sector entities, possess knowledge, assets and services that government simply cannot provide. An effective disaster response involves tapping into all of these resources.

Finally, and most importantly, we know of the great capacity of individuals to care for their families, friends, neighbors and fellow community members, making our citizens force multipliers rather than liabilities. Together, we make up the whole community, and we all have an important role to play. We must engage all of our societal capacity, both within and beyond FEMA, to work together as a team.

Thank you again for the opportunity to appear before you today to discuss the importance of engaging the whole community in FEMA's preparedness for the next catastrophic disaster. I look forward to working with you and the Office of Inspector General as we continue to implement its recommendations and ensure a stronger and more agile preparedness, protection, response, recovery and mitigation capability.

I am prepared to answer any questions the Committee may have.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00069 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.027

STATEMENT OF RICHARD L. SKINNER

FORMER INSPECTOR GENERAL

U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

U.S. SENATE

March 17, 2011

Good afternoon, Mr. Chairman and Members of the Committee. I am Richard Skinner, Former Inspector General for the Department of Homeland Security (DHS). Thank you for the opportunity to discuss the Federal Emergency Management Agency's (FEMA) level of preparedness for the next catastrophic disaster.

In March 2008, the Department of Homeland Security, Office of Inspector General (DHS-OIG) issued a report in response to a request from the House Committee on Oversight and Government Reform to perform a high-level assessment of FEMA's preparedness to handle a future disaster. DHS-OIG reported that the agency had made progress in all of the key preparedness areas we reviewed, although in some areas the progress was modest or limited.

The primary objective of DHS-OIG's 2010 assessment was to determine the progress FEMA has made in key preparedness areas for the next catastrophic disaster.

Overall, FEMA has made substantial progress in one of the ten key areas, moderate progress in seven areas, and modest progress in two areas. FEMA would benefit from increased oversight of key preparedness areas to ensure that implementation of initiatives is sustained. However, concerns that are common to DHS-OIG's review of the critical components include: (1) the need for more effective coordination with state, local, and tribal governments; (2) the need for information technology systems that are updated and integrated agency-wide; (3) too few experienced staff to handle the increasing workload; and (4) funding that is not adequate to maintain initiatives, meet the costs of disasters, and recruit, train, and retain staff.

Today, I will focus my remarks on the results of the work DHS-OIG conducted and the recommendations for the agency. There are ten critical areas that the report addressed:

- Overall Planning
- Coordination and Support
- Emergency Communications
- Logistics
- Evacuations
- Housing
- Disaster Workforce
- Mission Assignments
- Acquisition Management
- Mitigation

FEMA continues to make progress in leading the federal effort in responding to catastrophic disasters. FEMA can build on this progress by maintaining its momentum in continuing to develop and implement the critical components of the ten key preparedness areas.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00071 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.029

BACKGROUND

In responding to natural or manmade emergency situations, current doctrine dictates that the government agencies and organizations most local to the situation act as first responders. When state and local governments become overwhelmed by the size or scope of the disaster, state officials may request assistance from the federal government, so federal agencies must always be prepared to provide support when needed. In 1979, President Carter issued an Executive Order that created the Federal Emergency Management Agency (FEMA) and merged many of the separate disaster-related federal functions.

FEMA's statutory authority comes from the Homeland Security Act of 2002, the Post-Katrina Emergency Management Reform Act of 2006 and the Stafford Act. FEMA's statutory authority to provide disaster assistance comes from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended (P.L. 100-707) (Stafford Act), which was signed into law in 1988 and amended the *Disaster Relief Act of 1974* (P.L. 93-288). To access federal assistance under the Stafford Act, generally, states must make an emergency or major disaster declaration request that is reviewed by FEMA for presidential approval. The Stafford Act also permits FEMA to anticipate declarations and pre-stage federal personnel and resources when a disaster threatening human health and safety is imminent, but not yet declared.

Following the terrorist attacks of September 11, 2001, the *Homeland Security Act of 2002* (Public Law [P.L.] 107-296) (Homeland Security Act) realigned FEMA and made it part of the newly formed Department of Homeland Security (DHS). In 2006, the President signed into law the Post-Katrina Emergency Reform Act. The act significantly reorganized FEMA and provided it substantial new authority to remedy gaps that became apparent in the response to Hurricane Katrina in August 2005.

Between January and May 2010, FEMA responded to more than 40 presidentially declared emergencies and disasters. From January 1980 through December 2009, the average number of events to which FEMA responds each year has risen from 25 to about 70.

FEMA spends an average of $4.3 billion each year on responding to disasters. Most of the money is spent on direct disaster assistance programs such as Individual Assistance (e.g., temporary housing), Public Assistance (e.g., debris removal and repair of damaged public property), and the Hazard Mitigation Grant Program (e.g., retrofitting buildings to make them resistant to earthquakes or strong winds). These programs are intended to address the short-, medium-, and long-term impacts of a disaster on individuals and communities.

In December 2009, FEMA implemented a new organizational structure designed to help it achieve its emergency management mandate more effectively by strengthening key functions that had been previously fragmented across multiple organizational divisions.

Since 1993, FEMA has been called upon to help support many routine natural disasters that historically would have been handled entirely by state and local governments. At the same time, some state and local governments cut funding to their own emergency management programs, thereby rendering themselves less prepared to handle routine disasters like floods, fires, or

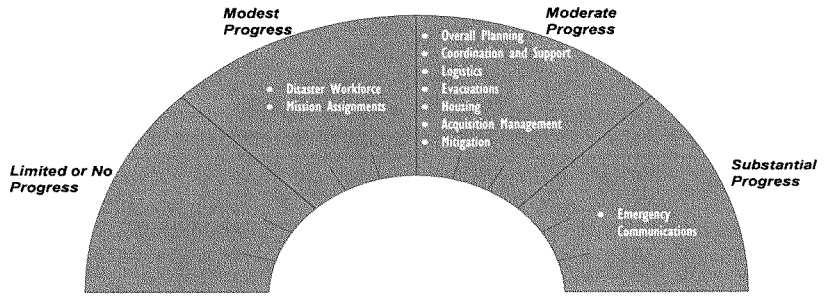
VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00072 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.030

storms. As a relatively small federal agency, many of FEMA's staff are "dual-hatted." During nondisaster times, their primary roles may be to support planning and preparedness efforts. When a disaster hits, however, they may be working in the field on response and recovery. As more disasters are declared and disasters stay open for longer periods of time, more FEMA staff resources are diverted from planning and preparedness efforts.

DHS-OIG has prepared a report to assess FEMA's readiness to respond to the next catastrophic disaster, entitled, *"FEMA's Preparedness for the Next Catastrophic Disaster – An Update."* Through the review of reports, including those of the DHSOIG, the Government Accountability Office (GAO), and congressional testimony, DHS-OIG was able to identify ten key areas critical to successful catastrophic preparedness efforts. In collaboration with FEMA officials, DHS-OIG identified two to four critical components within each key area. DHS-OIG assessed FEMA's progress in each of the areas using a four-tiered scale: substantial progress, moderate progress, modest progress, and limited or no progress. Overall, as shown in the following figure, FEMA has made substantial progress in one of the ten key areas, moderate progress in seven areas, and modest progress in two areas.

Scorecard for Selected FEMA Preparedness Areas



OVERALL PLANNING (Moderate Progress)

FEMA's Protection and National Preparedness (PNP) is responsible for leading America's efforts to enhance preparedness to prevent, protect from, respond to, and recover from natural and manmade disasters. It strives to ensure that the Nation is prepared through a comprehensive cycle of planning, organizing, equipping, training, and exercising.

This assessment of Overall Planning focuses on FEMA's efforts to:

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00073 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.031

- Develop a strategy to guide the integration of prevention, response, and recovery efforts;
- Complete assessments of capabilities and readiness at the national, state, and local levels;
- Enhance community disaster preparedness; and
- Enhance catastrophic disaster preparedness at all levels.

FEMA's PNP has yet to complete the development and implementation of a strategy and guidance for the integration of prevention, response, and recovery efforts. In April and October 2009, the GAO reported that PNP had not developed a strategic plan. In the interim, PNP used its annual operating plan, which aligns with FEMA's strategic plan, to guide its integration strategy. However, the GAO report noted that the annual operating plan does not have key elements of an effective national strategy, such as how to gauge progress.

FEMA officials indicated that PNP is in the process of developing a strategic plan that will strengthen the integration of each of the directorate's divisions and include specific goals, timelines, milestones, and measurements of progress. PNP plans to develop a new version of its strategic plan and begin implementation by the end of December 2010. However, the timeline for completing the strategic plan will hinge primarily on the completion of the new Presidential Policy Directive on National Preparedness, which is currently in draft, and the recommendations of the National Preparedness Task Force.

FEMA used its Cost to Capabilities initiative and the Gap Analysis Program to conduct capabilities and readiness assessments. The Cost to Capabilities initiative was intended to optimize the impact of homeland security grant dollars on preparedness efforts, and the Gap Analysis Program was designed to improve operational readiness by reducing response and recovery capability shortfalls throughout all levels of government.

FEMA conducted gap analyses in 2008 and 2009 for FEMA Regions I, II, III, IV, and VI. Once the gaps were identified, FEMA worked closely with the states to mitigate the shortfalls. For example, in May 2009, a state in FEMA Region I reported that it would be unable to meet transportation and evacuation needs if a Category 3 hurricane made landfall. FEMA is working with the state to provide technical assistance in developing and refining its evacuation plans.

In July 2009, the FEMA Administrator issued a moratorium on new information requests from state, tribal, and local governments. This suspension of data collection applies to the Cost to Capabilities initiative and the Gap Analysis Program. The FEMA Administrator directed PNP to gather all the reporting information required by directorates and develop a consolidated process that eliminates duplication and minimizes the burden on state, local, and tribal partners. A Reporting Requirements Working Group was formed in August 2009 and a proposal to streamline reporting requirements is due to the FEMA Administrator in fiscal year 2010.

PNP is also leading an effort to update the status of catastrophic planning in all 50 states and 75 of the Nation's largest urban areas. This update was undertaken at the direction of Congress and was due in April 2010. As of May 2010, FEMA was finalizing the report.

Although FEMA emphasizes the importance of individual and community preparedness, significant challenges remain. DHS-OIG 2008 report rated FEMA's progress in this critical area

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00074 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.032

as moderate, as efforts were underway to coordinate and integrate community disaster preparedness through the Citizen Corps Program and the Ready Campaign. However, in January 2010, GAO reported that FEMA has been unable to measure performance effectively for these programs. FEMA is in the process of developing a corrective action plan to address GAO's concerns.

FEMA has made progress enhancing catastrophic preparedness, particularly at the regional level. FEMA officials told DHS-OIG that several regional planning initiatives have been undertaken since 2008, including the Hawai'i Hurricane Plan, the San Francisco Bay Area Earthquake Plan, the Northwest Nevada Earthquake Plan, and the Florida Hurricane Plan. Planning initiatives currently underway include the Southern California Earthquake Planning Initiative, the Guam Typhoon Planning Initiative, the Gulf Coast Hurricane Planning Initiative, and the New Madrid Seismic Zone Catastrophic Earthquake Planning Initiative.

PNP is also working to complete FEMA's first National Preparedness Report, which will describe federal, state, and local preparedness levels and identify nationwide trends that can inform decision makers on what actions are needed to further enhance our Nation's preparedness for 4 of the 15 National Planning Scenarios: Improvised Explosive Device, Improvised Nuclear Device, Pandemic Influenza, and Hurricane. The draft report is in the clearance phase with OMB. In May 2010, PNP conducted the 2010 National Level Exercise to test its catastrophic planning efforts. The exercise tested the response capabilities to an improvised nuclear device detonation.

COORDINATION AND SUPPORT (Moderate Progress)

To determine FEMA's readiness to support communities and states in response to a future catastrophic disaster, we assessed FEMA's efforts to:

- Implement the National Reform Framework (NRF) and specific operations plans;
- Clarify the roles, responsibilities, and authorities of the Principal Federal Official (PFO) and Federal Coordinating Officer (FCO); and
- Provide law enforcement access to FEMA records in support of Emergency Support Function-13 (ESF-13), *Public Safety and Security*.

The NRF guides how the Nation conducts all-hazards response focusing on how the federal government is organized to support communities and states in catastrophic incidents. The NRF was implemented in March 2008, but federal operations plans that describe detailed resource, personnel, and asset allocations necessary to respond to incidents representing the gravest dangers facing the United States have not yet been completed.

The NRF describes planning as the cornerstone of national preparedness and a critical element to respond to a disaster or emergency. It also lists 15 National Planning Scenarios that represent a minimum number of credible scenarios depicting the range of potential terrorist attacks, natural disasters and related impacts facing our Nation. Operations plans for these scenarios are particularly important because they identify detailed resources, personnel, assets and specific roles, responsibilities, and actions for each federal department and agency responding to an

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00075 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.033

incident or emergency. DHS-OIG's recent audit of federal incident management planning efforts determined that although planning has progressed for certain scenarios, much work remains to complete operations plans for all 15 scenarios.

FEMA has made progress in clarifying the roles of key senior federal officials who typically may be deployed with a federal incident management team. The NRF describes the roles of both the PFO and FCO and their responsibilities and authorities during an incident. It underscores that the PFO does not have directive authority over an FCO or any other federal or state official. Rather, "the PFO promotes collaboration and, as possible, resolves any Federal interagency conflict that may arise." It also underscores that the FCO is specifically appointed by the President to coordinate federal support in the response to and recovery from emergencies and major disasters by executing Stafford Act authorities, including commitment of FEMA resources and the mission assignment of other federal departments or agencies. It is important to note, however, that the DHS Secretary retains the authority to appoint a representative who functionally reports through the FCO; however, the NRF has not yet been updated to reflect this clarification. Additionally, FEMA Administrator Fugate, in testimony on May 6, 2010, declared that DHS will follow existing federal law and no longer appoint PFOs in disasters and emergencies that fall under the Stafford Act. Further, the department will not object to keeping the prohibition against such appointments in law. In August 2010, FEMA reported that it is no longer referring to incident commanders or team leaders as PFOs.

To remedy information-sharing problems encountered following Hurricane Katrina and to facilitate law enforcement access to FEMA disaster recovery assistance files for investigating fraud, locating missing children, and identifying the whereabouts of sex offenders and fugitive felons, FEMA executed agreements with the Department of Justice, including the Federal Bureau of Investigation and U.S. Marshals Service. Additionally, in November 2007 FEMA appointed a law enforcement advisor to the Administrator to fill a position created by the Post-Katrina Emergency Reform Act (Post-Katrina Act) who will provide FEMA with a law enforcement perspective on agency plans and policies and support FEMA's growing interaction with law enforcement associations. Although FEMA's law enforcement advisor was aware of the recent agreements with the Department of Justice, he said he would not be involved in any future policy review unless specifically asked by FEMA's Office of Chief Counsel.

FEMA has made progress in improving law enforcement access to its disaster recovery assistance files by updating its system-of-records notice. FEMA officials told DHS-OIG that they are 90% complete with establishing the protocols, procedures, and processes for providing appropriate law enforcement access to FEMA disaster recovery assistance records, to include Interagency Security Agreements with the Department of Justice and others needing access. FEMA anticipates that standard operating procedures will be in place by the end of this fiscal year.

Federal operations plans for all 15 National Planning Scenarios are still needed because they guide other preparedness activities and contribute to the unity of effort by providing a common blueprint for activity in an emergency. Additionally, FEMA should update the NRF to remedy confusion about the role, authority, and responsibilities of the PFO and to ensure that all NRF stakeholders are aware of the intent of Congress. Finally, it is important that the FEMA law

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00076 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.034

enforcement advisor and his staff be kept aware of and regularly consulted on the execution of future law enforcement agreements and FEMA's implementation of protocols, procedures, and processes to provide access to appropriate law enforcement entities.

EMERGENCY COMMUNICATIONS (Substantial Progress)

Three organizational components within DHS are responsible for emergency communications: (1) the National Protection and Programs Directorate's Office of Emergency Communications; (2) the Science & Technology Directorate; and (3) FEMA's Response Directorate's Disaster Emergency Communications Division. In the past, there was confusion over which of these three elements led DHS' efforts in this area. In July 2009, Secretary Napolitano designated the Office of Emergency Communications to lead DHS' efforts to advance interoperable emergency communications. Notwithstanding the recent designation, FEMA has important responsibilities in this area.

FEMA's Office of National Preparedness and Protection, Grants Program Directorate is responsible for administering the Interoperable Emergency Communications Grant Program. Consequently, we updated the criteria from the 2008 report to assess FEMA's progress in the following critical areas:

- Coordinate communications support for state, local, and tribal responders during Stafford Act incidents;
- Manage the deployment and operation of communications assets; and
- Manage emergency communications grants.

FEMA's Disaster Emergency Communications Division of the Response Directorate has been actively coordinating federal communications support for state, tribal, and local responders. The Division is working with the National Communications System to revise the overarching ESF-2 procedures. Once the revision has been finalized, the division will revise its internal standard operating procedures to align with the ESF-2 procedures. FEMA officials said that coordination between the two offices is a continuous process with frequent meetings.

FEMA recently entered into an interagency agreement with the Federal Communications Commission (FCC) to provide incident-area impact analysis in the immediate aftermath of an incident. FEMA can mission assign the FCC to deploy equipment and technicians to disaster areas to identify commercial, public safety, and critical infrastructure communications outages. Using this information, ESF-2 can coordinate the restoration of these communications systems. Identifying these outages is vitally important in ensuring that public welfare and evacuation information is disseminated to the disaster area in a timely and accurate manner.

FEMA has developed 11 communication-related pre-scripted mission assignments with the FCC, the U.S. Coast Guard, the Department of Defense, the National Communications System, and the U.S. Forest Service. The U.S. Coast Guard has agreed to provide mobile communication teams to support first responders and to coordinate initial operations in response to a disaster. The U.S. Forest Service will provide telecommunications equipment and personnel to support response

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00077 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.035

operations. These pre-scripted mission assignments provide FEMA with the communications equipment and personnel necessary for rapid response to an incident.

Working with federal, state, tribal, and local responders, FEMA helped to establish in each of its ten regions the congressionally mandated Regional Emergency Communications Coordination Working Groups, which are headed by local responders and consist of their federal, state, and local counterparts. The working groups assess the status of local emergency communications systems and report annually to federal stakeholders. FEMA told DHS-OIG that nine regions have completed their annual reports. When all reports are complete, FEMA will compile the submissions into a national report. FEMA is also assisting regional and state jurisdictions to develop emergency communications plans that allow FEMA to be better prepared to pre-position and deploy needed communications assets during catastrophic incidents. To date, 27 states and 4 regions have emergency communications plans.

FEMA has participated in multiple emergency communications exercises. FEMA officials said that they recently participated in an interoperable radio exercise with the U.S. Secret Service; a joint exercise with the Transportation Security Administration and the U.S. Army using the Military Affiliate Radio System as a backup in case of widespread devastation, as occurred after Hurricane Katrina; and an exercise with the U.S. Coast Guard. FEMA will also participate in the 2011 National Level Exercise focusing on a catastrophic earthquake in the New Madrid Seismic Zone.

FEMA has effectively deployed communications assets to the state and local emergency community through the Mobile Emergency Response Support (MERS) detachments. MERS detachments are comprised of trained professionals and specialized equipment, including interoperable high frequency, very high frequency, ultra high frequency, and 700/800 megahertz communications systems, as well as satellite systems. MERS communications assets can establish or reestablish connectivity with public safety wireless systems and command and control networks.

FEMA has made progress in managing emergency communications grants to enhance state and local capabilities. From FY 2004 through FY 2008, the last year for which complete figures are available, DHS awarded more than $3 billion in grants to enhance state and local interoperable communications efforts. In addition, FEMA is administering, on behalf of the Department of Commerce, the Public Safety Interoperable Communications Grant Program, which is funded through proceeds from the auction of analog television frequency spectrum. This grant program, totaling almost $1 billion, is designed to improve state and local public safety agencies' emergency communications.

To measure the effectiveness of grants, in 2008 FEMA developed a Cost to Capability initiative. Following an agency-wide moratorium on new requests for information from state and local governments, this initiative was suspended in November 2009. Therefore, there is currently no system in place to measure the impact of grants. However, FEMA's Reporting Requirements Working Group is developing a data collection system intended eventually to measure the effectiveness of several programs, including communications grants.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00078 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.036

LOGISTICS (Moderate Progress)

The Logistics Management Directorate (LMD) is the agency's major program office responsible for policy, guidance, standards, execution, and governance of logistics support, services, and operations. Its mission is to plan, manage, and sustain the national logistics response and recovery operations in support of domestic emergencies and special events.

FEMA has identified areas for improving its end-to-end supply chain and established the Total Asset Visibility (TAV) program to implement processes and automate the flow of commodity information. FEMA management is focused on improving the logistics core competencies to a level that will respond effectively and efficiently to a catastrophic disaster. We assessed two critical areas to measure FEMA's progress to:

- Establish total asset visibility through the Logistics Supply Chain Management System (LSCMS); and
- Establish a national supply chain strategy.

FEMA began to implement the TAV program in FY 2005. Since implementation, TAV has undergone two phases of development. TAV-Phase 1 was a pilot program that involved improving the visibility of select assets for two FEMA regions and distribution centers supporting the hurricane-prone Gulf Coast states. At the end of FY 2009, FEMA transitioned from TAV-Phase 1 to the LSCMS (TAV-Phase 2). LMD implemented a number of LSCMS milestones during the current fiscal year, including:

- Wireless Enterprise Procurement - wireless package;
- Warehouse Management - functional design; and
- Trading Partner Management - development.

According to FEMA, every element of LSCMS is fully functional but not completely implemented. The entire application is scheduled to be implemented by the end of calendar year 2010. LSCMS is expected to be interoperable with federal, state, county, municipal, tribal government, and nongovernmental organizations' disaster management supply chain processes and systems. The final product and implementation will encompass all aspects of FEMA operations, including inventory management, requisitions, order management, fulfillment, shipping, transportation management, situational awareness and reporting, and retrograde processes.

New LSCMS initiatives include change management, training, acceptance, and accountability. Officials said that FEMA is addressing change management across all ten regions by increasing communications throughout FEMA and by providing role-based training.

During a disaster, when state and local governments' capabilities are exceeded, the state may request FEMA's assistance. The specific type and quantity of commodities and support assets

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00079 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.037

needed will vary, but experience indicates that some common needs include water (usually bottled), emergency meals, cots, blankets, tarps, and generators.

FEMA has determined that pre-positioning commodities is neither logistically prudent nor an effective use of taxpayer funds. FEMA has focused on eliminating potential waste by:

- Changing LMD business practices and procedures;
- Strengthening public and private sector solutions and relationships with partners such as the Defense Logistics Agency, U.S. Army Corps of Engineers, American Red Cross, and General Services Administration (GSA); and
- Implementing a continuous process review and developing standard operating procedures at all FEMA Distribution Centers.

FEMA personnel said that two of the primary challenges to improving the LSCMS business process are retaining sufficient staff and implementing change management across all ten regions. Although LSCMS has been available, the primary methods of information transfer continued to be email, phone calls, and spreadsheets. Customer satisfaction surveys from 2008 and 2009 show low systems usage among logistics professionals in the field.

FEMA has improved its logistics systems and processes; however, LSCMS is not yet fully implemented and may not be fully effective until disaster response personnel have adopted all aspects of the new business process, as discussed in DHS-OIG's recent report *FEMA's Logistics Management Process for Responding to Catastrophic Disasters*, July 2010.

EVACUATIONS (Moderate Progress)

Emergency evacuations are the responsibility of state and local governments. However, if state and local emergency management systems become overwhelmed, FEMA has several specific responsibilities. DHS-OIG 2008 report assessed two specific initiatives involving evacuations: (1) the Gulf Coast Mass Evacuation Capability Enhancement Initiative; and (2) the Gap Analysis Program. For this report, DHS-OIG expanded its focus to include FEMA's full responsibilities and authorities outlined in the Post-Katrina Act. DHS-OIG reviewed FEMA's efforts to:

- Augment state, tribal, and local emergency evacuation plans and operations; and
- Establish the capability to implement a federally supported or federalized evacuation.

DHS-OIG assessed FEMA's progress in this area, focusing on the Gulf Coast Mass Evacuation Capability Enhancement Initiative, the Gap Analysis Program, the Catastrophic Disaster Planning Initiative, and evacuation planning workshops sponsored by FEMA. Through these initiatives and others, FEMA has worked with at least 35 states and territories on evacuation planning since 2008.

FEMA launched the Gulf Coast Mass Evacuation Capability Enhancement Initiative in 2007 to develop an organized plan for evacuating the Gulf Coast region and to have state-to-state agreements in place for transporting and sheltering evacuees. Evacuations in response to Hurricane Gustav in 2008 demonstrate that FEMA's efforts are having an impact. During the

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00080 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.038

response, 15,000 Louisiana residents were transported by bus to shelters in evacuee host states; 2,025 were relocated by rail to Tennessee; and 5,050 were flown to Arkansas, Kentucky, or Tennessee.

The initiative has continued with the expanded goal of developing regional hurricane operations plans and federal support plans for several states. FEMA officials provided the Texas and Louisiana Federal Support Plans, the Arkansas Aviation Operations Plan, the South Carolina Motor Coach Evacuation Concept of Operations Plan, and the FEMA Region VI 2009 Hurricane Contingency Plan as evidence of progress in this area.

The Gap Analysis Program was designed to improve operational readiness by reducing response and recovery capability shortfalls throughout all levels of government. The 2008 Gap Analysis, which included an analysis of evacuation capabilities in 19 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, indicated that 5 states have no gaps and would not require federal assistance. FEMA is working with other states to mitigate gaps that were identified. For example, one state needs federal assistance to evacuate 17,000 residents with special medical needs. FEMA, the Department of Defense, and the state developed a draft Air Evacuation Plan to mitigate this gap.

The 2009 Gap Analysis is not as informative as the 2008 analysis, because data collection was suspended in response to a moratorium issued by the FEMA Administrator, as discussed in previous sections. FEMA officials said that states can now use their tool of choice to assess capabilities. FEMA is continuing to use previously collected data to determine evacuation staffing estimates, and FEMA's regional planners continue working with the states.

FEMA's Catastrophic Disaster Planning Initiative is designed to conduct analyses and develop plans for mass evacuation, sheltering, and response to catastrophic disasters. In April 2009, GAO reported that FEMA had engaged in significant planning efforts regarding threats that are specific to certain regions, such as hurricanes and earthquakes, through this initiative, but that planning efforts were ongoing and had not been concluded.

A large-scale federally supported evacuation has not been needed since Hurricane Katrina, but FEMA has provided evacuation support to state, tribal, and local governments during recent incidents, including hurricanes Gustav and Ike. FEMA is also finalizing a national system for states to track evacuees. Additionally, FEMA published a Mass Evacuation Incident Annex in June 2008. However, the Operational Supplement to the Annex that is intended to provide additional guidance for mass evacuations has not yet been finalized.

FEMA began developing a National Mass Evacuation Tracking System to track individuals as they arrive at or depart from certain locations, such as shelters. However, funding for system development was cut in 2008 and development did not resume until the spring of 2009. Several states and cities are testing the system, and FEMA officials stated that it will be ready by the 2010 hurricane season. FEMA is offering the system to states free of charge; however, FEMA cannot compel states to use the system.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00081 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.039

FEMA has made progress in both critical areas, but its preparedness to support a regional or large-scale evacuation outside the Gulf region remains a concern. FEMA has augmented state and local evacuations planning and operations and enhanced its own capabilities to implement a federally supported evacuation. However, FEMA officials said that they need more staff and funding for the Planning Division, and DHS-OIG is concerned that the Operational Annex to the Mass Evacuation Incident Annex in the NRF has not been completed.

HOUSING (Moderate Progress)

In a presidentially declared disaster, FEMA administers the temporary housing response for individuals and households. In the past, FEMA was criticized for its inability to provide immediate, short-term housing assistance to disaster survivors and to transition people needing it to more permanent forms of housing. As a result of congressional legislation, FEMA developed and released the National Disaster Housing Strategy to guide future disaster housing assistance efforts. DHS-OIG reviewed FEMA's current progress in three critical housing components:

- Develop a National Disaster Housing Strategy;
- Develop plans to purchase, track, and dispose of temporary housing units; and
- Strengthen state and local commitment to house affected citizens.

In response to the Post-Katrina Act, FEMA released the National Disaster Housing Strategy in January 2009. The strategy summarizes FEMA's disaster housing process, including sheltering and housing capabilities, principles, and policies. It outlines a number of potential housing programs that can assist disaster survivors in finding interim housing. In September 2009, we issued a report stating that the National Disaster Housing Strategy is a positive yet interim step forward.

The strategy has several components. First, it requires the creation of a National Disaster Joint Housing Task Force. The task force is charged with developing a Disaster Housing Implementation Plan that translates the strategy's goals into measurable actions and milestones; a Comprehensive Concept of Operations that integrates and synchronizes existing housing capabilities across all levels of government, nongovernmental organizations, and the private sector; and a Catastrophic Concept of Operations that addresses the unique requirements for a large-scale disaster.

OMB approved the Disaster Housing Implementation Plan on March 16, 2010. The Comprehensive Concept of Operations is scheduled to be completed and released immediately following the release of the National Disaster Recovery Framework.

FEMA has also developed a Non-congregate Housing Program that uses hotels and motels or federally owned unoccupied housing units as a sheltering resource. Each option has unique challenges. FEMA has a contract to place disaster survivors in an average of 1,250,000 hotel or motel rooms per night for an extended period. The program allows for sheltering a maximum of 500,000 disaster-affected households after a catastrophic event. However, the program's success depends on leveraging the full capabilities of the federal government along with state and local

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00082 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.040

governments, the private sector, community members, and the disaster survivors. An additional constraint to this program is the unknown readiness and availability of FEMA-identified hotel/motel sheltering option components. Nationwide, FEMA has identified approximately 46,715 federally owned unoccupied housing units. These units are readily available; however, this option has potential unit habitability and readiness concerns. Disaster survivors must be willing to relocate to areas where housing is available, and states must agree to accept these survivors.

Since 2008, FEMA has developed extensive plans to purchase, track, and dispose of temporary housing units. Because of numerous concerns over FEMA's use of travel trailers after Hurricane Katrina, in March 2009, the FEMA Administrator testified that it would consider the use of travel trailers only as a last resort. However, FEMA would consider a state's specific request for travel trailers during extraordinary disaster conditions when no other forms of interim housing are available. FEMA managers will apply the following conditions: (1) Travel trailers may be authorized only for use on private property; (2) FEMA will not authorize travel trailers for use in group sites; (3) FEMA will authorize travel trailer use for a maximum of 6 months' occupancy, and only when the level of damage to the occupant's predisaster dwelling can be repaired in less than 6 months; (4) FEMA will provide travel trailers that are within formaldehyde levels the state has determined to be acceptable; and (5) FEMA will provide units with air exchange controls that meet or exceed FEMA specifications.

In light of the decision to consider travel trailers as a last resort housing option, FEMA has been assessing new and innovative forms of temporary alternative housing through several programmatic actions. In 2006, Congress appropriated $400 million for a FEMA-operated 4-year Alternative Housing Pilot Program. Through an interagency agreement with the Department of Housing and Urban Development, this program is designed to identify and evaluate better ways to house disaster survivors. For example, in Texas, FEMA has developed a housing unit that can be assembled in less than 10 hours and can be stored flat for reuse. A final report to Congress on the Alternative Housing Pilot Program is due December 31, 2011.

In 2008, FEMA awarded provisional contracts to seven alternative housing manufacturers to install temporary housing units for students attending classes at FEMA's National Emergency Training Center in Emmitsburg, MD. The Recovery Division's Joint Housing Solutions Group continues to monitor and evaluate each unit for future suitability to house disaster survivors.

For FY 2010, FEMA has a baseline inventory of 4,000 ready-for-dispatch temporary housing units. In January 2010, FEMA began an effort to sell more than 101,000 excess temporary housing units through GSA online auctions. When the GSA auction closed on January 29, 2010, FEMA had sold most of its excess inventory; however, bidders are still in the process of removing the housing units. By the end of 2011, FEMA is scheduled to close all supporting storage sites.

In its Disaster Housing Practitioner's Guide, FEMA said that each state should create and maintain a standing disaster housing taskforce. FEMA will assist states by providing best practices information, operational guidance, and a standardized housing plan template that can be tailored to unique disaster housing needs. FEMA sent headquarters-based subject matter experts

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00083 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.041

to provide technical support when disasters struck American Samoa, Iowa, Louisiana, and Texas. However, FEMA has only limited headquarters and regional staff to fully execute an expert-based disaster housing mission for every disaster. Typically, states do not have disaster housing experts. FEMA officials told DHS-OIG that additional federal funding is needed to develop the federal and state disaster housing expertise.

Also, the Housing Strategy states that when it is necessary to build temporary group housing sites, state and local government are responsible for identifying public land that is suitable for a group site or, when publicly owned land is unavailable, for identifying other sites for FEMA to lease. In this case, FEMA emphasizes the role of state and local governments in providing shelter for their residents. Given the current budget climate, some state and local governments may not fulfill these responsibilities; FEMA will need to encourage the state and local role in developing and implementing housing solutions.

DISASTER WORKFORCE (Modest Progress)

The need for a trained, effective disaster workforce is one issue mentioned consistently in reports regarding FEMA's response to Hurricane Katrina. FEMA's disaster workforce consists mainly of reservists who serve temporarily during a disaster. The shortage of qualified staff for key positions responding to Hurricane Katrina negatively impacted the effectiveness of FEMA's response and recovery operation. DHS-OIG reviewed two critical areas identified as weaknesses after Hurricane Katrina to assess FEMA's efforts to:

- Adopt a Strategic Human Capital Plan; and
- Manage the disaster workforce and integrate workforce management tracking systems.

In May 2008, FEMA published the "Strategic Human Capital Plan 2008–2012," which established FEMA's plans for staffing standards, a restructured workforce composition, new core competencies, and professional development. This is FEMA's first official plan for managing, strengthening, and building a forward-leaning workforce. The strategic plan includes five key strategic initiatives aimed at recruiting and maintaining a strong, competent, and credible workforce:

- Understanding the composition and character of the workforce;
- Rightsizing the agency;
- Building core competencies;
- Training and professionally developing the workforce; and
- Building the culture of the new FEMA.

DHS-OIG 2008 report stated that FEMA completed an assessment of its legacy Disaster Assistance Employee program and published the report *FEMA: A New Disaster Reserve Workforce Model*. The report included 25 recommendations, and FEMA management identified 9 recommendations that would produce the greatest positive near-term effects. The remaining 16 recommendations would be incorporated as a result of completing the first 9 or implemented over a longer period.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00084 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.042

In September 2008, Disaster Reserve Workforce Division staff established an ad hoc working group with counterparts in the Transportation Security Administration and the U.S. Citizenship and Immigration Services to develop a concept of operations for the Surge Capacity Force described in section 624 of the Post-Katrina Act. The first draft of the concept of operations was completed in December 2008. Senior FEMA and DHS management have not approved the draft plan.

The study *FEMA: A New Disaster Reserve Workforce Model* recommended that FEMA establish a director-level office to improve the effectiveness and efficiency of professional operations and address disaster reserve workforce challenges. In response to this recommendation, FEMA launched the Disaster Reserve Workforce Division (DRWD) in FY 2008. A key aspect of DRWD's mission is to assist in credentialing and deploying FEMA's full-time workforce and Disaster Reserve Workforce. As of March 2009, the Disaster Reserve Workforce consists of 21 cadres located in all 10 FEMA regions and at FEMA headquarters. FEMA has 7,995 registered disaster reservists, of whom 1,322 are immediately deployable.

In June 2008, DRWD launched an agency-wide credentialing effort, which resulted in the creation of FEMA's Credentialing Program. The program is responsible for the design and implementation of a plan to standardize the recruiting, training, and credentialing of FEMA's Disaster Reserve Workforce. In April 2009, FEMA developed the Agency-Wide Disaster Workforce Credentialing Plan, which contains the required processes that all cadres must implement in order to ensure that FEMA applies a consistent and fair process to credential each cadre member. The Credentialing Program consists of 21 cadres. FEMA reported the following results:

- Eleven cadres have a complete and approved Cadre-Specific Plan (CSP). Five of these eleven cadres have migrated to the existing credentialing framework;
- Six cadres have a complete CSP that awaits approval; and
- Four cadres have begun the initial planning in order to credential their disaster workers under the FEMA Qualification System.

FEMA estimates that half of the Disaster Reserve Workforce will be credentialed by the second quarter of FY 2012 and all will be fully credentialed by FY 2013. Half of the full-time workforce will also be credentialed by FY 2013 and the rest by FY 2014.

Even with the credentialing plans in place, training of newly hired disaster professionals continues to be a major challenge. FEMA's Emergency Management Institute (EMI) has developed training courses consistent with the requirements in the credentialing plans but is still relying on the old model of training staff during deployment. FEMA attributes this to EMI's training schedule, which is booked one year in advance. To further address training, FEMA is developing an orientation program and related materials to instruct newly hired disaster staff on standards of conduct, ethics, Equal Employment Opportunity, and other topics. FEMA expects to complete and disseminate the Disaster Assistance Employee orientation program by the end of FY 2010.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00085 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.043

DRWD uses the Automated Deployment Database (ADD) to identify and maintain a record of the personnel deployed during disasters, with Web ADD serving as its online interface. However, the use of Web ADD was suspended because it did not adequately monitor employee deployment readiness, length of deployment, or location, limiting FEMA managers' ability to supervise the Disaster Relief Workforce. The inability to manage deployment information hinders the ability of FEMA staff to manage deployment and disaster activities.

Training courses consistent with the Credentialing Program will not be offered until FY 2011, and the new-hire orientation program is still under development. Deployed staff will have to rely on field training until EMI offers the new training courses.

MISSION ASSIGNMENTS (Modest Progress)

FEMA is responsible for coordinating the urgent, short-term emergency deployment of federal resources to address threats and for stewardship of the associated expenditures from the Disaster Relief Fund. FEMA uses mission assignments (MAs) to request disaster response support from other federal agencies.

In DHS-OIG's 2008 report, of all the preparedness areas reviewed, this area needed the most improvement. At that time, FEMA had initiated an ambitious project to reengineer the processes, relationships, and resources involved in managing MAs. An intra/interagency Mission Assignment Working Group (MAWG) was formed to review MA processes and procedures and develop recommendations for the management of MAs. This group developed processes, policies, and procedures that have increased FEMA's MA effectiveness.

DHS-OIG reviewed three critical components to assess FEMA's efforts to:

- Improve guidance for mission assignments (i.e., regulations, policies, and operating procedures);
- Improve staffing and training; and
- Enhance management of mission assignments.

FEMA has developed an intranet website for MAs that provides documents and guidance necessary to execute MAs during an emergency. It includes various reference materials, such as policies and procedures, MA authorities, and forms needed to execute MAs.

The "Pre-Scripted Mission Assignment Catalogue" contains 237 pre-scripted MAs. An additional 64 are under development. Pre-scripted MAs provide standard "statements of work" and cost estimates developed before an actual emergency or disaster and are used to quickly execute MAs with other federal agencies. The pre-scripted MAs cover capabilities that are outside an agency's regular or emergency authority, and involve known or frequently used resources.

Not all MAs have pre-scripted language, as each disaster has unique requirements. FEMA developed a standard operating procedures manual for MAs that outlines policies, procedures,

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00086 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.044

and processes used to collaborate with other federal agencies and organizations when responding to disasters. This manual is under revision; the previous version was never issued as final.

In FEMA's latest reorganization, MAs were assigned to the Facilities, Assets, and Contracts Management Branch in the Response Directorate. This Branch not only develops and manages pre-scripted MAs, but also is responsible for the Response Directorate's contract oversight, space and office move management, and equipment and supplies purchase management. While FEMA has increased its MA staffing in the past few years, it relies heavily on contractors to supplement staff during periods of high activity.

FEMA has developed employee task books for three MA positions (MA Manager, MA Specialist, and MA Action Tracker). These task books are posted on FEMA's NRF site. FEMA's training institute offers several courses that are designed for FEMA MA workers and for federal partners often tasked through MAs. However, due to budget constraints, recent course offerings have been cancelled.

Previous reviews have recommended that FEMA establish and invest in MAs as a program area rather than a collateral functional process or duty that comes into play only during an incident response. The development of an MA program office, with a dedicated full-time staff and management team, established budget, and officially delegated authorities and responsibilities, would substantially improve all aspects of the MA process.

Managing and accounting for MA resources is crucial to managing the federal response to an incident. FEMA has established MA guidance but still faces challenges in its IT systems. FEMA has developed but not implemented an electronic action request form. MA officials say they are having difficulties finding funding for updating any systems useful in tracking MAs. FEMA currently uses the Enterprise Coordination and Approvals Processing System (eCAPS). Because of the proprietary nature of information presented in eCAPS, FEMA's partners do not have access to this system. Once funding is made available, MA officials hope to move to a system that will allow more flexibility, while securing data. Additionally, other offices with disaster response functions use their own information systems, which do not interface with those used in MA and other offices. MA officials say the need for an integrated IT system hampers their progress in developing into a truly effective enterprise.

FEMA management support will be required to implement the MAWG's processes, policies, and procedures. A significant investment of personnel, training, time, and budget resources will be required to begin the reengineering efforts. Most importantly, MA needs to have reliable IT systems that are integrated with its federal partners' systems, so that information is efficiently and effectively shared. After the revised infrastructure has been put into place, an MA program office will need resources to sustain the effort

ACQUISITION MANAGEMENT (Moderate Progress)

FEMA's acquisition function was heavily tasked in responding to hurricanes Katrina and Rita and suffered from several shortcomings. These shortcomings included a need for predisaster contracts, untrained staff, and insufficient planning for postaward monitoring and oversight. In

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00087 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.045

recent years, FEMA management has focused on developing the acquisition function to a level that can respond effectively and efficiently to another catastrophic disaster. To assess FEMA's progress in this area, DHS-OIG reviewed three critical components:

- Have predisaster contracts in place;
- Recruit, train, and retain sufficient acquisition staff; and
- Provide for postaward oversight.

Awarding contracts before a disaster gives FEMA time to run a full and open competition in order to ensure the best value to the government. Without predisaster contracts in place, FEMA is forced to award contracts on a noncompetitive basis or to less qualified vendors in order to support a prompt response. FEMA's Office of the Chief Procurement Officer (OCPO) has developed a series of contracts for each of the FEMA directorates needing specific contract support during a disaster.

OCPO officials stress the importance of the quality, rather than quantity, of predisaster contracts. Lessons learned from major disasters guide decisions on which contracts are no longer needed and the best sources for goods and services. For example, FEMA strives to avoid competing with cities and states for resources that are available via existing contracts, or for assets that are part of a limited pool, such as ambulances and buses.

OCPO has also created an Acquisition Program and Planning Division, which functions as the primary link between acquisitions and the program areas that generate requirements, to assist with predisaster contracts. This has proven successful, as the program areas now have dedicated contracting support. OCPO needs to issue formal guidance requiring FCOs, contracting officers, and purchase cardholders to use the predisaster contracts when acquiring goods and services.

Currently, OCPO has 214 positions authorized, 137 of which are filled. Finding qualified candidates and filling open positions continues to be a challenge throughout the government. While FEMA and other agencies needing acquisition staff in the GS-1102 job series have received direct hire authorization, all are recruiting from the same pool of candidates for both trainee and experienced staffs. The acquisition staffing shortages have led some agencies to offer higher pay for journey-level staff. This has caused accelerated turnover as staff change agencies for promotions. DHS has implemented an intern program in acquisitions to increase GS-1102 staff. FEMA has benefited from this program but still needs additional contracting personnel.

Because of competition among agencies that post their openings on usajobs.gov, OCPO is considering using monster.com for posting acquisition openings, especially for regional positions. A problematic software system that caused delays in hiring has been discontinued, and a few new hires are on board and others are expected to be working soon.

Contracting responsibilities do not end with the issuance of an award. In fact, one of the most important aspects of the job, contract monitoring and oversight, begins after the award has been made. A lack of postaward oversight has been a continuing problem for FEMA.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00088 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.046

OCPO's Acquisition Policy and Legislation Division has issued directives and standard operating procedures to provide additional guidance to staff on contract maintenance and monitoring. Policies exist that detail the contents of contract files, outline the process for transferring contract files from one contracting officer to another, and call for internal reviews of contract files.

In September 2009, the FEMA Administrator signed a management directive establishing a COTR Tiered Certification Program, which has resulted in better contractor performance and increased value for taxpayers. The number of trained COTRs has increased from 700 to 1,450 since DHS-OIG's last report.

A topic FEMA highlighted in 2008 was the upcoming transition to PRISM as the system of record for contract management. FEMA officials said many existing contracting documentation problems would be corrected once FEMA adopted PRISM as its system of record for contract management. At that time, FEMA was using ProTrac. The PRISM transition did not occur because of a contract protest outside of FEMA's control. Until PRISM can be installed, FEMA continues to use an upgraded version of ProTrac. This version provides FEMA with additional tools to improve contract management, but despite improvement to the available IT systems, FEMA still experiences contract management issues.

While FEMA has made progress in a number of areas and has improved its acquisition management function, many concerns remain. FEMA said many more predisaster contracts are in place. However, some Joint Field Office officials and contracting personnel still contract separately for the same goods rather than using the established contracts.

OCPO officials acknowledged that hiring continues to be a major concern. The vacancy rate is almost 36%, although the rate is unusually high because of recently authorized positions and past problems with a software program. Even though OCPO has hired a number of contracting employees, a FEMA official said new contracting personnel often have less than three years' experience. It is critical that FEMA have an effective training regimen for these new employees.

MITIGATION (Moderate Progress)

FEMA's Mitigation Directorate manages a range of programs designed to reduce future losses to homes, businesses, schools, public buildings, and critical facilities from natural disasters. It also provides building design guidance for mitigating multihazard events and promotes state and local multihazard mitigation planning.

To assess FEMA's progress in this area, DHS-OIG reviewed the following critical components:

- Develop an integrated National Hazard Mitigation Strategy;
- Improve local hazard mitigation planning process; and
- Improve hazard mitigation operations and outcomes.

DHS-OIG's October 2009 report stated that a coordinated risk-based, all-hazards mitigation strategy mandated by the Post-Katrina Act had yet to be developed. DHS-OIG recommended

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00089 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.047

that FEMA use the established network of mitigation partners along with enhanced collaboration with DHS components, other federal agencies, and private sector stakeholders to develop and implement a risk-based, all-hazards mitigation strategy. FEMA is striving to accomplish this by working through the White House sponsored Long-Term Disaster Recovery Working Group to address pre- and post-disaster all-hazards mitigation.

FEMA has effectively promoted mitigation planning, and as of March 2009, 50 states, 6 territories, 33 tribal governments, and 18,000 local jurisdictions had approved local mitigation plans, covering approximately 77% of the Nation's population.

The challenge going forward is to improve the quality and impact of this mitigation planning enterprise and, ultimately, to reduce disaster losses and expenditures below what they would have been otherwise. The long-term nature of most mitigation planning makes it hard to measure effectiveness, and FEMA is working with DHS Centers of Excellence and independent researchers to develop better measurement frameworks and tools.

State and local hazard mitigation officials continue to report large gaps in the capacity and will of communities to plan and implement mitigation strategies. One consequence of the lack of local capacity is a costly reliance on external consultants to develop and write hazard mitigation plans. Further, the intent of local planning is to engage local stakeholders in the planning process, because they are in the best position to identify and address local risks and vulnerabilities.

FEMA faces a number of challenges in its efforts to improve hazard mitigation operations and outcomes. The most important challenge is the scope and complexity of the mitigation landscape—literally thousands of entities and individuals must work together in a loosely coordinated effort to achieve nationally significant results. A second major challenge is that FEMA is limited by statute to the promotion of effective mitigation and does not have the authority to compel property owners to mitigate floods or other hazards. This is true even when hazard mitigation appears desperately needed, as in the case of repetitively flooded properties that drain resources from the National Flood Insurance Program (NFIP).

In the face of these systemic challenges, however, FEMA has achieved a number of mitigation successes, strengthening resilience in communities across the United States. Most important, the NFIP currently has more than 5.6 million policies in force, protecting property owners against building and contents damage from flooding.

Although it has achieved significant successes in its 42-year history, the NFIP also faces a number of systemic challenges that pose financial and operational risks to FEMA and the American taxpayer. These challenges, which we, the GAO, and others have discussed in depth include: (1) extreme vulnerability to catastrophic disasters (post-Katrina claims payouts exceeded the total amount of all claims paid in the history of the NFIP from 1978 to 2004); and (2) a lack of consensus and funding among FEMA, the U.S. Army Corps of Engineers, and levee districts regarding how and when to upgrade and accredit levees.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00090 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.048

Opportunities for improvement are generally known to primary mitigation stakeholders at the federal, state, and community levels, but will require focused, systematic effort to achieve. The key for FEMA will be to integrate these diverse stakeholders into the effort, and to coordinate and access the full range of mitigation resources. There are a number of opportunities for improvement, including the following:

- Continue working with the Long-Term Disaster Recovery Working Group, the National Emergency Management Association, and other stakeholders to develop an integrated national hazard mitigation strategy.
- Continue standing up the NFIP Reform Working Group to involve multiple stakeholders in shaping the future NFIP.

CONCLUSION AND RECOMMENDATIONS

FEMA is under increasing pressure to provide more assistance to state, local, and tribal governments whose diminishing resources in tough economic times are quickly overwhelmed by large and catastrophic disasters. It is more important than ever that FEMA be prepared to assist state, local, and tribal first responders.

FEMA has made progress in all of the areas DHS-OIG reviewed, although in some areas this progress has been modest. In a number of other preparedness areas, FEMA identified corrective actions, but implementation has not yet begun. FEMA would benefit from increased oversight of key preparedness areas to ensure that implementation of initiatives is sustained.

The following concerns are common to DHS-OIG review of the critical components:

- The need for more effective coordination with state, local, and tribal governments;
- The need for IT systems that are updated and integrated agency-wide;
- Too few experienced staff to handle the increasing workload; and
- Funding that is not adequate to maintain initiatives; meet the costs of disasters; and recruit, train, and retain staff.

FEMA is an agency that is in a constant state of flux. With so much change, it is often difficult for staff to determine the agency's current priorities. Plans, initiatives, draft guidance, and working groups often, understandably, take a back seat to disaster response and recovery, and momentum toward finalization and implementation of key initiatives is slowed or lost. In light of FEMA's increased involvement in routine disasters, coupled with the recent economic downturn, which has resulted in some state and local governments reducing their emergency management funding, DHS-OIG remains concerned about whether FEMA has sufficient staff focused on planning and preparedness efforts.

DHS-OIG and the GAO have made many recommendations in its audits of FEMA operations that involve the key preparedness areas mentioned in this report. Many of these recommendations remain open. DHS-OIG will continue to work with FEMA to ensure that

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00091 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.049

corrective action plans are developed and that progress is made in fully implementing report recommendations.

DHS-OIG's 2008 report, *FEMA's Preparedness for the Next Catastrophic Disaster,* made recommendations that touched on most of the critical areas discussed above. DHS-OIG recommended: (1) improving the agency's overall awareness of its readiness for a catastrophic disaster; (2) developing and sustaining systems to track the progress of major programs, initiatives, and other activities; and (3) regularly sharing reports on the status of such activities with key stakeholders. DHS-OIG reiterates the recommendations, which remain open, and will continue to work with FEMA to ensure that progress is made toward better preparedness for the next catastrophic disaster.

Mr. Chairman, this concludes my prepared remarks. I would be happy to answer any questions you or the Committee members may have.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00092 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.050

United States Government Accountability Office

GAO

Testimony
Before the Committee on Homeland Security and Governmental Affairs, U.S. Senate

For Release on Delivery
Expected at 2:30 p.m. EST
Thursday, March 17, 2011

MEASURING DISASTER PREPAREDNESS

FEMA Has Made Limited Progress in Assessing National Capabilities

Statement of William O. Jenkins, Jr., Director
Homeland Security and Justice Issues

GAO
Accountability * Integrity * Reliability

GAO-11-260T

Mr. Chairman and Members of the Committee:

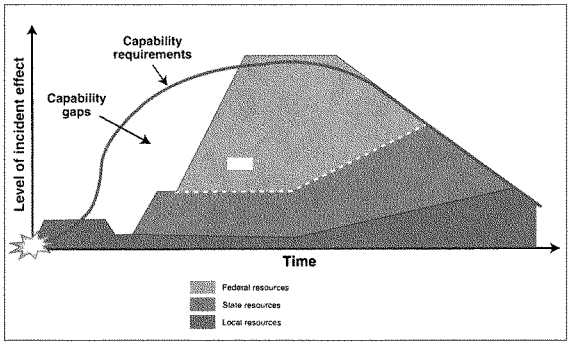
I appreciate the opportunity to participate in today's hearing and to discuss the efforts of the Federal Emergency Management Agency (FEMA)—a component of the Department of Homeland Security (DHS)—to measure and assess national capabilities to respond to a major disaster. According to the Congressional Research Service, from fiscal years 2002 through 2010, Congress appropriated over $34 billion for homeland security preparedness grant programs to enhance the capabilities of state, territory, local, and tribal governments to prevent, protect against, respond to, and recover from terrorist attacks and other disasters. Congress enacted the Post-Katrina Emergency Management Reform Act of 2006 (Post-Katrina Act) to address shortcomings in the preparation for and response to Hurricane Katrina that, among other things, gave FEMA responsibility for leading the nation in developing a national preparedness system.[1] The Post-Katrina Act requires that FEMA develop a national preparedness system and assess preparedness capabilities—capabilities needed to respond effectively to disasters—to determine the nation's preparedness capability levels and the resources needed to achieve desired levels of capability. Figure 1 provides an illustration of how federal, state, and local resources provide capabilities for different levels of "incident effect" (i.e., the extent of damage caused by a natural or manmade disaster). FEMA's National Preparedness Directorate within its Protection and National Preparedness organization is responsible for developing and implementing a system for measuring and assessing national preparedness capabilities.

[1] The Post-Katrina Act was enacted as Title VI of the Department of Homeland Security Appropriations Act, 2007, Pub. L. No. 109-295, 120 Stat. 1355 (2006). The provisions of the Post-Katrina Act are codified in numerous sections of the U.S. Code. The applicable U.S. Code citations are included in this statement. The provisions of the Post-Katrina Act became effective upon enactment, October 4, 2006, with the exception of certain organizational changes related to FEMA, most of which took effect on March 31, 2007.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00094 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.052

Figure 1: Conceptual Illustration for Assessing Capability Requirements and Identifying Capability Gaps for National Preparedness



Source: GAO

The need to define measurable national preparedness capabilities is a well-established and recognized issue. For example, in December 2003, the Advisory Panel to Assess Domestic Response Capabilities noted that preparedness (for combating terrorism) requires measurable demonstrated capacity by communities, states, and private sector entities throughout the United States to respond to threats with well-planned, well-coordinated, and effective efforts. This is consistent with our April 2002 testimony on national preparedness, in which we identified the need for goals and performance indicators to guide the nation's preparedness efforts and help to objectively assess the results of federal investments.[2] We reported that FEMA had not yet defined the outcomes of where the nation should be in terms of domestic preparedness. Thus, identifying measurable performance indicators could help FEMA

- track progress toward established goals,
- provide policy makers with the information they need to make rational resource allocations, and

[2] GAO, National Preparedness: Integration of Federal, State, Local, and Private Sector Efforts Is Critical to an Effective National Strategy for Homeland Security (GAO-02-621T Apr. 11, 2002).

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00095 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.053

- provide program managers with the data needed to effect continual improvements, measure progress, and to enforce accountability.

In September 2007, DHS issued the National Preparedness Guidelines that describe a national framework for capabilities-based preparedness as a systematic effort that includes sequential steps to first determine capability requirements and then assess current capability levels. According to the Guidelines, the results of this analysis provide a basis to identify, analyze, and choose options to address capability gaps and deficiencies, allocate funds, and assess and report the results. This proposed framework reflects critical practices we have identified for government performance and results.[3] (See appendix 1 for an illustration of the Guidelines and critical practices.)

My remarks today are based on our prior work issued from July 2005 through October 2010 on DHS's and FEMA's efforts to develop and implement a national framework for assessing preparedness capabilities at the federal, state, and local levels, as well as DHS's and FEMA's efforts to develop and use metrics to define capability levels, identify capability gaps, and prioritize national preparedness investments to fill the most critical capability gaps.[4] As requested, my testimony today focuses on the extent to which DHS and FEMA have made progress in measuring national preparedness by assessing capabilities and addressing related challenges. To conduct our work, we analyzed documentation, such as FEMA's National Preparedness Guidelines and Target Capabilities List—a list of 37 capabilities that federal, state, and local stakeholders need to possess to respond to natural or manmade disasters—and interviewed relevant DHS, FEMA, state, and local officials. We conducted this work in accordance with generally accepted government auditing standards. More detailed information on our scope and methodology appears in our published work.

[3] GAO, Executive Guide: Effectively Implementing the Government Performance and Results Act, GGD-96-118, (Washington, D.C.: June 1, 1996).

[4] GAO, *Homeland Security: DHS' Efforts to Enhance First Responders' All-Hazards Capabilities Continue to Evolve*, GAO-05-652 (Washington D.C.: July 11, 2005); *Catastrophic Disasters: Enhanced Leadership, Capabilities, and Accountability Controls Will Improve the Effectiveness of the Nation's Preparedness, Response, and Recovery System*, GAO-06-618 (Washington D.C.: Sept. 6, 2006); GAO, *National Preparedness: FEMA Has Made Progress, but Needs to Complete and Integrate Planning, Exercise, and Assessment Efforts*, GAO-09-369 (Washington, D.C.: Apr. 30, 2009); and GAO, *FEMA Has Made Limited Progress in Efforts to Develop and Implement a System to Assess National Preparedness Capabilities*, GAO-11-51R (Washington, D.C.: Oct. 29, 2010).

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00096 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.054

In summary, DHS and FEMA have implemented a number of efforts with the goal of measuring preparedness by assessing capabilities and addressing related challenges, but success has been limited. DHS first developed plans to measure preparedness by assessing capabilities, but did not fully implement those plans. FEMA then issued the target capabilities list in September 2007 but has made limited progress in developing preparedness measures and addressing long-standing challenges in assessing capabilities, such as determining how to aggregate data from federal, state, local, and tribal governments. At the time of our review of FEMA's efforts in 2008 and in 2009, FEMA was in the process of refining the target capabilities to make them more measurable and to provide state and local jurisdictions with additional guidance on the levels of capability they need. We recommended in our April 2009 report that FEMA enhance its project management plan with, among other things, milestones to help it implement its capability assessment efforts; FEMA agreed with our recommendation. We reported in October 2010 that FEMA had enhanced its plan with milestones in response to our prior recommendation and that officials said they had an ongoing effort to develop measures for target capabilities—as planning guidance to assist in state and local assessments—rather than as requirements for measuring preparedness by assessing capabilities; FEMA officials had not yet determined how they plan to revise the list.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00097 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.055

FEMA Has Made Limited Progress in Measuring Preparedness by Assessing Capabilities and Addressing Long-Standing Challenges

DHS Developed Plans for Assessing Capabilities, but Did Not Fully Implement Them

In July 2005, we reported that DHS had established a draft Target Capabilities List that provides guidance on the specific capabilities and levels of capability that FEMA would expect federal, state, local, and tribal first responders to develop and maintain. We reported that DHS defined these capabilities generically and expressed them in terms of desired operational outcomes and essential characteristics, rather than dictating specific, quantifiable responsibilities to the various jurisdictions. DHS planned to organize classes of jurisdictions that share similar characteristics—such as total population, population density, and critical infrastructure—into tiers to account for reasonable differences in capability levels among groups of jurisdictions and to appropriately apportion responsibility for development and maintenance of capabilities among levels of government and across these jurisdictional tiers. According to DHS's Assessment and Reporting Implementation Plan, DHS intended to implement a capability assessment and reporting system based on target capabilities that would allow first responders to assess their preparedness to identify gaps, excesses, or deficiencies in their existing capabilities or capabilities they will be expected to access through mutual aid. In addition, this information could be used

- to measure the readiness of federal civil response assets and the use of federal assistance at the state and local level and
- to provide a means of assessing how federal assistance programs are supporting national preparedness.

In implementing this plan, DHS intended to collect preparedness data on the capabilities of the federal government, states, local jurisdictions, and

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00098 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.056

the private sector to provide information about the baseline status of national preparedness.[5]

DHS's efforts to implement these plans were interrupted by the 2005 hurricane season. In August 2005, Hurricane Katrina—the worst natural disaster in our nation's history—made final landfall in coastal Louisiana and Mississippi, and its destructive force extended to the western Alabama coast. Hurricane Katrina and the following Hurricanes Rita and Wilma—also among the most powerful hurricanes in the nation's history—graphically illustrated the limitations at that time of the nation's readiness and ability to respond effectively to a catastrophic disaster, that is, a disaster whose effects almost immediately overwhelm the response capacities of affected state and local first responders and require outside action and support from the federal government and other entities. In June 2006, DHS concluded that target capabilities and associated performance measures should serve as the common reference system for preparedness planning.

In September 2006, we reported that numerous reports and our work suggest that the substantial resources and capabilities marshaled by federal, state, and local governments and nongovernmental organizations were insufficient to meet the immediate challenges posed by the unprecedented degree of damage and the resulting number of hurricane victims caused by Hurricanes Katrina and Rita. We also reported that developing the capabilities needed for catastrophic disasters should be part of an overall national preparedness effort that is designed to integrate and define what needs to be done, where, based on what standards, how it should be done, and how well it should be done. In October 2006, Congress passed the Post-Katrina Act that required FEMA, in developing guidelines to define target capabilities, ensure that such guidelines are specific, flexible, and measurable. In addition, the Post-Katrina Act calls for FEMA to ensure that each component of the national preparedness system, which includes the target capabilities, is developed, revised, and updated with clear and quantifiable performance metrics, measures, and outcomes.[6] We recommended, among other things, that DHS apply an all-hazards, risk management approach in deciding whether and how to invest in specific capabilities for a catastrophic disaster; DHS concurred, and

[5] DHS intended to use federal regulatory agencies and other appropriate sources to collect private-sector data.

[6] 6 U.S.C. §§ 744(b)(1), 746(c), 749(b).

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00099 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.057

FEMA said it planned to use the Target Capabilities List to assess capabilities to address all hazards.

FEMA Issued the Target Capabilities List in September 2007 but Has Made Limited Progress in Developing Preparedness Measures and Addressing Long-standing Challenges in Assessing Capabilities

In September 2007, FEMA issued the Target Capabilities List to provide a common perspective to conduct assessments to determine levels of readiness to perform critical tasks and to identify and address any gaps or deficiencies. According to FEMA, policymakers need regular reports on the status of capabilities for which they have responsibility to help them make better resource and investment decisions and to establish priorities. Further, FEMA officials said that emergency managers and planners require assessment information

- to help them address deficiencies;
- to identify alternative sources of capabilities (e.g., from mutual aid or contracts with the private sector); and
- to identify which capabilities should be tested through exercises.

Also, FEMA said that agencies or organizations that are expected to supplement or provide capabilities during an incident need assessment information to set priorities, make investment decisions, and position capabilities or resources, if needed.

In April 2009, we reported that establishing quantifiable metrics for target capabilities was a prerequisite to developing assessment data that can be compared across all levels of government. At the time of our review, FEMA was in the process of refining the target capabilities to make them more measurable and to provide state and local jurisdictions with additional guidance on the levels of capability they need. Specifically, FEMA planned to develop quantifiable metrics—or performance objectives—for each of the 37 target capabilities that are to outline specific capability targets that jurisdictions (such as cities) of varying size should strive to meet, being cognizant of the fact that there is not a "one size fits all" approach to preparedness. However, FEMA has not yet completed these quantifiable metrics for its 37 target capabilities, and it is unclear when it plans to do so.

In October 2009, in responding to congressional questions regarding FEMA's plan and timeline for reviewing and revising the 37 target capabilities, FEMA officials said they planned to conduct extensive coordination through stakeholder workshops in all 10 FEMA regions and with all federal agencies with lead and supporting responsibility for emergency support-function activities associated with each of the 37

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00100 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.058

target capabilities. The workshops were intended to define the risk factors, critical target outcomes, and resource elements for each capability. The response stated that FEMA planned to create a Task Force comprised of federal, state, local, and tribal stakeholders to examine all aspects of preparedness grants, including benchmarking efforts such as the Target Capabilities List. FEMA officials have described their goals for updating the list to include establishing measurable target outcomes, providing an objective means to justify investments and priorities, and promoting mutual aid and resource sharing. In November 2009, FEMA issued a Target Capabilities List Implementation Guide that described the function of the list as a planning tool and not a set of standards or requirements.

We reported in July 2005 that DHS had identified potential challenges in gathering the information needed to assess capabilities, including determining how to aggregate data from federal, state, local, and tribal governments and others and integrating self-assessment and external assessment approaches. In reviewing FEMA's efforts to assess capabilities, we further reported in April 2009 that FEMA faced methodological challenges with regard to (1) differences in data available, (2) variations in reporting structures across states, and (3) variations in the level of detail within data sources requiring subjective interpretation. We recommended that FEMA enhance its project management plan to include milestone dates, among other things, a recommendation to which DHS concurred. In October 2010, we reported that FEMA had enhanced its project management plan.

Nonetheless, the challenges we reported in July 2005 and April 2009 faced by DHS and FEMA, respectively, in their efforts to measure preparedness and establish a system of metrics to assess national capabilities have proved to be difficult for them to overcome. We reported that in October 2010, in general, FEMA officials said that evaluation efforts they used to collect data on national preparedness capabilities were useful for their respective purposes, but that the data collected were limited by data reliability and measurement issues related to the lack of standardization in the collection of data.

For example, FEMA's Deputy Director for Preparedness testified in October 2009 that the "Cost-to-Capabilities" (C2C) initiative developed by FEMA's Grant Programs Directorate (at that time already underway for 18

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00101 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.059

months) had a goal as a multiyear effort to manage homeland security grant programs and prioritize capability-based investments.[7] We reported in October 2010, that as a result of FEMA's difficulties in establishing metrics to measure enhancements in preparedness capabilities, officials discontinued the C2C program. Similarly, FEMA's nationwide, multiyear Gap Analysis Program implementation, proposed in March 2009, was "to provide emergency management agencies at all levels of government with greater situational awareness of response resources and capabilities." However, as we reported in October 2010, FEMA noted that states did not always have the resources or ability to provide accurate capability information into its Gap Analysis Program response models and simulation; thus, FEMA had discontinued the program.

FEMA officials reported that one of its evaluation efforts, the State Preparedness Report, has enabled FEMA to gather data on the progress, capabilities, and accomplishments of a state's, the District of Columbia's, or a territory's preparedness program, but that these reports included self-reported data that may be subject to interpretation by the reporting organizations in each state and not be readily comparable to other states' data. The officials also stated that they have taken steps to address these limitations by, for example, creating a Web-based survey tool to provide a more standardized way of collecting state preparedness information that will help FEMA officials validate the information by comparing it across states.

We reported in October 2010 that FEMA officials said they had an ongoing effort to develop measures for target capabilities—as planning guidance to assist in state and local assessments —rather than as requirements for measuring preparedness by assessing capabilities; FEMA officials had not yet determined how they plan to revise the list and said they are awaiting the completed revision of Homeland Security Presidential Directive 8, which is to address national preparedness. As a result, FEMA has not yet developed national preparedness capability requirements based on established metrics to provide a framework for national preparedness assessments. Until such a framework is in place, FEMA will not have a

[7] Statement Of The Honorable Timothy W. Manning Deputy Administrator, National Preparedness Federal Emergency Management Agency U.S. Department Of Homeland Security Before the House Committee On Homeland Security Subcommittee On Emergency Communications, Preparedness And Response "Preparedness: What Has $29 Billion In Homeland Security Grants Bought And How Do We Know?" U.S. House Of Representatives Washington, D.C., October 27, 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00102 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.060

basis to operationalize and implement its conceptual approach for assessing federal, state, and local preparedness capabilities against capability requirements to identify capability gaps for prioritizing investments in national preparedness.

Mr. Chairman, this completes my prepared statement. I would be pleased to respond to any questions that your or other Members of the Committee may have at this time.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00103 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.061

Contacts and Staff Acknowledgments

For further information about this statement, please contact William O. Jenkins Jr., Director, Homeland Security and Justice Issues, at (202) 512-8777 or jenkinswo@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. In addition to the contact named above, the following individuals from GAO's Homeland Security and Justice Team also made major contributions to this testimony: Chris Keisling, Assistant Director; John Vocino, Analyst-In-Charge; C. Patrick Washington, Analyst, and Lara Miklozek, Communications Analyst.

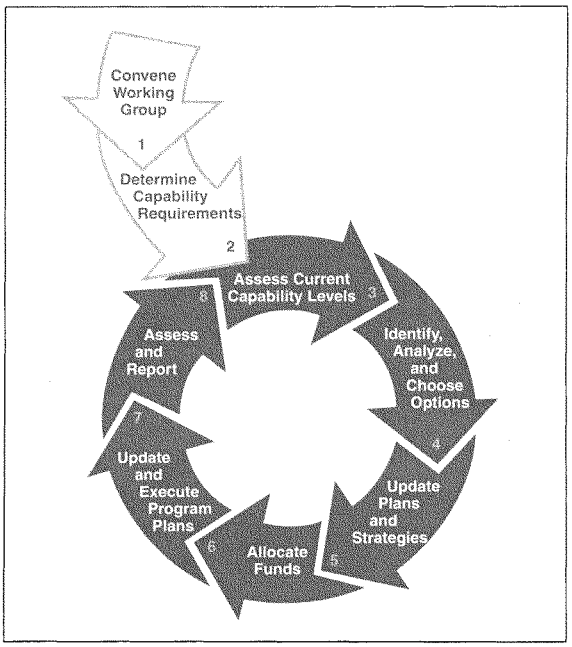
VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00104 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.062

Appendix I: National Preparedness Guidelines and Critical Practices for Performance Measurement

This appendix presents additional information on the Federal Emergency Management Agency's National Preparedness Guidelines as well as key steps and critical practices for measuring performance and results.

Figure 2: National Preparedness Guidelines Describe Steps for Assessing Capabilities

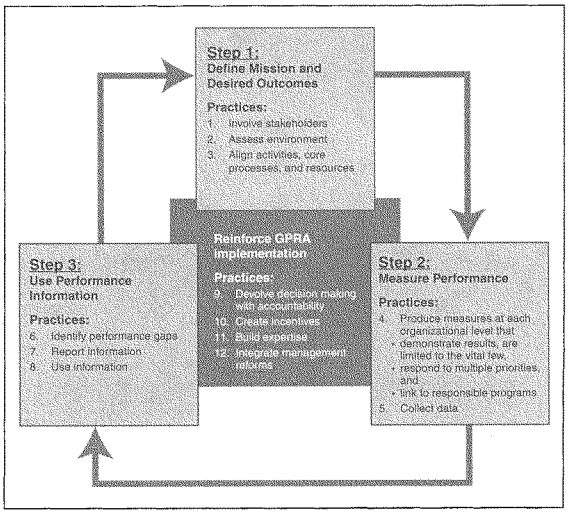


Source: DHS, National Preparedness Guidelines, September 2007

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00105 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.063

Figure 3: Key Steps and Critical Practices for Performance and Results



Source: GAO

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00106 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.064

Department of Homeland Security
Office of Inspector General

FEMA's Preparedness for the Next Catastrophic Disaster - An Update

OIG-10-123 September 2010

Office of Inspector General

U.S. Department of Homeland Security
Washington, DC 20528

Homeland Security

September 27, 2010

Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report presents the results of our assessment of FEMA's preparedness for the next catastrophic disaster. It is based on interviews with employees and officials, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

Richard L. Skinner
Inspector General

Table of Contents/Abbreviations

Executive Summary 1

Background 4

Results of Review 8

Overall Planning 9

Coordination and Support 15

Emergency Communications 19

Logistics 24

Evacuations 28

Housing 32

Disaster Workforce 37

Mission Assignments 42

Acquisition Management 46

Mitigation 50

Conclusion and Recommendations 55

Management Comments and OIG Analysis 56

Appendices

Appendix A: Purpose, Scope, and Methodology 58
Appendix B: Management Comments to the Draft Report 60
Appendix C: Selected Reports 71
Appendix D: Major Contributors to this Report 76
Appendix E: Report Distribution 77

Abbreviations

ADD	Automated Deployment Database
COTR	Contracting Officer's Technical Representative
CSP	Cadre-Specific Plan
DHS	Department of Homeland Security
DMSWG	Distribution Management Strategy Working Group
DRWD	Disaster Reserve Workforce Division
eCAPS	Enterprise Coordination and Approvals Processing System
EMI	Emergency Management Institute
ESF	Emergency Support Function
FCC	Federal Communications Commission
FCO	Federal Coordinating Officer
FEMA	Federal Emergency Management Agency
FY	Fiscal Year
GAO	Government Accountability Office
GSA	General Services Administration
HSSAI	Homeland Security Studies and Analysis Institute
IT	Information Technology
LMD	Logistics Management Directorate
LSCMS	Logistics Supply Chain Management System
MA	Mission Assignment
MAWG	Mission Assignment Working Group
MERS	Mobile Emergency Response Support
NAPA	National Academy of Public Administration
NFIP	National Flood Insurance Program
NRF	National Response Framework
OCPO	Office of the Chief Procurement Officer
OIG	Office of Inspector General
OMB	Office of Management and Budget
PFO	Principal Federal Official
P.L.	Public Law
PNP	Protection and National Preparedness
TAV	Total Asset Visibility

OIG

Department of Homeland Security
Office of Inspector General

Executive Summary

In March 2008, we issued a report in response to a request from the House Committee on Oversight and Government Reform to perform a high-level assessment of the Federal Emergency Management Agency's preparedness to handle a future disaster. We reported that the agency had made progress in all of the key preparedness areas we reviewed, although in some areas the progress was modest or limited.

The primary objective of this assessment was to determine the progress the Federal Emergency Management Agency has made in the key preparedness areas. We reviewed pertinent reports, including those of our office and the Government Accountability Office, as well as congressional testimony. We interviewed agency officials and evaluated documents provided by them. Within each of the ten key preparedness areas, we collaborated with agency officials to confirm that the critical components identified in 2008 were still relevant or to update the critical components. We assessed the agency's progress in each of the areas against a four-tiered scale: substantial progress, moderate progress, modest progress, and limited or no progress.

Given the scope and limitations of our review, we did not perform an in-depth assessment of each of the ten key preparedness areas. We used the critical components within each area, as well as our broader knowledge of the key preparedness areas, to gauge the agency's overall progress. In response to our draft report, the agency provided information on specific activities underway. While we incorporated this information where appropriate, our assessment remains a high-level assessment. We recognize the importance of the many agency programs in various stages of development and implementation, and we will consider these programs as we plan future audits.

Overall, the Federal Emergency Management Agency has made substantial progress in one of the ten key areas, moderate progress in seven areas, and modest progress in two areas (see figure 1). It would benefit from increased oversight of key preparedness areas to ensure that implementation of initiatives is sustained.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00111 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.069

Concerns that are common to our review of the critical components include: (1) the need for more effective coordination with state, local, and tribal governments; (2) the need for information technology systems that are updated and integrated agency-wide; (3) too few experienced staff to handle the increasing workload; and (4) funding that is not adequate to maintain initiatives, meet the costs of disasters, and recruit, train, and retain staff.

It should be noted that we and the Government Accountability Office have made many recommendations in our audits of agency operations that involve the key preparedness areas mentioned in this report. Many of these recommendations remain open. (See appendix C for a list of recent Office of Inspector General and Government Accountability Office reports.) We will continue to work with the Federal Emergency Management Agency to ensure that corrective action plans are submitted and that progress is made in fully implementing report recommendations. In addition, we plan to report the status of recommendations in our semiannual report.

In our 2008 report, we made recommendations in most of the critical areas discussed above. We recommended: (1) improving the agency's overall awareness of its readiness for a catastrophic disaster; (2) developing and sustaining systems to track the progress of major programs, initiatives, and other activities; and (3) regularly sharing reports on the status of such activities with key stakeholders. We reiterate those recommendations, which remain open, and will continue to work with the Federal Emergency Management Agency to ensure progress is made toward better preparedness for the next catastrophic disaster.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00112 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.070

Figure 1. Scorecard for Select Federal Emergency Management Agency Preparedness Areas

Key Preparedness Areas	2008 Progress	2010 Progress
OVERALL PLANNING	**Moderate**	**Moderate**
• Develop a strategy to guide the integration of prevention, response, and recovery efforts	Moderate	Modest
• Complete assessments of capabilities and readiness at the national, state, and local levels	Modest	Moderate
• Enhance community disaster preparedness	Moderate	Modest
• Enhance catastrophic disaster preparedness at all levels	Moderate	Moderate
COORDINATION AND SUPPORT	**Moderate**	**Moderate**
• Implement the National Response Framework and specific operations plans	Modest	Modest
• Clarify the roles, responsibilities, and authorities of the Principal Federal Official and Federal Coordinating Officer	Moderate	Substantial
• Provide law enforcement access to FEMA records	Substantial	Substantial
EMERGENCY COMMUNICATIONS (New critical components in 2010)	**Moderate**	**Substantial**
• Coordinate communications support for state, local, and tribal responders during Stafford Act incidents		Substantial
• Manage the deployment and operation of communications assets		Substantial
• Manage emergency communications grants		Moderate
LOGISTICS (One new critical component in 2010)	**Moderate**	**Moderate**
• Establish total asset visibility through the Logistics Supply Chain Management System	Moderate	Moderate
• Establish a national supply chain strategy		Moderate
EVACUATIONS (New critical components in 2010)	**Modest**	**Moderate**
• Augment state, tribal, and local emergency evacuation plans and operations		Moderate
• Establish the capability to implement a federally supported or federalized evacuation		Moderate
HOUSING	**Modest**	**Moderate**
• Develop a National Disaster Housing Strategy	Modest	Moderate
• Develop plans to purchase, track, and dispose of temporary housing units	Modest	Moderate
• Strengthen state and local commitment to house affected citizens	Modest	Modest
DISASTER WORKFORCE	**Modest**	**Modest**
• Adopt a Strategic Human Capital Plan	Moderate	Moderate
• Manage the disaster workforce and integrate workforce management tracking systems	Modest	Modest
MISSION ASSIGNMENTS	**Limited**	**Modest**
• Improve guidance for mission assignments (i.e., regulations, policies, and operating procedures)	Modest	Moderate
• Improve staffing and training	Limited	Modest
• Enhance management of mission assignments	Limited	Limited
ACQUISITION MANAGEMENT	**Moderate**	**Moderate**
• Have predisaster contracts in place	Moderate	Substantial
• Recruit, train, and retain sufficient acquisition staff	Moderate	Moderate
• Provide for postaward oversight	Modest	Modest
MITIGATION (New preparedness area in 2010)		**Moderate**
• Develop an integrated National Hazard Mitigation Strategy		Modest
• Improve local hazard mitigation planning process		Moderate
• Improve hazard mitigation operations and outcomes		Moderate

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00113 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.071

Background

In responding to natural or manmade emergency situations, current doctrine dictates that the government agencies and organizations most local to the situation act as first responders. When state and local governments become overwhelmed by the size or scope of the disaster, state officials may request assistance from the federal government, so federal agencies must always be prepared to provide support when needed. In 1979, President Carter issued an Executive Order that created the Federal Emergency Management Agency (FEMA) and merged many of the separate disaster-related federal functions. Following the terrorist attacks of September 11, 2001, the *Homeland Security Act of 2002* (Public Law [P.L.] 107-296) (Homeland Security Act) realigned FEMA and made it part of the newly formed Department of Homeland Security (DHS).

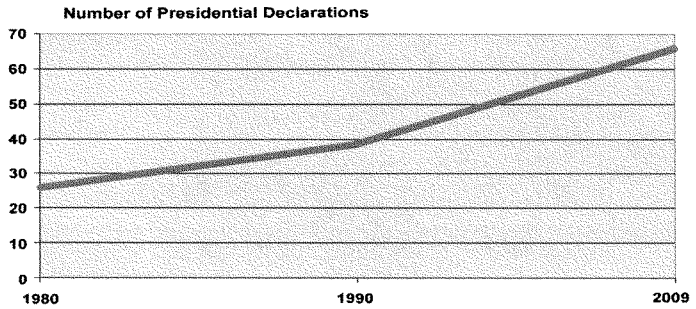
FEMA's statutory authority comes from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended (P.L. 100-707) (Stafford Act), which was signed into law in 1988 and amended the *Disaster Relief Act of 1974* (P.L. 93-288). To access federal assistance under the Stafford Act, generally, states must make an emergency or major disaster declaration request that is reviewed by FEMA for presidential approval. The Stafford Act also permits FEMA to anticipate declarations and prestage federal personnel and resources when a disaster threatening human health and safety is imminent, but not yet declared.

Between January and May 2010, FEMA responded to more than 40 presidentially declared emergencies and disasters. Since 1980, the average number of events to which FEMA responds each year has risen from 25 to about 70. Figure 2 shows the number of presidentially declared emergencies and disasters from January 1980 through December 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00114 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.072

Figure 2. Presidentially Declared Emergencies and Disasters, 1980 Through 2009



Source: FEMA.

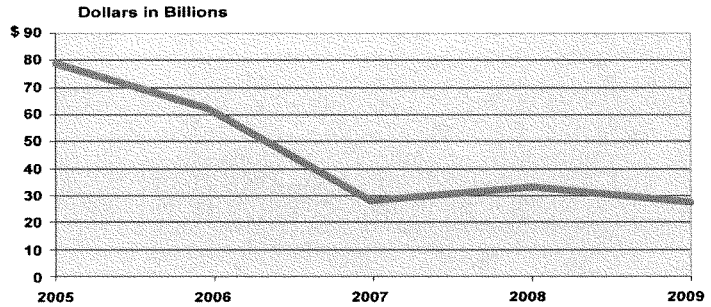
FEMA spends an average of $4.3 billion each year on responding to disasters.[1] Most of the money is spent on direct disaster assistance programs such as Individual Assistance (e.g., temporary housing), Public Assistance (e.g., debris removal and repair of damaged public property), and the Hazard Mitigation Grant Program (e.g., retrofitting buildings to make them resistant to earthquakes or strong winds). These programs are intended to address the short-, medium-, and long-term impacts of a disaster on individuals and communities. Figure 3 reflects FEMA's budgetary resources, including the Disaster Relief Fund, from FY 2005 through FY 2009.

[1] The fiscal year (FY) 2011 budget request includes a $5.1 billion supplemental appropriation for costs associated with previous catastrophic disasters.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00115 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.073

Figure 3. FEMA's Budgetary Resources, FY 2005 Through 2009



Source: DHS Annual Financial Report Data. Budgetary resources include unobligated balances carried forward; recoveries of prior year obligations; current year budget authority; and nonexpenditure transfers.

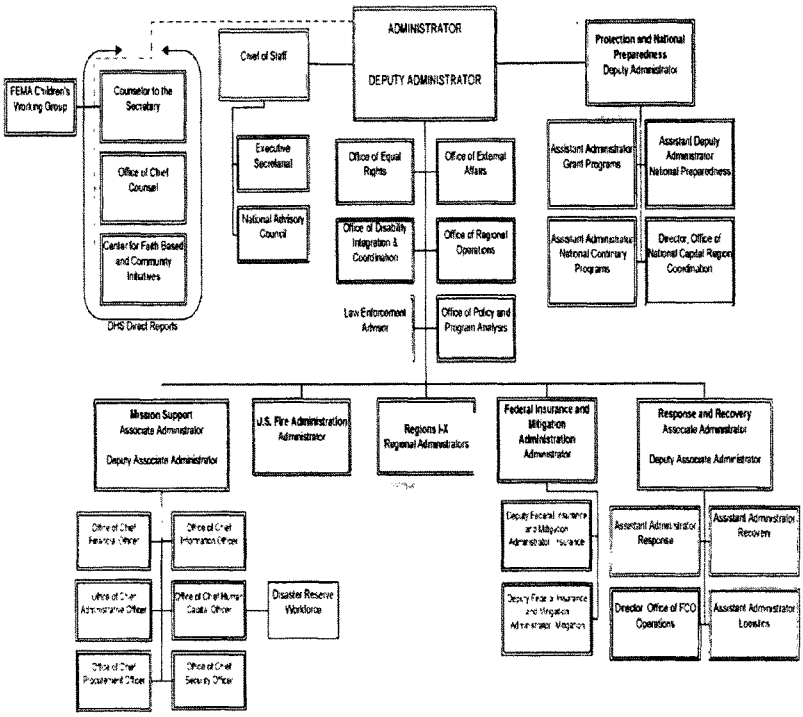
In December 2009, FEMA implemented a new organizational structure designed to help it achieve its emergency management mandate more effectively. The new structure is intended to help strengthen key functions that had been previously fragmented across multiple organizational divisions and enable FEMA to better support the disaster management efforts of citizens and first responders. Figure 4 shows the new organizational structure.

Since 1993, FEMA has been called upon to help support many routine natural disasters that historically would have been handled entirely by state and local governments. At the same time, some state and local governments cut funding to their own emergency management programs, thereby rendering themselves less prepared to handle routine disasters like floods, fires, or storms. As a relatively small federal agency, many of FEMA's staff are "dual-hatted." During nondisaster times, their primary roles may be to support planning and preparedness efforts. When a disaster hits, however, they may be working in the field on response and recovery. As more disasters are declared and disasters stay open for longer periods of time, more FEMA staff resources are diverted from planning and preparedness efforts.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00116 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.074

Figure 4. FEMA Organization as of February 2010



Source: FEMA.

In March 2008, we performed a high-level assessment of FEMA's preparedness for the next catastrophic disaster. We reported that FEMA had made moderate progress in five of nine key preparedness areas, modest progress in three areas, and limited progress in one area.[2] From November 2009 to May 2010, we conducted fieldwork to assess FEMA's current state of preparedness in these areas. We also included an assessment of Mitigation in this current review.

[2] *FEMA's Preparedness for the Next Catastrophic Disaster* (OIG-08-34), March 2008.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00117 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.075

Results of Review

We assessed FEMA's progress to improve preparedness in the following key areas:

- Overall Planning
- Coordination and Support
- Emergency Communications
- Logistics
- Evacuations
- Housing
- Disaster Workforce
- Mission Assignments
- Acquisition Management
- Mitigation

Overall, FEMA has made substantial progress in one of the ten key areas, moderate progress in seven areas, and modest progress in two areas. FEMA would benefit from increased oversight of key preparedness areas to ensure that initiatives are being implemented.

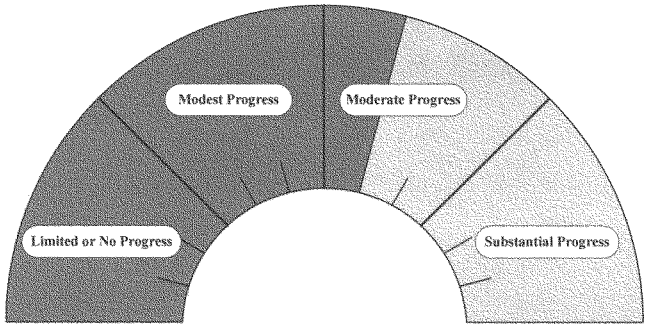
Concerns that are common to our review of the critical components include: (1) the need for more effective coordination with state, local, and tribal governments; (2) the need for information technology (IT) systems that are updated and integrated agency-wide; (3) too few experienced staff to handle the increasing workload; and (4) funding that is not adequate to maintain initiatives, meet the costs of disasters, and recruit, train, and retain staff.

FEMA continues to make progress in leading the federal effort in responding to catastrophic disasters. FEMA can build on this progress by maintaining its momentum in continuing to develop and implement the critical components of the ten key preparedness areas discussed in this report.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00118 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.076

Overall Planning



Background

FEMA's Protection and National Preparedness (PNP) is responsible for leading America's efforts to enhance preparedness to prevent, protect from, respond to, and recover from natural and manmade disasters. It strives to ensure that the Nation is prepared through a comprehensive cycle of planning, organizing, equipping, training, and exercising.

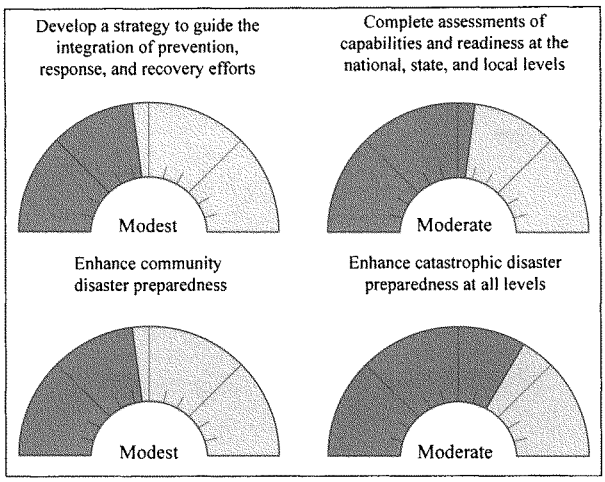
In our 2008 report, we assessed five critical areas of Overall Planning. For this update, we combined two of the previously assessed critical areas because of their similarities. We combined the "Enhance preparedness at all levels" and "Enhance preparedness for the management and resolution of catastrophic events" areas into the critical area "Enhance catastrophic disaster preparedness at all levels." In 2008, we assessed FEMA's progress in both of these areas as moderate.

This assessment of Overall Planning focuses on FEMA's efforts to:

- Develop a strategy to guide the integration of prevention, response, and recovery efforts;
- Complete assessments of capabilities and readiness at the national, state, and local levels;
- Enhance community disaster preparedness; and
- Enhance catastrophic disaster preparedness at all levels.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00119 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.077



Critical Components

Develop a strategy to guide the integration of prevention, response, and recovery efforts (Modest) – Our 2008 report rated FEMA's progress in this critical area as moderate, given that the strategy and guidance for integration of prevention, response, and recovery efforts was under development and would soon be implemented.

The *Post-Katrina Emergency Management Reform Act of 2006* (Post-Katrina Act) directed FEMA to integrate its emergency preparedness, protection, response, recovery, and mitigation responsibilities and to develop and coordinate the implementation of a risk-based, all-hazards strategy for preparedness. However, FEMA's PNP has yet to complete the development and implementation of a strategy and guidance for the integration of prevention, response, and recovery efforts.[3] In April and October 2009, the Government Accountability Office (GAO) reported that the PNP had not developed a strategic plan.[4] In the interim, PNP used its annual operating plan, which aligns with FEMA's strategic plan, to

[3] *The Post-Katrina Emergency Management Reform Act of 2006*, Section 503 (2) (D), directed the FEMA Administrator to integrate the agency's emergency preparedness, protection, response, recovery, and mitigation responsibilities to confront effectively the challenges of a natural disaster, act of terrorism, or other manmade disaster.

[4] *National Preparedness, FEMA Has Made Progress, but Needs to Complete and Integrate Planning, Exercise, and Assessment Effort* (GAO-09-369), April 2009. *Emergency Management, Preliminary Observations on FEMA's Community Preparedness Programs Related to the National Preparedness System* (GAO-10-105T), October 2009. At the time of these reports, PNP was known as the National Preparedness Directorate.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00120 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.078

guide its integration strategy. However, the GAO report noted that the annual operating plan does not have key elements of an effective national strategy, such as how to gauge progress.

FEMA officials indicated that PNP is in the process of developing a strategic plan that will strengthen the integration of each of the directorate's divisions and include specific goals, timelines, milestones, and measurements of progress. PNP plans to develop a new version of its strategic plan and begin implementation by the end of December 2010. However, the timeline for completing the strategic plan will hinge primarily on the completion of the new Presidential Policy Directive on National Preparedness, which is currently in draft, and the recommendations of the National Preparedness Task Force. Specifically, PNP has taken the following actions on its strategic plan:

- Creating a community of division-level leadership to help guide and execute the new strategy being developed;
- Performing inventories and analyses to lay the foundation for the strategy that aligns PNP-wide activities to the strategic focus; and
- Identifying a three-phased approach to strategic planning. (Currently, the first round of review for Phase I: "Creating Strategic Focus" is underway.)

FEMA officials emphasized that the Quadrennial Homeland Security Review, the Bottom-Up-Review, the Presidential Policy Directive on National Preparedness, and recommendations of the National Preparedness Task Force will have significant implications for the agency and the national preparedness system.

Complete assessments of capabilities and readiness at the national, state, and local levels (Moderate) – FEMA used the Cost to Capabilities initiative and the Gap Analysis Program to conduct capabilities and readiness assessments.[5] The Cost to Capabilities initiative was intended to optimize the impact of homeland security grant dollars on preparedness efforts, and the Gap Analysis Program was designed to improve operational readiness by reducing response and recovery capability shortfalls throughout all levels of government.

FEMA conducted gap analyses in 2008 and 2009 for FEMA Regions I, II, III, IV, and VI. Once the gaps were identified, FEMA worked closely with the states to mitigate the shortfalls. For example, in May 2009, a state in FEMA Region I reported that it would be unable to meet transportation and evacuation needs if a Category 3 hurricane made landfall. FEMA is working with the state to provide technical assistance in developing and refining its evacuation plans.

[5] The Post-Katrina Act requires the FEMA Administrator to establish a comprehensive assessment to assess, on an ongoing basis, the Nation's prevention capabilities and overall preparedness, including operational readiness.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00121 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.079

In July 2009, the FEMA Administrator issued a moratorium on new information requests from state, tribal, and local governments. This suspension of data collection applies to the Cost to Capabilities initiative and the Gap Analysis Program. The FEMA Administrator directed PNP to gather all the reporting information required by directorates and develop a consolidated process that eliminates duplication and minimizes the burden on state, local, and tribal partners. The Reporting Requirements Working Group was formed in August 2009, composed of FEMA representatives and officials from state, local, tribal, and territorial governments. The working group meets regularly, and a proposal to streamline reporting requirements is due to the FEMA Administrator this fiscal year.

PNP is also leading an effort to update the status of catastrophic planning in all 50 states and 75 of the Nation's largest urban areas. This update was undertaken at the direction of Congress and was due in April 2010.[6] As of May 2010, FEMA was finalizing the report.

Enhance community disaster preparedness (Modest) – Although FEMA emphasizes the importance of individual and community preparedness, significant challenges remain. Our 2008 report rated FEMA's progress in this critical area as moderate, as efforts were underway to coordinate and integrate community disaster preparedness through the Citizen Corps Program and the Ready Campaign. However, in January 2010, GAO reported that FEMA has been unable to measure performance effectively for these programs.[7] FEMA is in the process of developing a corrective action plan to address GAO's concerns.

The Citizen Corps Program is intended to make communities safer, stronger, and better prepared to respond to disasters of all kinds through education, training, and volunteer service. The program uses the number of local volunteer organizations registered nationwide as its principal performance measure, but the GAO report said that FEMA does not verify that registration data are accurate. FEMA officials said that a survey tool to assess the activities of Citizen Corps Councils nationwide has been developed and is awaiting approval from the Office of Management and Budget (OMB).

The Ready Campaign is a national public service advertising campaign designed to educate citizens to prepare for and respond to terrorist attacks and other emergencies. GAO determined that FEMA has been unable to control the distribution of the Ready Campaign messages or measure whether the messages are changing individuals' behavior.

[6] Conference Report (111-298) accompanying the *Department of Homeland Security Appropriations Act*, 2010.
[7] *Emergency Preparedness, FEMA Faces Challenges Integrating Community Preparedness Programs into Its Strategic Approach* (GAO-10-193), January 2010

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00122 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.080

In 2008, we noted that various offices within DHS are responsible for elements of community preparedness, which was a challenge. However, since 2008, several programs, such as the Ready Campaign and faith-based community initiatives, have been transferred to FEMA.

In January 2009, FEMA hosted a summit to generate ideas for creating a culture of preparedness. Government and nongovernment experts in emergency management, sociology, psychology, mass communications, and commercial marketing attended the summit. FEMA used the results from the summit and findings from a FEMA report titled *Personal Preparedness in America: Findings from the 2009 Citizen Corps National Survey* to draft a Community Preparedness Strategic Approach to promote a culture of preparedness.[8]

In October 2009, the National Academy of Public Administration (NAPA) reported that FEMA has taken significant steps to integrate preparedness and develop more robust regional offices.[9] However, the report concluded that while progress has been made: (1) preparedness is not fully integrated across FEMA; (2) FEMA's regional offices do not yet have the capacity required to ensure that the Nation is fully prepared; and (3) stakeholders are not yet full partners with FEMA in national preparedness.

Enhance catastrophic disaster preparedness at all levels (Moderate) – FEMA has made progress enhancing catastrophic preparedness, particularly at the regional level. FEMA officials told us that several regional planning initiatives have been undertaken since 2008, including the Hawaii Hurricane Plan, the San Francisco Bay Area Earthquake Plan, the Northwest Nevada Earthquake Plan, and the Florida Hurricane Plan. Planning initiatives currently underway include the Southern California Earthquake Planning Initiative, the Guam Typhoon Planning Initiative, the Gulf Coast Hurricane Planning Initiative, and the New Madrid Seismic Zone Catastrophic Earthquake Planning Initiative.

In April 2010, Secretary Napolitano announced the creation of a National Preparedness Task Force charged with making recommendations for all levels of government regarding: (1) disaster and emergency guidance and policy; (2) federal grants; and (3) federal requirements, including measuring efforts. The task force includes federal, state, tribal, territorial, and local government officials, nongovernmental organization officials, and private sector officials. The task force will conduct regular meetings and expects to deliver recommendations in September 2010.

PNP is also working to complete FEMA's first National Preparedness Report, which will describe federal, state, and local preparedness levels and identify nationwide trends that can inform decisionmakers on what actions are needed to

[8] *Personal Preparedness in America. Findings from the 2009 Citizen Corps National Survey*, December 2009.
[9] NAPA, *FEMA's Integration of Preparedness and Development of Robust Regional Offices*, October 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00123 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.081

further enhance our Nation's preparedness for 4 of the 15 National Planning Scenarios: Improvised Explosive Device, Improvised Nuclear Device, Pandemic Influenza, and Hurricane. The draft National Preparedness Report is in the clearance phase with OMB. In May 2010, PNP conducted the 2010 National Level Exercise to test its catastrophic planning efforts. The exercise tested the response capabilities to an improvised nuclear device detonation.

FEMA officials stated that FEMA regional offices encourage constant dialogue with state and local governments and reap the benefits of a better awareness of what is happening in the states. FEMA officials also credited the collaboration between the federal government and state and local governments through various working groups and task forces with helping to bring together different perspectives. An example of collaboration is the emergency planning guide *Comprehensive Preparedness Guide 101*, which PNP developed in coordination with state and local governments. The guide, finalized in March 2009, provides response and recovery planning guidance to state, territorial, tribal, and local governments.

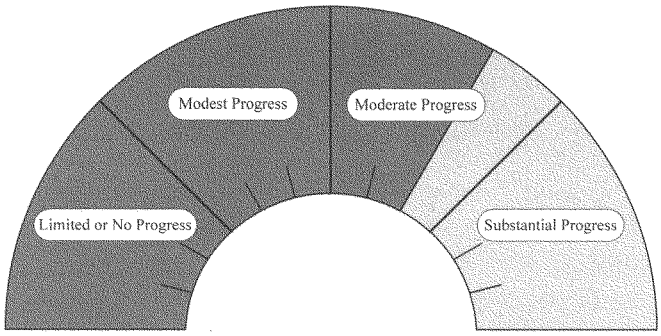
Continuing Concerns

The Post-Katrina Act reaffirmed FEMA's mission and set forth requirements that remain to be completed, including the development of a strategy to integrate prevention, response, and recovery efforts. Despite the important role of individuals and communities in preparing for a disaster, FEMA faces numerous challenges in measuring the effectiveness of its efforts to enhance individual and community preparedness.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00124 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.082

Coordination and Support



Background

Following the terrorist attacks of September 11, 2001, efforts were undertaken to develop a national planning framework for emergency management. The result was the creation of the National Response Plan. The National Response Plan was used in response to Hurricane Katrina, but it fell far short of the seamless, coordinated effort that had been envisioned. Problems ranging from poor coordination of federal support to confusion about the roles and authorities of incident managers to inadequate information sharing among responders plagued the response to this catastrophic disaster.

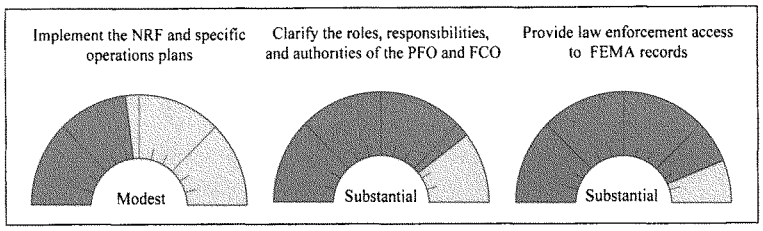
DHS issued the National Response Framework (NRF) in January 2008 to replace the National Response Plan. The NRF is intended to guide how the Nation conducts all-hazards response and describes key lessons learned from hurricanes Katrina and Rita, focusing particularly on how the federal government is organized to support communities and states in catastrophic incidents.

To determine FEMA's readiness to support communities and states in response to a future catastrophic disaster, we reassessed the critical components evaluated in our 2008 report:

- Implement the NRF and specific operations plans;
- Clarify the roles, responsibilities, and authorities of the Principal Federal Official (PFO) and Federal Coordinating Officer (FCO); and
- Provide law enforcement access to FEMA records in support of Emergency Support Function-13 (ESF-13), *Public Safety and Security*.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00125 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.083



Critical Components

Implement the NRF and specific operations plans (Modest) – The NRF was implemented in March 2008, but federal operations plans that describe detailed resource, personnel, and asset allocations necessary to respond to incidents representing the gravest dangers facing the United States have not yet been completed.

Since superseding the National Response Plan, the NRF has been used in more than 160 presidentially declared disasters and emergencies. FEMA includes the NRF Resource Center on its website to help stakeholders across the Nation understand domestic incident response roles, responsibilities, and relationships in order to respond more effectively to any type of incident. The Resource Center includes documents and guides pertaining to the National Incident Management System, the support annexes, briefings, and job aids. According to FEMA officials, the NRF will undergo a scheduled review this year and be updated in 2011 to include lessons learned and best practices.

The NRF describes planning as the cornerstone of national preparedness and a critical element to respond to a disaster or emergency. It also lists 15 National Planning Scenarios that represent a minimum number of credible scenarios depicting the range of potential terrorist attacks and natural disasters and related impacts facing our Nation. Operations plans for these scenarios are particularly important because they identify detailed resources, personnel, assets and specific roles, responsibilities, and actions for each federal department and agency responding to an incident or emergency. Our recent audit of federal incident management planning efforts determined that although planning has progressed for certain scenarios, much work remains to complete operations plans for all 15 scenarios.[10] Moreover, a senior DHS official said that planning was put on hold in July 2009 owing to the review of *Homeland Security Presidential Directive–8* by the Domestic Readiness Group and National Security Council.

Clarify the roles, responsibilities, and authorities of the PFO and FCO (Substantial) – FEMA has made progress in clarifying the roles of key senior

[10] *DHS Progress in Federal Incident Management Planning* (OIG-10-58), March 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00126 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.084

federal officials who typically may be deployed with a federal incident management team. The NRF describes the roles of both the PFO and FCO and their responsibilities and authorities during an incident. It underscores that the PFO does not have directive authority over an FCO or any other federal or state official. Rather, "the PFO promotes collaboration and, as possible, resolves any Federal interagency conflict that may arise." It also underscores that the FCO is specifically appointed by the President to coordinate federal support in the response to and recovery from emergencies and major disasters by executing Stafford Act authorities, including commitment of FEMA resources and the mission assignment of other federal departments or agencies. To further clarify that the FCO is the primary federal representative with whom the state, tribal, and local response officials interface, Congress included in the *DHS Appropriations Act of 2010* (P.L. 111-83) prohibitions on the use of funds for any position designated as a PFO for Stafford Act–declared disasters or emergencies. It is important to note, however, that the DHS Secretary retains the authority to appoint a representative who functionally reports through the FCO; however, the NRF has not yet been updated to reflect this clarification. Additionally, FEMA Administrator Fugate, in testimony on May 6, 2010, declared that DHS will follow existing federal law and no longer appoint PFOs in disasters and emergencies that fall under the Stafford Act. Further, the department will not object to keeping the prohibition against such appointments in law.[11] In August 2010, FEMA reported that it is no longer referring to incident commanders or team leaders as PFOs.

Provide law enforcement access to FEMA records (Substantial) – Since our last assessment, FEMA has made progress in improving law enforcement access to its disaster recovery assistance files by updating its system-of-records notice relating to FEMA disaster recovery assistance files. However, the protocols, procedures, and processes for facilitating law enforcement access to these records are not fully in place.

To remedy information-sharing problems encountered following Hurricane Katrina and to facilitate law enforcement access to FEMA disaster recovery assistance files for investigating fraud, locating missing children, and identifying the whereabouts of sex offenders and fugitive felons, FEMA executed agreements with the Department of Justice, including the Federal Bureau of Investigation and U.S. Marshals Service.[12] Additionally, in November 2007 FEMA appointed a

[11] Testimony of W. Craig Fugate, FEMA Administrator, at the hearing, "Priorities For Disasters and Economic Disruption: The Proposed FY 2011 Budgets for FEMA and the Economic Development Administration" before the Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, United States House of Representatives. Washington, DC, May 6, 2010.

[12] These agreements remain in effect, and in September 2009, FEMA updated its system-of-records notice for its disaster recovery assistance files to expand access to "appropriate federal, state, territorial, tribal, local, international, or foreign law enforcement authority or other appropriate agency charged with investigating or prosecuting such a violation or enforcing or implementing a law, rule, regulation, or order, so long as such disclosure is proper and consistent with the official duties of the person receiving the information."

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00127 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.085

law enforcement advisor to the administrator to fill a position created by the Post-Katrina Act. The advisor is to provide FEMA with a law enforcement perspective on agency plans and policies and support FEMA's growing interaction with law enforcement associations. Although FEMA's law enforcement advisor was aware of the agreements executed in 2006 and 2007 with the Department of Justice, he said he would not be involved in any future policy review unless specifically asked by FEMA's Office of Chief Counsel.

FEMA officials told us that they are 90% complete with establishing the protocols, procedures, and processes for providing appropriate law enforcement access to FEMA disaster recovery assistance records, to include Interagency Security Agreements with the Department of Justice and others needing access. FEMA anticipates that standard operating procedures will be in place by the end of this fiscal year.

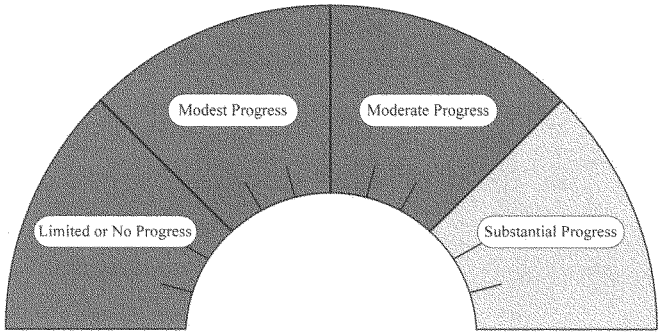
Continuing Concerns

Federal operations plans for all 15 National Planning Scenarios are still needed because they guide other preparedness activities and contribute to the unity of effort by providing a common blueprint for activity in an emergency. We consider completion of these plans, particularly by agencies designated in the NRF as coordinators or primary agencies, as a foundational element for both preparedness and response. Additionally, FEMA should update the NRF to remedy confusion about the role, authority, and responsibilities of the PFO and to ensure that all NRF stakeholders are aware of the intent of Congress. Finally, it is important that the FEMA law enforcement advisor and his staff be kept aware of and regularly consulted on the execution of future law enforcement agreements and FEMA's implementation of protocols, procedures, and processes to provide access to appropriate law enforcement entities.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00128 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.086

Emergency Communications



Background

Disaster emergency communication is the means of transmitting and receiving voice, data, and video messages; information; and images critical to the management of an incident in which communications infrastructure has been abnormally impacted or lost. The ability of the disaster response community to communicate during an incident is essential to successful response and recovery efforts. It is generally recognized that the inability to communicate effectively was a major impediment to operations following the September 11, 2001 attacks and Hurricane Katrina. Critical emergency communications areas include the ability to maintain communications in the disruptive environment of catastrophic disasters (continuity), the ability to communicate across different organizations (interoperability), and the system's ability to handle the increased demand that often accompanies disasters (capacity).

Many agencies have a role in emergency communications. The NRF's Emergency Support Function for Communications (ESF-2) identifies eight federal agencies with primary or supporting roles. DHS and other federal agencies have recently developed strategic guidance and pursued significant efforts, such as the National Emergency Communications Plan and the Emergency Communications Preparedness Center. The Federal Communications Commission (FCC), in conjunction with DHS, has been working to establish a nationwide interoperable network to increase emergency responders' communications capacity.

Three organizational components within DHS are responsible for emergency communications: (1) the National Protection and Programs Directorate's Office of Emergency Communications; (2) the Science & Technology Directorate; and (3) FEMA's Response Directorate's Disaster Emergency Communications Division. In the past, there was confusion over which of these three elements led

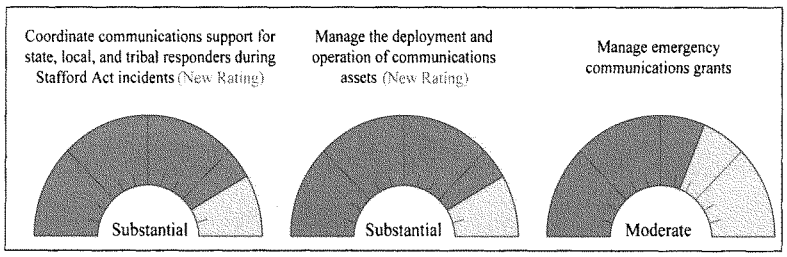
VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00129 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.087

DHS' efforts in this area. In July 2009, Secretary Napolitano designated the Office of Emergency Communications to lead DHS' efforts to advance interoperable emergency communications. Notwithstanding the recent designation, FEMA has important responsibilities in this area.

This report focuses on FEMA's areas of responsibility. Title 6 of the U.S. Code directs FEMA to provide funding, training, exercises, technical assistance, planning, and other assistance to build tribal, local, state, regional, and national communications capabilities to respond to a natural disaster, act of terrorism, or other manmade disaster.[13] FEMA's Office of National Preparedness and Protection, Grants Program Directorate is responsible for administering the Interoperable Emergency Communications Grant Program. Consequently, we updated our criteria from the 2008 report to assess FEMA's progress in the following critical areas:

- Coordinate communications support for state, local, and tribal responders during Stafford Act incidents;
- Manage the deployment and operation of communications assets; and
- Manage emergency communications grants.



Critical Components

Coordinate communications support for state, local, and tribal emergency responders during Stafford Act incidents (Substantial) – FEMA's Disaster Emergency Communications Division of the Response Directorate has been actively coordinating federal communications support for state, tribal, and local responders. The Disaster Emergency Communications Division is working with the National Communications System to revise the overarching ESF-2 standard operating procedures. Once the revision has been finalized, the division will revise its internal standard operating procedures to align with the ESF-2 standard operating procedures. FEMA officials said that coordination between the two offices is a continuous process with frequent meetings. However, there continues to be some confusion among the Disaster Emergency Communications Division,

[13] Title 6 U.S.C., sections 313(b)(2)(G); 314(a)(7); and 579(c)(1).

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00130 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.088

the National Communications System, and other federal ESF-2 partners. This was evident during disaster response operations in American Samoa.

FEMA recently entered into an interagency agreement with the FCC to provide incident-area impact analysis in the immediate aftermath of an incident. FEMA can mission assign the FCC to deploy equipment and technicians to disaster areas to identify commercial, public safety, and critical infrastructure communications outages. Using this information, ESF-2 can coordinate the restoration of these communications systems. Identifying these outages is of vital importance to FEMA in ensuring that public welfare and evacuation information is disseminated to the disaster area in a timely and accurate manner.

Recognizing the importance of a rapid response to an incident, FEMA has developed 11 pre-scripted mission assignments with the FCC, the U.S. Coast Guard, the Department of Defense, the National Communications System, and the U.S. Forest Service. The U.S. Coast Guard has agreed to provide mobile communication teams to support first responders and to coordinate initial operations in response to a disaster. The U.S. Forest Service will provide telecommunications equipment and personnel to support response operations, and the Department of Defense will provide 24-hour voice, data, and video communications solutions. These pre-scripted mission assignments provide FEMA with the communications equipment and personnel necessary for rapid response to an incident.

Working with federal, state, tribal, and local responders, FEMA helped to establish in each of its ten regions the congressionally mandated Regional Emergency Communications Coordination Working Groups, which are headed by local responders and consist of their federal, state, and local counterparts. The working groups assess the status of local emergency communications systems and report annually to federal stakeholders. FEMA told us that nine regions have completed their annual reports. When all reports are complete, FEMA will compile the submissions into a national report. FEMA is also assisting regional and state jurisdictions to develop emergency communications plans that allow FEMA to be better prepared to pre-position and deploy needed communications assets during catastrophic incidents. To date, 27 states and 4 regions have emergency communications plans.

FEMA has participated in multiple emergency communications exercises. FEMA officials said that they recently participated in an interoperable radio exercise with the U.S. Secret Service; a joint exercise with the Transportation Security Administration and the U.S. Army using the Military Affiliate Radio System as a backup in case of widespread devastation, as occurred after Hurricane Katrina; and an exercise with the U.S. Coast Guard. FEMA will also participate in the 2011 National Level Exercise focusing on a catastrophic earthquake in the New Madrid Seismic Zone. Before the exercise, states will provide information on the types of communications assets they own. FEMA will conduct a scenario-based

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00131 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.089

impact assessment using the information provided and present the assessment results to the states so they can exercise based on the results. The Regional Emergency Communications Coordination Working Groups will work with state and local representatives to identify continuity exercises within the region that include communications as a component. Finally, FEMA recently participated in an ESF-2 exercise that simulated operations during the response and recovery phases after an earthquake in Salt Lake City, Utah. Participants included DHS; the Department of Defense; the General Services Administration (GSA); the U.S. Forest Service; and state, county, and city officials. FEMA officials said that the exercise provided a better understanding of the roles, capabilities, and authorities of, and coordination with, ESF-2 departments and agencies, and state and local agencies and officials.

Manage the deployment and operation of communications assets (Substantial) – FEMA has effectively deployed communications assets to the state and local emergency community through the Mobile Emergency Response Support (MERS) detachments. MERS detachments are comprised of trained professionals and specialized equipment, including interoperable high frequency, very high frequency, ultra high frequency, and 700/800 megahertz communications systems, as well as satellite systems. MERS communications assets can establish or reestablish connectivity with public safety wireless systems and command and control networks. MERS detachments can also interconnect and wire facilities within the disaster region and install computer, telephone, and video networks.

MERS detachments have been deployed in connection with major incidents almost continuously over the past year. Domestically, detachments deployed to several states, including most recently to North Dakota and South Dakota. During the international response effort in Haiti, FEMA sent several detachments to support urban search and rescue teams and other responders. MERS detachments also deployed in response to a tsunami in American Samoa and a typhoon in Guam.

Although MERS deployments have been successful, there have been some minor concerns. For example, during the deployment to American Samoa, there was confusion regarding who could contact MERS assets for information. FEMA is addressing this question with the National Communications System and its ESF-2 partners. In the after-action report for the Haiti deployment, FEMA identified the need for enhanced logistical support for deployed MERS detachments, specifically the acquisition of appropriate portable shelter equipment, and the need for updated policy and procedures related to the movement of FEMA assets outside the continental United States.

Manage emergency communications grants (Moderate) – FEMA has made progress in managing emergency communications grants to enhance state and local capabilities. From FY 2004 through FY 2008, the last year for which complete figures are available, DHS awarded more than $3 billion in grants to

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00132 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.090

enhance state and local interoperable communications efforts. In addition, FEMA is administering, on behalf of the Department of Commerce, the Public Safety Interoperable Communications Grant Program, which is funded through proceeds from the auction of analog television frequency spectrum. This grant program, totaling almost $1 billion, is designed to improve state and local public safety agencies' emergency communications. DHS has provided technical assistance and guidance to states and territories to develop Statewide Communications Interoperability Plans, which are a requirement for receiving grant funds. By April 2008, all 56 states and territories had a DHS-approved plan.

To measure the effectiveness of grants, in 2008 FEMA developed a Cost to Capability initiative. Following an agency-wide moratorium on new requests for information from state and local governments, the Cost to Capability initiative was suspended in November 2009. Therefore, there is currently no system in place to measure the impact of grants. However, FEMA's Reporting Requirements Working Group is developing a data collection system intended eventually to measure the effectiveness of several programs, including communications grants.

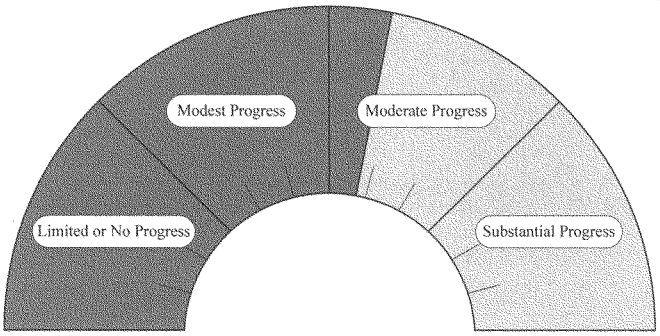
Continuing Concerns

Despite a robust program to coordinate and deploy communications support for federal, state, tribal, and local responders during Stafford Act incidents, FEMA has yet to field a system to measure the impact of communications-related grants.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00133 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.091

Logistics



Background

The Logistics Management Directorate (LMD) is the agency's major program office responsible for policy, guidance, standards, execution, and governance of logistics support, services, and operations. Its mission is to plan, manage, and sustain the national logistics response and recovery operations in support of domestic emergencies and special events. LMD is organized around four core competencies:

- Logistics Operations
- Logistics Plans and Exercises
- Distribution Management
- Property Management

FEMA's logistics responsibilities include acquiring, receiving, storing, shipping, tracking, sustaining, and recovering commodities, assets, and property.

LMD's ability to track commodities is one of the keys to fulfilling its mission. The disasters of 2004 and 2005 highlighted inconsistencies stemming from multiple, independent computer and paper-based systems and highlighted a need for standardized policies and procedures.

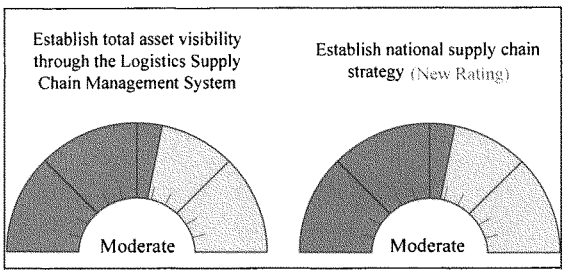
After Hurricane Katrina, FEMA identified areas for improving its end-to-end supply chain and established the Total Asset Visibility (TAV) program to implement processes and automate the flow of commodity information.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00134 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.092

FEMA management is focused on improving the logistics core competencies to a level that will respond effectively and efficiently to a catastrophic disaster. We assessed two critical areas to measure FEMA's progress to:

- Establish total asset visibility through the Logistics Supply Chain Management System (LSCMS); and
- Establish a national supply chain strategy.



Critical Components

Establish total asset visibility through the Logistics Supply Chain Management System (Moderate) – Prior to 2004, FEMA had invested in multiple systems to support its unique inventory needs, but they were not integrated and were duplicative. In response, FEMA began to implement the TAV program in FY 2005. Since implementation, TAV has undergone two phases of development.

TAV-Phase 1 was a pilot program that involved improving the visibility of select assets for two FEMA regions and distribution centers supporting the hurricane-prone Gulf Coast states. This phase of TAV was deployed in time to support the 2006 hurricane season and to allow FEMA to begin integrating modern logistics processes and applications with existing FEMA processes. At the end of FY 2009, FEMA transitioned from TAV-Phase 1 to the LSCMS (TAV-Phase 2). LMD implemented a number of LSCMS milestones during the current fiscal year, including:

- Wireless Enterprise Procurement - wireless package;
- Warehouse Management - functional design; and
- Trading Partner Management - development.

According to FEMA, every element of LSCMS is fully functional but not completely implemented. The entire application is scheduled to be implemented by the end of calendar year 2010.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00135 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.093

LSCMS is expected to be interoperable with federal, state, county, municipal, tribal government, and nongovernmental organizations' disaster management supply chain processes and systems. The final product and implementation will encompass all aspects of FEMA operations, including inventory management, requisitions, order management, fulfillment, shipping, transportation management, situational awareness and reporting, and retrograde processes.

New LSCMS initiatives include change management, training, acceptance, and accountability. Officials said that FEMA is addressing change management across all ten regions by increasing communications throughout FEMA and by providing role-based training.

Establish a national supply chain strategy (Moderate) – During a disaster, when state and local governments' capabilities are exceeded, the state may request FEMA's assistance. The specific type and quantity of commodities and support assets needed will vary, but experience indicates that some common needs include water (usually bottled), emergency meals, cots, blankets, tarps, and generators.

FEMA has determined that pre-positioning commodities is neither logistically prudent nor an effective use of taxpayer funds. FEMA has focused on eliminating potential waste by:

- Changing LMD business practices and procedures;
- Strengthening public and private sector solutions and relationships with partners such as the Defense Logistics Agency, U.S. Army Corps of Engineers, American Red Cross, and GSA; and
- Implementing a continuous process review and developing standard operating procedures at all FEMA Distribution Centers.

To develop a more responsive, flexible, and sustainable supply chain management strategy, LMD established the following workgroups:

- The Distribution Management Strategy Working Group (DMSWG) supports LMD as the National Logistics Coordinator, which collaborates with other federal agencies, public and private sector partners, nongovernmental organizations, and other stakeholders, ensuring a fully coordinated and effective service and support capability. The outcomes associated with this effort include addressing an excess capacity distribution strategy.
- The Resource Management Group, a component of the DMSWG, focuses on coordinating collaborative logistics and sourcing decisions.
- The Commodity Group, also a component of the DMSWG, focuses on sourcing strategy and defining inventory levels throughout the logistics disaster response partner community.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00136 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.094

FEMA supported the United States response to the 2010 Haiti earthquake within 72 hours and provided water, meals, cots, blankets, tarps, plastic sheets and Joint Field Office kits. FEMA coordinated and moved more than 190 tractor-trailers of supplies to support the disaster response.

Continuing Concerns

FEMA personnel said that two of the primary challenges to improving the LSCMS business process are retaining sufficient staffing and implementing change management across all ten regions. Although LSCMS has been available, the primary methods of information transfer continued to be email, phone calls, and spreadsheets. Customer satisfaction surveys from 2008 and 2009 show low systems usage among logistics professionals in the field.

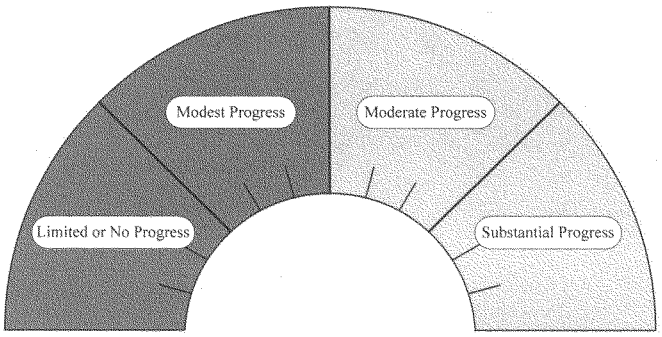
FEMA has improved its logistics systems and processes; however, LSCMS is not yet fully implemented and may not be fully effective until disaster response personnel have adopted all aspects of the new business process, as discussed in our recent report.[14]

[14] *FEMA's Logistics Management Process for Responding to Catastrophic Disasters* (OIG-10-101), July 2010.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00137 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.095

Evacuations



Background

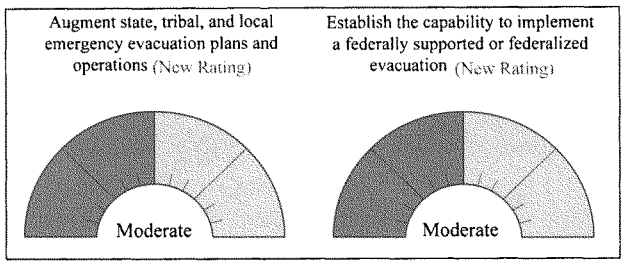
Emergency evacuations are the responsibility of state and local governments. However, if state and local emergency management systems become overwhelmed, FEMA has several specific responsibilities. According to the National Response Framework's Mass Evacuation Incident Annex, FEMA will: (1) primarily augment state, tribal, and local government plans and operations; and (2) be capable of implementing a federally supported or federalized evacuation. FEMA is responsible for providing direction, guidance, and technical assistance on state and local evacuation plans that contain integrated information on transportation operations, shelters, and other elements of a successful evacuation. FEMA is also required to work with state, tribal, and local authorities to support contraflow planning, where the normal flow of traffic is reversed to aid in an evacuation, and is responsible for ensuring that adequate resources are available for evacuation efforts.

Our 2008 report assessed two specific initiatives involving evacuations: (1) the Gulf Coast Mass Evacuation Capability Enhancement Initiative; and (2) the Gap Analysis Program. For this report, we expanded our focus to include FEMA's full responsibilities and authorities outlined in the Post-Katrina Act. We reviewed FEMA's efforts to:

- Augment state, tribal, and local emergency evacuation plans and operations; and
- Establish the capability to implement a federally supported or federalized evacuation.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00138 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.096



Critical Components

Augment state, tribal, and local emergency evacuation plans and operations (Moderate) – We assessed FEMA's progress in this area, focusing on the Gulf Coast Mass Evacuation Capability Enhancement Initiative, the Gap Analysis Program, the Catastrophic Disaster Planning Initiative, and evacuation planning workshops sponsored by FEMA. Through these initiatives and others, FEMA has worked with at least 35 states and territories on evacuation planning since 2008.

FEMA launched the Gulf Coast Mass Evacuation Capability Enhancement Initiative in 2007 to develop an organized plan for evacuating the Gulf Coast region and to have state-to-state agreements in place for transporting and sheltering evacuees. Evacuations in response to Hurricane Gustav in 2008 demonstrate that FEMA's efforts are having an impact. During the response, 15,000 Louisiana residents were transported by bus to shelters in evacuee host states; 2,025 were relocated by rail to Tennessee; and 5,050 were flown to Arkansas, Kentucky, or Tennessee.

The initiative has continued with the expanded goal of developing regional hurricane operations plans and federal support plans for several states. FEMA officials provided the Texas and Louisiana Federal Support Plans, the Arkansas Aviation Operations Plan, the South Carolina Motor Coach Evacuation Concept of Operations Plan, and the FEMA Region VI 2009 Hurricane Contingency Plan as evidence of progress in this area.

The Gap Analysis Program was designed to improve operational readiness by reducing response and recovery capability shortfalls throughout all levels of government. The 2008 Gap Analysis, which included an analysis of evacuation capabilities in 19 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, indicated that 5 states have no gaps and would not require federal assistance. FEMA is working with other states to mitigate gaps that were identified. For example, one state needs federal assistance to evacuate 17,000 residents with special medical needs. FEMA, the Department of Defense, and the state developed a draft Air Evacuation Plan to mitigate this gap.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00139 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.097

The 2009 Gap Analysis is not as informative as the 2008 analysis, because data collection was suspended in response to a moratorium issued by the FEMA Administrator, as discussed in previous sections. FEMA officials said that states can now use their tool of choice to assess capabilities. FEMA is continuing to use previously collected data to determine evacuation staffing estimates, and FEMA's regional planners continue working with the states.

FEMA's Catastrophic Disaster Planning Initiative is designed to conduct analyses and develop plans for mass evacuation, sheltering, and response to catastrophic disasters. In April 2009, GAO reported that FEMA had engaged in significant planning efforts regarding threats that are specific to certain regions, such as hurricanes and earthquakes, through this initiative, but that planning efforts were ongoing and had not been concluded.[15] Examples of catastrophic disaster plans that incorporate evacuation plans include Northern California and Southern California Catastrophic Earthquake Plans, a Hawaii All-Hazards Concept Plan, and a New Madrid Seismic Zone Catastrophic Earthquake Contingency Plan.

FEMA officials said that planning for the New Madrid Seismic Zone Catastrophic Earthquake will be complete this year. Planning efforts included earthquake response capability assessments for each of the eight New Madrid Seismic Zone states and planning sessions with the counties and states through FEMA-supported workshops. Representatives of federal, state, tribal, local, and county emergency management and responder organizations, as well as the private and nonprofit sectors, participate in these workshops.

FEMA has also conducted a series of workshops in support of evacuation planning. For example, in January 2009 FEMA held a Gulf Coast contraflow evacuation workshop for federal and state entities to review hurricane contraflow evacuation operations throughout the Gulf Coast region. FEMA also plans to conduct a workshop in 2010 to support state and regional planning efforts for a mass evacuation.

Establish the capability to implement a federally supported or federalized evacuation (Moderate) – A large-scale federally supported evacuation has not been needed since Hurricane Katrina, but FEMA has provided evacuation support to state, tribal, and local governments during recent incidents, including hurricanes Gustav and Ike. FEMA is also finalizing a national system for states to track evacuees. Additionally, FEMA published a Mass Evacuation Incident Annex in June 2008. However, the Operational Supplement to the Annex that is intended to provide additional guidance for mass evacuations has not yet been finalized.

[15] *National Preparedness, FEMA Has Made Progress, but Needs to Complete and Integrate Planning, Exercise, and Assessment Efforts* (GAO-09-369), dated April 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00140 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.098

According to a senior FEMA official, the Gulf Coast Evacuation Plan was successfully implemented in 2008 during Hurricane Gustav to evacuate residents from New Orleans using air, bus, and rail transportation. Residents considered this evacuation more orderly and better organized than the evacuation for Hurricane Katrina. Former FEMA Administrator David Paulison pointed out that FEMA had altered its procedures to avoid repeating errors made during Hurricane Katrina. During Katrina, buses and ambulances did not arrive until after the storm made landfall. FEMA now has in place prearranged contracts for ambulances and other emergency transportation services.

A senior FEMA official reported to Congress in February 2009 that FEMA is now much better prepared to coordinate medical special needs evacuations with the Department of Defense, the Department of Health and Human Services, and state governments. For Hurricane Gustav, FEMA reported that more than 600 prearranged ambulances were available to Louisiana, and that special Department of Defense aircraft were deployed to help evacuate critically ill patients. FEMA also activated its ground and air ambulance evacuation services contract and its contract with Amtrak. For Hurricane Ike, federal assets were standing by prelandfall to support air evacuations. More than 400 Transportation Security Administration personnel also deployed to assist with planned evacuations.

FEMA began developing a National Mass Evacuation Tracking System to track individuals as they arrive at or depart from certain locations, such as shelters. However, funding for system development was cut in 2008 and development did not resume until the spring of 2009. Several states and cities are testing the system, and FEMA officials stated that it will be ready by the 2010 hurricane season. FEMA is offering the system to states free of charge; however, FEMA cannot compel states to use the system.

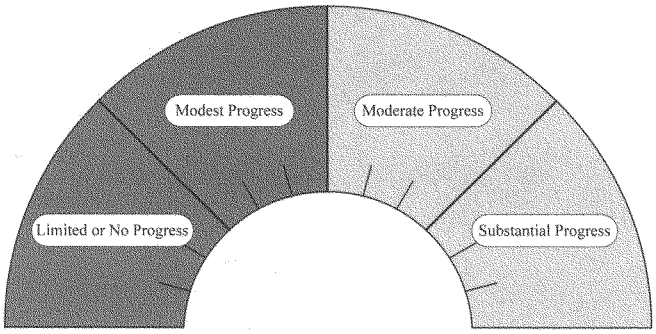
Continuing Concerns

FEMA has made progress in both critical areas, but its preparedness to support a regional or large-scale evacuation outside the Gulf region remains a concern. FEMA has augmented state and local evacuations planning and operations and enhanced its own capabilities to implement a federally supported evacuation. However, FEMA officials said that they need more staff and funding for the Planning Division, and we are concerned that the Operational Annex to the Mass Evacuation Incident Annex in the National Response Framework has not been completed.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00141 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.099

Housing



Background

In a presidentially declared disaster, FEMA administers the temporary housing response for individuals and households. Disaster housing assistance may include the use of financial resources and direct support from FEMA and other federal agencies; local, tribal, and state governments; and voluntary agencies. In the past, FEMA was criticized for its inability to provide immediate, short-term housing assistance to disaster survivors and to transition people needing it to more permanent forms of housing. As a result of congressional legislation, FEMA developed and released the National Disaster Housing Strategy to guide future disaster housing assistance efforts.

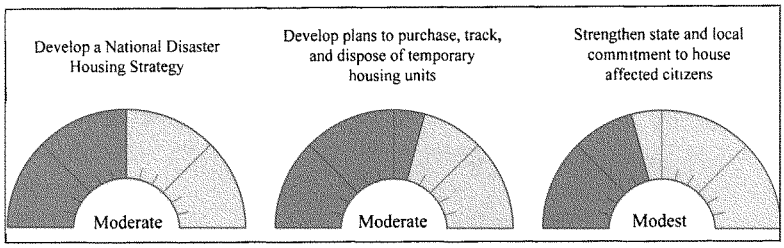
Since our 2008 report, FEMA has made strides toward implementing a comprehensive strategy for managing disaster housing resources. However, limited federal, state, and agency coordination; constant housing plan revisions; and limited federal funding have hindered final National Disaster Housing Strategy implementation efforts.

Overall, FEMA disaster housing progress is rated as moderate; however, we anticipate additional progress as FEMA continues to refine and implement its future housing strategy and mission. We reviewed FEMA's current progress in three critical housing components:

- Develop a National Disaster Housing Strategy;
- Develop plans to purchase, track, and dispose of temporary housing units; and
- Strengthen state and local commitment to house affected citizens.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00142 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.100



Critical Components

Develop a National Disaster Housing Strategy (Moderate) – In response to the Post-Katrina Act, FEMA released the National Disaster Housing Strategy in January 2009. The strategy was developed as a combined effort of FEMA and its federal partner agencies, and incorporated feedback from volunteer organizations, private sector businesses, and individuals. The strategy summarizes FEMA's disaster housing process, including sheltering and housing capabilities, principles, and policies. It outlines a number of potential housing programs that can assist disaster survivors in finding interim housing. In September 2009, we issued a report stating that the National Disaster Housing Strategy is a positive yet interim step forward.[16]

The strategy has several components. First, it requires the creation of a National Disaster Joint Housing Task Force. The task force is charged with developing a Disaster Housing Implementation Plan that translates the strategy's goals into measurable actions and milestones; a Comprehensive Concept of Operations that integrates and synchronizes existing housing capabilities across all levels of government, nongovernmental organizations, and the private sector; and a Catastrophic Concept of Operations that addresses the unique requirements for a large-scale disaster. A current example of a unique disaster requirement would be the American Samoa permanent housing construction pilot program, which was developed as a result of the September 29, 2009 tsunami that struck American Samoa.

OMB approved the Disaster Housing Implementation Plan on March 16, 2010. The Comprehensive Concept of Operations is scheduled to be completed and released immediately following the release of the National Disaster Recovery Framework.

FEMA has also developed a Non-congregate Housing Program that uses hotels and motels or federally owned unoccupied housing units as a sheltering resource.

[16] *Management Advisory Report: FEMA's Housing Strategy for Future Disasters* (OIG-09-111), September 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00143 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.101

Each option has unique challenges. FEMA has a contract to place disaster survivors in an average of 1,250,000 hotel or motel rooms per night for an extended period. The program allows for sheltering a maximum of 500,000 disaster-affected households after a catastrophic event. However, the program's success depends on leveraging the full capabilities of the federal government along with state and local governments, the private sector, community members, and the disaster survivors. An additional constraint to this program is the unknown readiness and availability of FEMA-identified hotel/motel sheltering option components. Nationwide, FEMA has identified approximately 46,715 federally owned unoccupied housing units. These units are readily available; however, this option has potential unit habitability and readiness concerns. Disaster survivors must be willing to relocate to areas where housing is available, and states must agree to accept these survivors.

Develop plans to purchase, track, and dispose of temporary housing units (Moderate) – Since 2008, FEMA has developed extensive plans to purchase, track, and dispose of temporary housing units.

Numerous concerns arose over FEMA's use of travel trailers after Hurricane Katrina. In March 2009, FEMA testified that it will consider the use of travel trailers only as a last resort.[17] However, FEMA will consider a state's specific request for travel trailers during extraordinary disaster conditions when no other forms of interim housing are available. FEMA managers will apply the following conditions: (1) Travel trailers may be authorized only for use on private property; (2) FEMA will not authorize travel trailers for use in group sites; (3) FEMA will authorize travel trailer use for a maximum of 6 months' occupancy, and only when the level of damage to the occupant's predisaster dwelling can be repaired in less than 6 months; (4) FEMA will provide travel trailers that are within formaldehyde levels the state has determined to be acceptable; and (5) FEMA will provide units with air exchange controls that meet or exceed FEMA specifications.

In light of the decision to consider travel trailers as a last resort housing option, FEMA has been assessing new and innovative forms of temporary alternative housing through several programmatic actions. In 2006, Congress appropriated $400 million for a FEMA-operated 4-year Alternative Housing Pilot Program. Through an interagency agreement with the Department of Housing and Urban Development, this program is designed to identify and evaluate better ways to house disaster survivors. For example, in Texas, FEMA has developed a housing unit that can be assembled in less than 10 hours and can be stored flat for reuse.

[17] Written testimony of Nancy Ward (then Acting Administrator of FEMA). The title of the hearing: "A New Way Home: Findings from the Disaster Recovery Subcommittee Special Report and Working with the New Administration on a Way Forward" before the Ad Hoc Subcommittee on Disaster Recovery, Committee on Homeland Security and Governmental Affairs, United States Senate. Washington, DC, March 18, 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00144 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.102

A final report to Congress on the Alternative Housing Pilot Program is due December 31, 2011.

In 2008, FEMA awarded provisional contracts to seven alternative housing manufacturers to install temporary housing units for students attending classes at FEMA's National Emergency Training Center in Emmitsburg, MD. The Recovery Division's Joint Housing Solutions Group continues to monitor and evaluate each unit for future suitability to house disaster survivors.

For FY 2010, FEMA has a baseline inventory of 4,000 ready-for-dispatch temporary housing units. In January 2010, FEMA began an effort to sell more than 101,000 excess temporary housing units through GSA online auctions.[18] When the GSA auction closed on January 29, 2010, FEMA had sold most of its excess inventory; however, bidders are still in the process of removing the housing units. By the end of 2011, FEMA is scheduled to close all supporting storage sites.

Strengthen state and local commitment to house affected citizens (Modest) – Since 2008, FEMA has developed two approaches to strengthen how state and local governments assist disaster survivors with temporary housing. However, each approach has specific limitations, such as insufficient numbers of experienced disaster housing staff, limited federal and state funding, and poor coordination with state and local governments.

In its Disaster Housing Practitioner's Guide, FEMA said that each state should create and maintain a standing disaster housing taskforce. FEMA will assist states by providing best practices information, operational guidance, and a standardized housing plan template that can be tailored to unique disaster housing needs. In 2007, the first State-Led Disaster Housing Taskforce was convened in response to the California wildfires. FEMA sent headquarters-based subject matter experts to provide technical support when disasters struck American Samoa, Iowa, Louisiana, and Texas. However, FEMA has only limited headquarters and regional staff to fully execute an expert-based disaster housing mission for every disaster. Typically, states do not have disaster housing experts. FEMA officials told us that additional federal funding is needed to develop the federal and state disaster housing expertise.

Also, the Housing Strategy stated that when it is necessary to build temporary group housing sites, state and local government are responsible for identifying public land that is suitable for a group site or, when publicly owned land is unavailable, for identifying other sites for FEMA to lease. In this case, FEMA emphasizes the role of state and local governments in providing shelter for their

[18] In response to hurricanes Katrina and Rita in 2005, FEMA purchased 143,699 temporary housing units for a total price of over $2.6 billion, an average of more than $18,000 per unit. As a result of the 2010 GSA auctions, more than 101,000 of these excess units were sold at an average price of $1,309 per unit.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00145 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.103

residents. Given the current budget climate, some state and local governments may not fulfill these responsibilities; FEMA will need to encourage the state and local role in developing and implementing housing solutions.

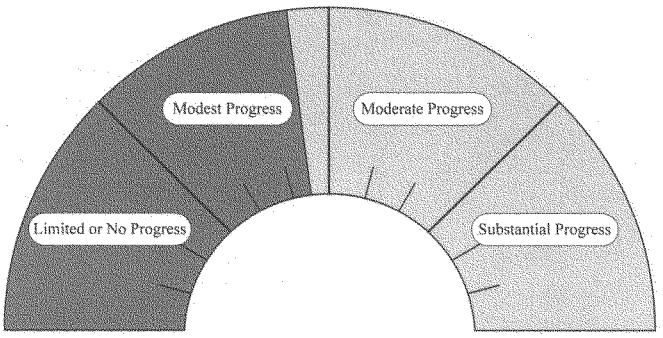
Continuing Concerns

Since 2008, FEMA has made moderate progress toward developing a comprehensive National Disaster Housing Strategy. However, we are concerned that FEMA has not clearly defined its roles and responsibilities with regard to the long-term housing needs of disaster survivors (i.e., beyond the standard 18 months of assistance).

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00146 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.104

Disaster Workforce



Background

The need for a trained, effective disaster workforce is one issue mentioned consistently in reports regarding FEMA's response to Hurricane Katrina. FEMA's disaster workforce consists mainly of reservists who serve temporarily during a disaster. FEMA struggled to provide adequate numbers of staff in response to Hurricane Katrina and did not have the automated support needed to deploy more than 5,000 disaster personnel on short notice. New hires did not receive adequate training during FEMA's accelerated orientation process, and FEMA did not have a central training records management system. The shortage of qualified staff for key positions responding to Hurricane Katrina negatively impacted the effectiveness of FEMA's response and recovery operation.

The Post-Katrina Act provides for rebuilding FEMA's permanent and reserve workforces through tools such as a strategic human capital plan, structured career paths, and recruitment and retention bonuses. The act also requires a plan to establish and implement a surge workforce, including an adequate number of trained personnel to meet specific response team capabilities.

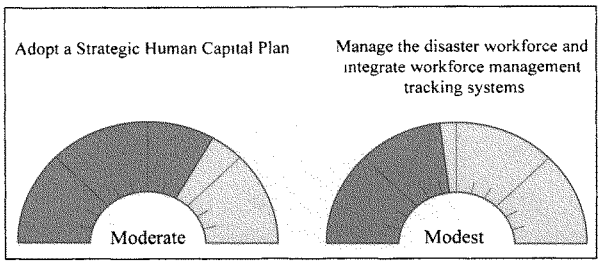
As FEMA and DHS have evolved, the disaster workforce structure and systems have not kept pace. Since 1992, FEMA has initiated 12 studies to look at the use and structure of its disaster workforce; however, FEMA has not implemented all of the recommendations from those studies.

We reviewed two critical areas identified as weaknesses after Hurricane Katrina to assess FEMA's efforts to:

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00147 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.105

- Adopt a Strategic Human Capital Plan; and
- Manage the disaster workforce and integrate workforce management tracking systems.



Critical Components

Adopt a Strategic Human Capital Plan (Moderate) – In May 2008, FEMA published the "Strategic Human Capital Plan 2008–2012," which established FEMA's plans for staffing standards, a restructured workforce composition, new core competencies, and professional development.[19] This is FEMA's first official plan for managing, strengthening, and building a forward-leaning workforce. The strategic plan includes five key strategic initiatives aimed at recruiting and maintaining a strong, competent, and credible workforce:

- Understanding the composition and character of the workforce;
- Rightsizing the agency;
- Building core competencies;
- Training and professionally developing the workforce; and
- Building the culture of the new FEMA.

Our 2008 report stated that FEMA completed an assessment of its legacy Disaster Assistance Employee program and published the report *FEMA: A New Disaster Reserve Workforce Model*. The report included 25 recommendations, and FEMA management identified 9 recommendations that would produce the greatest positive near-term effects (see table 1). The remaining 16 recommendations would be incorporated as a result of completing the first 9 or implemented over a longer period.

[19] *FEMA Strategic Human Capital Plan 2008–2012* (FEMA P-692), May 2008.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00148 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.106

Table 1. Top Nine Recommendations from *FEMA: A New Disaster Reserve Workforce Model*

Recommendation	Status
New Office of FEMA Reserves Organization	Completed
Office of FEMA Reserves Management Positions	Completed
Cross-Functional Strategic & Operational Plans	Completed
Policy Development and Compliance	Completed in Part
Policy Communication and Development Processes	Completed in Part
Position Specific Training and Credentialing Requirement	Completed in Part
Reserve Workforce Planning Tool	Completed in Part
Decision-making Structure	Completed in Part
Standard Reservists Levels	Completed in Part

Source: *FEMA: A New Disaster Reserve Workforce Model*

In September 2008, Disaster Reserve Workforce Division staff established an ad hoc working group with counterparts in the Transportation Security Administration and the U.S. Citizenship and Immigration Services to develop a concept of operations for the Surge Capacity Force described in section 624 of the Post-Katrina Act. The first draft of the concept of operations was completed in December 2008. Senior FEMA and DHS management have not approved the draft plan.

Manage the disaster reserve workforce and integrate workforce management tracking systems (Modest) – *FEMA: A New Disaster Reserve Workforce Model* recommended that FEMA establish a director-level office to improve the effectiveness and efficiency of professional operations and address disaster reserve workforce challenges. In response to this recommendation, FEMA launched the Disaster Reserve Workforce Division (DRWD) in FY 2008. A key aspect of DRWD's mission is to assist in credentialing and deploying FEMA's full-time workforce and Disaster Reserve Workforce. As of March 2009, the Disaster Reserve Workforce consists of 21 cadres located in all 10 FEMA regions and at FEMA headquarters. FEMA has 7,995 registered disaster reservists, of whom 1,322 are immediately deployable.

In June 2008, DRWD launched an agency-wide credentialing effort, which resulted in the creation of FEMA's Credentialing Program. The program is responsible for the design and implementation of a plan to standardize the recruiting, training, and credentialing of FEMA's Disaster Reserve Workforce. In April 2009, FEMA developed the Agency-Wide Disaster Workforce Credentialing Plan, which contains the required processes that all cadres must implement in order to ensure that FEMA applies a consistent and fair process to

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00149 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.107

credential each cadre member.[20] Before the program was developed, disaster workforce responsibilities and approaches were not standardized, resulting in inconsistent quality and efficiency in delivery of services.

The Credentialing Program consists of 21 cadres. FEMA reported the following results:

- Eleven cadres have a complete and approved Cadre-Specific Plan (CSP). Five of these eleven cadres have migrated to the existing credentialing framework;
- Six cadres have a complete CSP that awaits approval; and
- Four cadres have begun the initial planning in order to credential their disaster workers under the FEMA Qualification System.

FEMA estimates that half of the Disaster Reserve Workforce will be credentialed by the second quarter of FY 2012 and all will be fully credentialed by FY 2013. Half of the full-time workforce will also be credentialed by FY 2013 and the rest by FY 2014.

Even with the credentialing plans in place, training of newly hired disaster professionals continues to be a major challenge. FEMA's Emergency Management Institute (EMI) has developed training courses consistent with the requirements in the credentialing plans but is still relying on the old model of training staff during deployment.[21] FEMA attributes this to EMI's training schedule, which is booked one year in advance. To further address training, FEMA is developing an orientation program and related materials to instruct newly hired disaster staff on standards of conduct, ethics, Equal Employment Opportunity, and other topics. FEMA expects to complete and disseminate the Disaster Assistance Employee orientation program by the end of FY 2010.

DRWD uses the Automated Deployment Database (ADD) to identify and maintain a record of the personnel deployed during disasters, with Web ADD serving as its online interface. However, the use of Web ADD was suspended because it did not adequately monitor employee deployment readiness, length of deployment, or location, limiting FEMA managers' ability to supervise the Disaster Relief Workforce. The inability to manage deployment information hinders the ability of FEMA staff to manage deployment and disaster activities.

[20] *FEMA Agency-Wide Disaster Workforce Credentialing Plan* (April 2009).
[21] EMI is FEMA's training institution in Emmitsburg, MD.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00150 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.108

Continuing Concerns

The DRWD is seeking to develop a new system to replace Web ADD and has tasked a contractor with performing a functional requirements analysis. The DRWD expects to have identified either a commercial-off-the-shelf or government-off-the-shelf product by spring 2011.

Training courses consistent with the Credentialing Program will not be offered until FY 2011, and the new-hire orientation program is still under development. Deployed staff will have to rely on field training until EMI offers the new training courses.

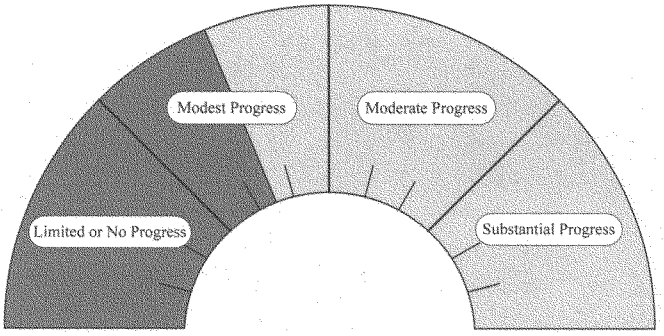
The FEMA workforce has undergone tremendous transformation stemming from changes in national laws, policies, and mission focus. The workforce has also experienced significant growth in size, workload, and composition to support increasing demands, changing processes, and advancing technologies. As a result, Congress determined that a baseline assessment of FEMA's current federal workforce, including all disaster reservists, was warranted. In the last quarter of FY 2009, FEMA partnered with the Homeland Security Studies and Analysis Institute (HSSAI) and launched an agency-wide Integrated Strategic Workforce Planning Initiative to develop a capabilities-driven workforce planning effort designed to create the FEMA of the 21st century and beyond. The HSSAI assessment, which is the first phase of that initiative, assesses FEMA's workforce in both steady state (normal day-to-day operations) and disaster situations (when responding to an active disaster).[22] The results of this assessment were provided to Congress in May 2010. We will continue to review and assess this important initiative.

[22] HSSAI, *Federal Emergency Management Agency Workforce Baseline Assessment* (RP09-55-04), March 31, 2010.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00151 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.109

Mission Assignments



Background

FEMA is responsible for coordinating the urgent, short-term emergency deployment of federal resources to address threats and for stewardship of the associated expenditures from the Disaster Relief Fund. FEMA uses mission assignments (MAs) to request disaster response support from other federal agencies.[23] Past audits and reviews of MAs have concluded that FEMA's management controls were generally not adequate to ensure that:

- Deliverables (missions tasked) met requirements;
- Costs were reasonable;
- Invoices were accurate;
- Federal property and equipment were adequately accounted for or managed; and
- FEMA's interests were protected.

In our 2008 report, of all the areas reviewed, this area needed the most improvement. At that time, FEMA had initiated an ambitious project to reengineer the processes, relationships, and resources involved in managing MAs. An intra/interagency Mission Assignment Working Group (MAWG) was formed to review MA processes and procedures and develop recommendations for the management of MAs. This group developed processes, policies, and procedures that have increased FEMA's MA effectiveness.

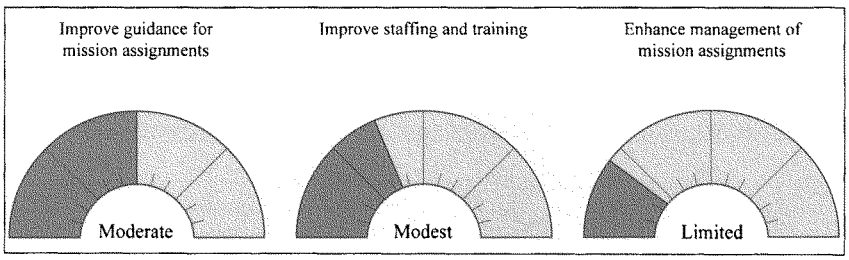
[23] A mission assignment is a work order issued by FEMA to another federal agency that directs the completion of a specific task to meet urgent, immediate, and short-term needs. The assigned federal agency must complete the mission assignment within 60 days after the declaration, unless FEMA extends the authorized performance period. Mission assignments can include a number of goods and services from a variety of agencies, ranging from emergency meals and water to mobile communication teams and medical evacuation of patients.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00152 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.110

We reviewed three critical components to assess FEMA's efforts to:

- Improve guidance for mission assignments (i.e., regulations, policies, and operating procedures);
- Improve staffing and training; and
- Enhance management of mission assignments.



Critical Components

Improve guidance for mission assignments (Moderate) – FEMA has developed an intranet website for MAs that provides documents and guidance necessary to execute MAs during an emergency. It includes various reference materials, such as policies and procedures, MA authorities, and forms needed to execute MAs.

The "Pre-Scripted Mission Assignment Catalogue" contains 237 pre-scripted MAs.[24] An additional 64 are under development. Pre-scripted MAs provide standard "statements of work" and cost estimates developed before an actual emergency or disaster and are used to quickly execute MAs with other federal agencies. The pre-scripted MAs cover capabilities that are outside an agency's regular or emergency authority, and involve known or frequently used resources.

Not all MAs have pre-scripted language, as each disaster has unique requirements. FEMA developed a standard operating procedures manual for MAs that outlines policies, procedures, and processes used to collaborate with other federal agencies and organizations when responding to disasters. This manual is under revision; the previous version was never issued as final.

Improve staffing and training (Modest) – In FEMA's latest reorganization, MAs were assigned to the Facilities, Assets, and Contracts Management Branch in the Response Directorate. This Branch not only develops and manages pre-scripted

[24] Pre-scripted MAs are prearranged and preapproved agreements between FEMA and other federal agencies to (1) expedite deployment of response assets and (2) allow agencies to be more proactive in moving personnel, equipment, and supplies in anticipation of a disaster declaration.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00153 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.111

MAs, but is also responsible for the Response Directorate's contract oversight, space and office move management, and equipment and supplies purchase management. While FEMA has increased its MA staffing in the past few years, it relies heavily on contractors to supplement staff during periods of high activity.

FEMA has developed employee task books for three MA positions (MA Manager, MA Specialist, and MA Action Tracker). These task books are posted on FEMA's NRF site. FEMA's training institute offers several courses that are designed for FEMA MA workers and for federal partners often tasked through MAs. However, due to budget constraints, recent course offerings have been cancelled.

Previous reviews have recommended that FEMA establish and invest in MAs as a program area rather than a collateral functional process or duty that comes into play only during an incident response. The development of an MA program office, with a dedicated full-time staff and management team, established budget, and officially delegated authorities and responsibilities, would substantially improve all aspects of the MA process.

Enhance management of mission assignments (Limited) – Managing and accounting for MA resources is crucial to managing the federal response to an incident. FEMA has established MA guidance but still faces challenges in its IT systems.

FEMA has developed but not implemented an electronic action request form.[25] MA officials say they are having difficulties finding funding for updating any systems useful in tracking MAs. FEMA currently uses the Enterprise Coordination and Approvals Processing System (eCAPS). This system was designed with a focus on the administrative aspects of documenting, approving, and reporting on MAs, rather than tracking the actual work requested and performed or the status and outcomes of missions.[26] Because of the proprietary nature of information presented in eCAPS, FEMA's partners do not have access to this system. Once funding is made available, MA officials hope to move to a system that will allow more flexibility, while securing data. Additionally, other offices with disaster response functions use their own information systems, which do not interface with those used in MA and other offices. MA officials say the need for an integrated IT system hampers their progress in developing into a truly effective enterprise.

[25] This is the system states use during disaster response to request services and goods. The action request form is not standardized throughout FEMA disaster response; each region has developed its own form.
[26] *FEMA's Sourcing for Disaster Response Goods & Services* (OIG-09-96), August 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00154 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.112

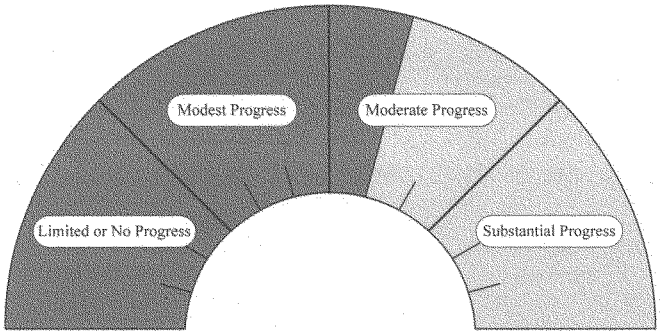
Continuing Concerns

FEMA management support will be required to implement the MAWG's processes, policies, and procedures. A significant investment of personnel, training, time, and budget resources will be required to begin the reengineering efforts. Most importantly, MA needs to have reliable IT systems that are integrated with its federal partners' systems, so that information is efficiently and effectively shared. After the revised infrastructure has been put into place, an MA program office will need resources to sustain the effort.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00155 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.113

Acquisition Management



Background

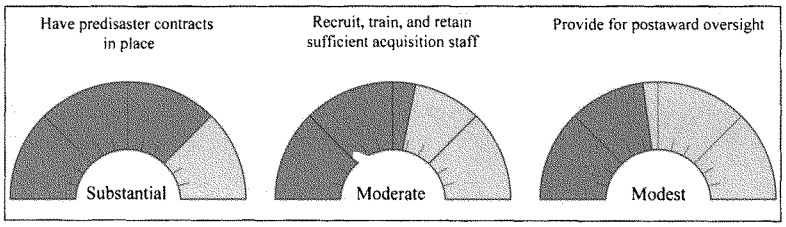
Acquisition management is more than awarding a contract; it is the entire process that begins with identifying and clarifying a mission need and ends with the final closeout of an award. Without good acquisition management, response capabilities are weakened, taxpayer money is often wasted, and public trust in the government falls.

FEMA's acquisition function was heavily tasked in responding to hurricanes Katrina and Rita and suffered from several shortcomings. These shortcomings included a need for predisaster contracts, untrained staff, and insufficient planning for postaward monitoring and oversight. In recent years, FEMA management has focused on developing the acquisition function to a level that can respond effectively and efficiently to another catastrophic disaster. To assess FEMA's progress in this area, we reviewed three critical components:

- Have predisaster contracts in place;
- Recruit, train, and retain sufficient acquisition staff; and
- Provide for postaward oversight.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00156 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.114



Critical Components

Have predisaster contracts in place (Substantial) – Awarding contracts before a disaster gives FEMA time to run a full and open competition in order to ensure the best value to the government. Without predisaster contracts in place, FEMA is forced to award contracts on a noncompetitive basis or to less qualified vendors in order to support a prompt response. FEMA's Office of the Chief Procurement Officer (OCPO) has developed a series of contracts for each of the FEMA directorates needing specific contract support during a disaster. The list of contracts is available on FEMA's intranet and identifies what specifically is contracted for, the contracting officer's technical representative (COTR) and contact number, and the responsible OCPO contracting official.

OCPO officials stress the importance of the quality, rather than quantity, of predisaster contracts. Lessons learned from major disasters guide decisions on which contracts are no longer needed and the best sources for goods and services. For example, FEMA strives to avoid competing with cities and states for resources that are available via existing contracts, or for assets that are part of a limited pool, such as ambulances and buses.

OCPO has also created an Acquisition Program and Planning Division, which functions as the primary link between acquisitions and the program areas that generate requirements, to assist with predisaster contracts. This has proven successful, as the program areas now have dedicated contracting support. OCPO needs to issue formal guidance requiring FCOs, contracting officers, and purchase cardholders to use the predisaster contracts when acquiring goods and services.

Recruit, train, and retain sufficient acquisition staff (Moderate) – Currently, OCPO has 214 positions authorized, 137 of which are filled. Finding qualified candidates and filling open positions continues to be a challenge throughout the government. While FEMA and other agencies needing acquisition staff in the GS-1102 job series have received direct hire authorization, all are recruiting from the same pool of candidates for both trainee and experienced staffs. The acquisition staffing shortages have led some agencies to offer higher pay for journey-level staff. This has caused accelerated turnover as staff change agencies for promotions. DHS has implemented an intern program in acquisitions to

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00157 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.115

increase GS-1102 staff. FEMA has benefited from this program but still needs additional contracting personnel.

Because of competition among agencies that post their openings on usajobs.gov, OCPO is considering using monster.com for posting acquisition openings, especially for regional positions. A problematic software system that caused delays in hiring has been discontinued, and a few new hires are on board and others are expected to be working soon.

Provide for postaward oversight (Modest) – Contracting responsibilities do not end with the issuance of an award. In fact, one of the most important aspects of the job, contract monitoring and oversight, begins after the award has been made. A lack of postaward oversight has been a continuing problem for FEMA.

OCPO's Acquisition Policy and Legislation Division has issued directives and standard operating procedures to provide additional guidance to staff on contract maintenance and monitoring. Policies exist that detail the contents of contract files, outline the process for transferring contract files from one contracting officer to another, and call for internal reviews of contract files.

In September 2009, the FEMA Administrator signed a management directive establishing a COTR Tiered Certification Program, which has resulted in better contractor performance and increased value for taxpayers. The number of trained COTRs has increased from 700 to 1,450 since our last report.

A topic FEMA highlighted in 2008 was the upcoming transition to PRISM as the system of record for contract management. FEMA officials said many existing contracting documentation problems would be corrected once FEMA adopted PRISM as its system of record for contract management. At that time, FEMA was using ProTrac. The PRISM transition did not occur because of a contract protest outside of FEMA's control. Until PRISM can be installed, FEMA continues to use an upgraded version of ProTrac. This version provides FEMA with additional tools to improve contract management, but despite improvement to the available IT systems, FEMA still experiences contract management issues.

Continuing Concerns

While FEMA has made progress in a number of areas and has improved its acquisition management function, many concerns remain. FEMA said many more predisaster contracts are in place. However, some Joint Field Office officials and contracting personnel still contract separately for the same goods rather than using the established contracts.

OCPO officials acknowledged that hiring continues to be a major concern. The vacancy rate is almost 36%, although the rate is unusually high because of

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00158 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.116

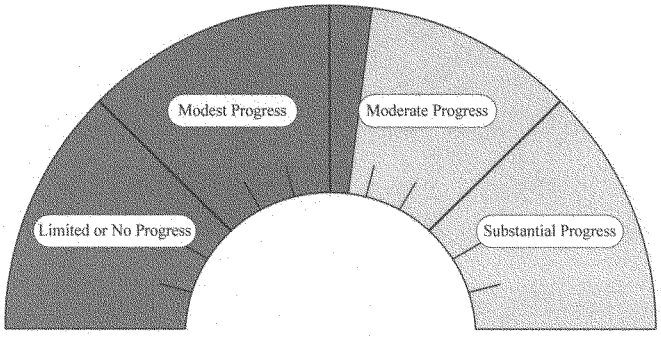
recently authorized positions and past problems with a software program. There are too few people to meet the government-wide need for acquisition personnel. FEMA is unable to retain experienced personnel, who obtain promotions by moving to other agencies. FEMA-specific incentives are not in place to attract or retain personnel.

Even though OCPO has hired a number of contracting employees, a FEMA official said new contracting personnel often have less than three years of experience. It is critical that FEMA have an effective training regimen for these new employees.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00159 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.117

Mitigation



Background

FEMA leads and supports a risk-based, comprehensive emergency management system to reduce the loss of life and property and to protect the Nation from all hazards. Mitigation, considered the cornerstone of emergency management, attempts to prevent hazards from developing into disasters or to reduce the effects of disasters when they occur. The mitigation phase differs from the other phases of emergency management in that it focuses on long-term actions to reduce or eliminate risk from hazards and their effects.

Hazards typically fall into three broad categories: natural, technological, and manmade. Natural hazards are generally associated with weather and geological events, such as floods, hurricanes, tornados, or earthquakes. Technological hazards refer to human activities such as dam and levee construction or the manufacture, transportation, storage, and use of hazardous materials. Manmade hazards are typically associated with criminal or terrorist attacks using weapons such as explosive, biological, or chemical agents.

Mitigating a hazard can involve both structural and process measures. Structural mitigation measures are generally technology-based solutions such as building flood levees and designing new or retrofitting existing buildings to make them more resistant to hazards. Process measures include policy-based measures such as enacting land use ordinances that prohibit residential development in flood-prone areas or requiring hazard insurance for structures susceptible to hurricanes.

The principal federal statutes guiding disaster mitigation at the state and local levels are the National Flood Insurance Act of 1968 (P.L. 90-448), the Stafford

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00160 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

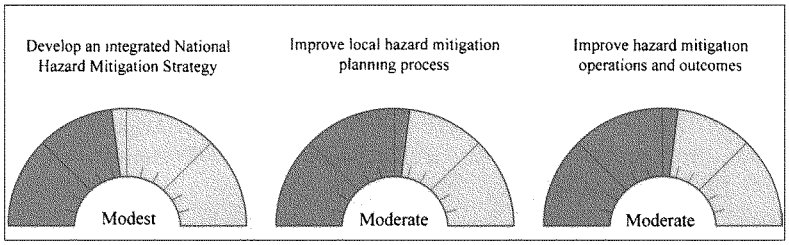
67118.118

Act, and the Disaster Mitigation Act of 2000 (P.L. 106-390). The National Flood Insurance Act established the National Flood Insurance Program (NFIP), which encourages local governments to mitigate flood risks through local regulation and financial incentives. The Stafford Act is the country's basic disaster relief law and authorizes disaster programs implemented by FEMA. The Disaster Mitigation Act established the requirement for state and local hazard mitigation plans as a precondition for receipt of federal hazard mitigation project funds.

FEMA's Mitigation Directorate manages a range of programs designed to reduce future losses to homes, businesses, schools, public buildings, and critical facilities from natural disasters. It also provides building design guidance for mitigating multihazard events and promotes state and local multihazard mitigation planning.

To assess FEMA's progress in this area, we reviewed the following critical components:

- Develop an integrated National Hazard Mitigation Strategy;
- Improve local hazard mitigation planning process; and
- Improve hazard mitigation operations and outcomes.



Critical Components

Develop an integrated National Hazard Mitigation Strategy (Modest) – The FY 2010 Quadrennial Homeland Security Review defines broad national objectives for mitigation:[27]

- Reduce the vulnerability of individuals and families: Improve individual and family capacity to reduce vulnerabilities and withstand disasters.
- Mitigate risks to communities: Improve community capacity to withstand disasters by mitigating known and anticipated hazards.

The challenge for FEMA is to translate these objectives into an integrated national hazard mitigation strategy. Our October 2009 report stated that a coordinated

[27] *Quadrennial Homeland Security Review Report. A Strategic Framework for a Secure Homeland,* February 2010.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00161 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.119

risk-based, all-hazards mitigation strategy mandated by the Post-Katrina Act had yet to be developed.[28] We recommended that FEMA use the established network of mitigation partners along with enhanced collaboration with DHS components, other federal agencies, and private sector stakeholders to develop and implement a risk-based, all-hazards mitigation strategy. FEMA is striving to accomplish this by working through the White House sponsored Long-Term Disaster Recovery Working Group to address pre- and post-disaster all-hazards mitigation. FEMA has also collaborated with the National Emergency Management Association to develop a strategic white paper, *Recommendations for an Effective National Mitigation Effort*, which outlines principles and approaches for hazard mitigation at the national, state, local, and tribal levels.

Improve local hazard mitigation planning process (Moderate) – The Disaster Mitigation Act established requirements for state and local hazard mitigation plans. In the subsequent decade, FEMA has effectively promoted mitigation planning, and as of March 2009, 50 states, 6 territories, 33 tribal governments, and 18,000 local jurisdictions had approved local mitigation plans, covering approximately 77% of the Nation's population.

The challenge going forward is to improve the quality and impact of this mitigation planning enterprise and, ultimately, to reduce disaster losses and expenditures below what they would have been otherwise. The long-term nature of most mitigation planning makes it hard to measure effectiveness, and FEMA is working with DHS Centers of Excellence and independent researchers to develop better measurement frameworks and tools.

State and local hazard mitigation officials continue to report large gaps in the capacity and will of communities to plan and implement mitigation strategies. One consequence of the lack of local capacity is a costly reliance on external consultants to develop and write hazard mitigation plans. Further, the intent of local planning is to engage local stakeholders in the planning process, because they are in the best position to identify and address local risks and vulnerabilities.

Improve hazard mitigation operations and outcomes (Moderate) – FEMA faces a number of challenges in its efforts to improve hazard mitigation operations and outcomes. The most important challenge is the scope and complexity of the mitigation landscape—literally thousands of entities and individuals must work together in a loosely coordinated effort to achieve nationally significant results. Mitigation stakeholders, including flood plain managers, risk managers, insurers, property developers, homeowners, government officials, environmentalists, and the public at large, bring conflicting priorities and interests to any discussion of mitigation.

[28] *FEMA's Progress in All-Hazards Mitigation* (OIG-10-03), October 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00162 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.120

A second major challenge is that FEMA is limited by statute to the promotion of effective mitigation and does not have the authority to compel property owners to mitigate floods or other hazards. This is true even when hazard mitigation appears desperately needed, as in the case of repetitively flooded properties that drain resources from the NFIP.

In the face of these systemic challenges, however, FEMA has achieved a number of mitigation successes, strengthening resilience in communities across the United States. Most important, the NFIP currently has more than 5.6 million policies in force, protecting property owners against building and contents damage from flooding.

More than 21,000 communities across the United States and its territories participate in the NFIP by adopting and enforcing flood plain management ordinances to reduce future flood damage. In exchange, the NFIP makes federally backed flood insurance available to homeowners, renters, and business owners in these communities. Community participation in the NFIP is voluntary. Buildings constructed in compliance with NFIP building standards suffer approximately 80% less damage annually than those not built in compliance. FEMA estimates that $1.2 billion in flood losses are avoided annually because communities have implemented flood plain management requirements.

In addition to providing flood insurance and reducing flood damages through flood plain management regulations, the NFIP identifies and maps the Nation's flood plains. Mapping flood hazards creates broad-based awareness of the hazards and provides the data needed for flood plain management programs and to actuarially rate new construction for flood insurance.

Although it has achieved significant successes in its 42-year history, the NFIP also faces a number of systemic challenges that pose financial and operational risks to FEMA and the American taxpayer. These challenges, which we, the GAO, and others have discussed in depth include: (1) a lack of geographical balance (68% of policies are written in five states); (2) a lack of financial balance (the NFIP bears the underwriting risk while paying private insurers up to two-thirds of all premium revenue to write policies and process claims); (3) a lack of market penetration (fewer than 50% of property owners nationally in 100-year flood plains carry flood insurance); (4) extreme vulnerability to catastrophic disasters (post-Katrina claims payouts exceeded the total amount of all claims paid in the history of the NFIP from 1978 to 2004); and (5) a lack of consensus and funding among FEMA, the U.S. Army Corps of Engineers, and levee districts regarding how and when to upgrade and accredit levees. The history of the NFIP has shown that these issues are likely to continue to challenge the NFIP and its stakeholders in the years ahead.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00163 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.121

Continuing Concerns

Opportunities for improvement can be found in all phases of the mitigation planning and implementation process. These opportunities are generally known to primary mitigation stakeholders at the federal, state, and community levels, but will require focused, systematic effort to achieve. The key for FEMA will be to integrate these diverse stakeholders into the effort, and to coordinate and access the full range of mitigation resources. There are a number of opportunities for improvement, including the following:

- Continue working with the Long-Term Disaster Recovery Working Group, the National Emergency Management Association, and other stakeholders to develop an integrated national hazard mitigation strategy.
- Continue standing up the NFIP Reform Working Group to involve multiple stakeholders in shaping the future NFIP.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00164 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.122

Conclusion and Recommendations

FEMA is under increasing pressure to provide more assistance to state, local, and tribal governments whose diminishing resources in tough economic times are quickly overwhelmed by large and catastrophic disasters. It is more important than ever that FEMA be prepared to assist state, local, and tribal first responders.

FEMA has made progress in all of the areas we reviewed, although in some areas this progress has been modest. In a number of other preparedness areas, FEMA identified corrective actions, but implementation has not yet begun. FEMA would benefit from increased oversight of key preparedness areas to ensure that implementation of initiatives is sustained.

The following concerns are common to our review of the critical components:

- The need for more effective coordination with state, local, and tribal governments;
- The need for IT systems that are updated and integrated agency-wide;
- Too few experienced staff to handle the increasing workload; and
- Funding that is not adequate to maintain initiatives; meet the costs of disasters; and recruit, train, and retain staff.

FEMA is an agency that is in a constant state of flux. With so much change, it is often difficult for staff to determine the agency's current priorities. Plans, initiatives, draft guidance, and working groups often, understandably, take a back seat to disaster response and recovery, and momentum toward finalization and implementation of key initiatives is slowed or lost. In light of FEMA's increased involvement in routine disasters, coupled with the recent economic downturn, which has resulted in some state and local governments reducing their emergency management funding, we remain concerned about whether FEMA has sufficient staff focused on planning and preparedness efforts.

We and the GAO have made many recommendations in our audits of FEMA operations that involve the key preparedness areas mentioned in this report. Many of these recommendations remain open. (See appendix C for a list of recent OIG and GAO reports.) We will continue to work with FEMA to ensure that corrective action plans are developed and that progress is made in fully implementing report recommendations. In addition, we plan to report the status of recommendations in our semiannual report.

Our 2008 report, *FEMA's Preparedness for the Next Catastrophic Disaster,* made recommendations that touched on most of the critical areas discussed above. We recommended: (1) improving the agency's overall awareness of its readiness for a catastrophic disaster; (2) developing and sustaining systems to track the progress of major programs, initiatives, and other activities; and (3) regularly sharing reports on the status of such activities with key stakeholders. We reiterate the recommendations, which

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00165 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.123

remain open, and will continue to work with FEMA to ensure that progress is made toward better preparedness for the next catastrophic disaster.

Management Comments and OIG Analysis

FEMA provided written comments on the draft of this report and concurred with the three recommendations. We consider the three recommendations resolved but open, pending receipt and review of FEMA's corrective action plan. FEMA also provided technical comments, which we have incorporated into the report as appropriate. (FEMA's written comments are in appendix B.)

FEMA provided updated information subsequent to OIG fieldwork, interviews, and message meetings with high-level FEMA officials. While we have incorporated this information where appropriate, we did not validate this additional information or adjust our assessment of FEMA's progress in the ten key preparedness areas.

FEMA provided specific comments in eight of ten preparedness areas. Our analysis of FEMA's comments in three areas is provided below:

Overall Planning: FEMA stated that the draft report does not reflect the full extent to which FEMA's assessment of the nation's preparedness has improved over the last two years. Specifically, FEMA said that we did not mention several reports that it deemed important. However, the reports were not provided, and their importance was not stressed during OIG interviews and message meetings with high-level officials. On page 14 of our draft report, we stated that FEMA was working to complete the draft National Preparedness Report. At the time of our assessment, the draft report was in the clearance phase with OMB.

Also, FEMA said that we should have included the Regional Catastrophic Preparedness Grant Program in our report because the program is a major effort with numerous initiatives focusing on planning for catastrophic events. However, FEMA did not provide documentation to support the implementation of specific program initiatives.

Logistics: FEMA contended that it has made substantial progress establishing a national supply chain strategy, one of the critical components we assessed. With its comments, FEMA provided us with presentations on a tiered sourcing concept and concepts of resource support for the 2009 and 2010 hurricane seasons. We appreciate this additional information. However, even considering this information, FEMA's progress in this area does not rise to the level of substantial implementation. While we acknowledge that numerous working groups and teams have been created to support the national supply chain strategy, full scale implementation of the strategy has not yet occurred.

Evacuations: FEMA noted that the Regional Catastrophic Preparedness Grant Program is designed to support planning for catastrophic events, including evacuation planning. FEMA said that 10 of 11 sites have projects related to evacuation planning efforts for

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00166 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.124

their regions. However, FEMA has not provided specific documentation supporting implementation of evacuation planning efforts.

Also, FEMA stated that it did not understand why its preparedness to support a regional or large-scale evacuation remains a concern after the successful evacuation in response to Hurricane Gustav. The concern persists for several reasons, including the need for increased staff and funding in the Planning Division, the need to complete the Operational Annex to the Mass Evacuation Incident Annex in the National Response Framework, and the challenges inherent in evacuations of large metropolitan areas.

In addition, FEMA provided comments in five areas: Emergency Communications, Housing, Disaster Workforce, Acquisition Management, and Mitigation. We believe that the report was responsive to FEMA's observations in these areas. FEMA did not provide comments in two areas: Coordination and Support, and Mission Assignments.

We look forward to working with FEMA as corrective action plans are developed to address the recommendations in this report.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00167 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.125

We conducted a high-level "scorecard" assessment of FEMA's preparedness to respond to the next catastrophic disaster. Together with FEMA officials, we identified ten key areas as those most vital to FEMA's preparedness:

- Overall Planning
- Coordination and Support
- Emergency Communications
- Logistics
- Evacuations
- Housing
- Disaster Workforce
- Mission Assignments
- Acquisition Management
- Mitigation

Within each area, numerous critical actions need to take place before FEMA is sufficiently prepared for a catastrophic disaster. To use our time and resources wisely, we collaborated with FEMA officials to select two to four critical components within each key area. Most of the critical components we assessed in 2010 were the same as in 2008. For a few areas, components were revised based on collaboration with FEMA officials and the current level of agreed-upon importance. We:

- Interviewed FEMA officials to obtain information and supporting documentation;
- Reviewed reports and testimony from our office, GAO, Congress, and others regarding FEMA's readiness (see appendix C);
- Reviewed documents provided by FEMA, including plans, policies, organization charts, and self-assessments;
- Reviewed applicable laws, such as the Stafford Act (P.L. 100-707), Homeland Security Act (P.L. 107-296), and Post-Katrina Act (P.L. 109-295); and
- Conducted message meetings with FEMA officials from April 29 to May 21, 2010, to discuss review results.

Our ratings for the ten key areas are based on a four-tiered system ranging from "limited or no progress" to "substantial progress." Throughout this report, we based our ratings on the following criteria:

Limited or No Progress: There is an awareness of the critical issues needing to be addressed, but specific corrective actions have not been identified. Within this phase, interim steps include a problem analysis, discussion of corrective actions, and development of a strategic plan.

Modest Progress: Corrective actions have been identified, but implementation is not yet underway. Within this phase, interim steps include selecting corrective actions, obtaining management approval, planning for implementation, and securing funding commitments from DHS for each action.

Moderate Progress: Implementation of corrective actions is underway, but few if any have been completed.

Substantial Progress: Most or all of the corrective actions have been implemented.

The 2010 ratings were assessed independently from the 2008 ratings.

We used the critical components, as well as our broader knowledge of the key areas, to gauge FEMA's overall progress. For ease of understanding, we used the same rating categories used to rate the critical components within each area; however, we adapted the criteria to present a better picture of FEMA's overall progress. For example, to achieve moderate progress overall, FEMA would have to identify and complete more than a few corrective actions. To achieve a rating of substantial progress overall, FEMA would have to complete most corrective actions in the key preparedness area.

We conducted our review between November 2009 and May 2010 under the authority of the *Inspector General Act of 1978*, as amended, and according to the Quality Standards for Inspections issued by the President's Council on Integrity and Efficiency. Major OIG contributors to the review are identified in appendix D.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00169 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.127

Appendix B
Management Comments to the Draft Report

U.S. Department of Homeland Security
Washington, DC 20472

FEMA

AUG 6 2010

MEMORANDUM FOR: Matt Jadacki
Assistant Inspector General
Office of Emergency Management Oversight
Office of Inspector General

FROM: David J. Kaufman
Director
Office of Policy and Program Analysis

SUBJECT: Comments on OIG Draft Report, *FEMA's Preparedness for the Next Catastrophic Disaster – An Update*

Thank you for the opportunity to review and comment on the Office of Inspector General's (OIG's) subject draft audit report. As the Federal Emergency Management Agency (FEMA) works toward refining its programs, the OIG's independent analysis of program performance greatly benefits our ability to continuously improve our activities.

We are happy to note that since your report in March 2008, OIG-08-34, *FEMA's Preparedness for the Next Catastrophic Disaster*, we have improved our performance in four of the nine preparedness areas (Emergency Communications, Evacuations, Housing, and Mission Assignments) you chose to evaluate and remained steady in the remaining areas. One new area, Mitigation has been added for this current review. Overall, we are very pleased that you have recognized our efforts and consider this to be a very favorable report.

FEMA concurs with the draft report's three recommendations which are reiterations of those contained in your 2008 report. We have implemented many of the previous OIG recommendations cited in Appendix C of your report and continue to develop corrective action plans for others. Clearly these efforts have led to the improved "scores" recorded in this updated report.

Our following comments, many containing updated information for your consideration when preparing the final report, are organized by the preparedness areas in your report. Technical comments have been provided under separate cover.

www.fema.gov

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00170 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.128

Overall Planning

The draft report does not reflect the full extent to which FEMA's assessment of our nation's preparedness has improved over the past two years. For example, in this section the draft specifies the Cost to Capabilities initiative and Gap Analysis Programs (GAP) but does not mention the last three annual State Preparedness Reports, the most recent of which has evolved to a capabilities-based, quantitative self-assessment of each State's preparedness. It also does not reference the draft National Preparedness Report, which is currently in concurrence. These reports demonstrate that FEMA has substantially improved our assessments of capabilities/readiness at the national, state, and local levels.

With respect to the draft report's statement regarding an effort to update the status of catastrophic planning, more current information is now available. Protection and National Preparedness (PNP) has completed a review of the current status of catastrophic planning in all 50 states, six territories/ districts, and 75 of the Nation's largest urban areas. This analysis shows that, while significant progress has been made in core aspects of planning, there remains a gap in planning for the unique issues faced during catastrophic events.

Similarly, with respect to the information about Citizen Corps Councils, more updated information is available. Expanded online data collection tools to assess the activities of Citizen Corps Councils and Community Emergency Response Team (CERT) programs nationwide have been developed and were approved on February 12, 2010 by the Office of Management and Budget (OMB). FEMA is in the process of conducting outreach and technical assistance on the tools and is expecting to launch the tools in September 2010. Once the registration process is complete, anticipated by the end of November 2010, FEMA expects to contact the identified sponsoring organization for an appropriate sample size to verify the Council/CERT program and to confirm the listed point of contact. Expanded data collection will allow FEMA to maintain a greater understanding of both activity levels and challenges facing local councils and CERT programs in the activities they conduct to engage the community in planning for disasters and to prepare individuals and organizations. States will maintain their role in the approval process for re-registered Councils and the CERT Program. By December 30, 2010 FEMA will release a report of the data contained in the new Council and CERT program registries. FEMA believes in the importance of presenting the public with accurate information and will work to ensure the accuracy of the registry data of Citizen Corps Councils and CERT Programs on an ongoing basis.

We also wish to point out that community preparedness is integrated throughout FEMA's primary strategic tools including *The Quadrennial Homeland Security Review (QHSR): A Strategic Framework for a Secure Homeland*, released by the Department of Homeland Security in February 2010. The QHSR offers a vision for a secure homeland and a resilient people where resilience is defined as the need to "foster individual, community, and system robustness, adaptability, and capacity for rapid recovery." The FEMA Administrator's Intent for Building the FY 2012-2016 Future Year Homeland Security Program, also released in February 2010, echoes this theme of integrating participation from all sectors and from the public at large. In addition, the National Protection Directorate (NPD) strategic plan will identify partnerships

throughout the Agency to ensure a "whole of Agency" effort on pre-incident preparedness actions. The NPD strategic plan will incorporate the elements identified in the Community Preparedness Strategic Approach, as well as the 2009 NPD Operating Plan, the FEMA Strategic Plan and other relevant documents. NPD plans to have a strategic plan developed by the end of Calendar Year 2010.

Your draft report also fails to mention the Regional Catastrophic Preparedness Grant Program (RCPGP). This is a major effort underway with 11 Urban Area Security Initiatives to focus on planning for catastrophic events. The RCPGP provides funding and resources for the full-spectrum of catastrophic planning activities. The RCPGP is focused on the local and regional levels of government, and requires a chartered Regional Catastrophic Planning Team to address the challenges faced when planning for these events. Significant progress has been made to date in creating relationships, conducting joint planning, and producing products useful to the participants and the nation at large.

While the Overall Planning Section is rightfully concentrated on PNP, Response Catastrophic Planning efforts have been ongoing and are now a priority of the Administrator and of the Office of Response and Recovery. The following bullets reflect strong progress, continued success, and a path forward towards catastrophic planning by the Response Directorate and its Planning Division:

- Response is currently working to align existing federal response planning initiatives such as the Gap Analysis Program (GAP), catastrophic planning, evacuation planning, and emergency communications planning into a coordinated operational planning effort.
- These planning initiatives are now merged into one Planning Division which will provide technical assistance planning teams to assist with national and regional plan development.
- The Planning Division is working closely with both Logistics and Recovery Directorates.
- The Response Directorate is working with the National Preparedness Directorate to align the grant program initiatives with Regional, State, and local planning.
- In 2010, Response published a document intended to ensure plan consistency. The Regional Catastrophic Planning Guide serves as a "how to" for FEMA regional planners involved in any type of collaborative planning effort with Federal, state, territorial, and tribal partners.
- Our largest catastrophic planning initiative, the New Madrid Seismic Zone, is on target to be completed by September 2010.

Emergency Communications

We submit the following additional information on the Regional Emergency Communications Coordination Workgroups (RECCWGs) referenced in this section of the draft report. These ten Workgroups have been established to address interoperable emergency communications concerns:

- RECCWGs are mandated planning and coordinating bodies responsible for providing a forum to assess and address the survivability, sustainability, operability, and interoperability of emergency communications systems at all levels of government.

- RECCWGs provide insight into regional preparedness efforts by serving as a mechanism for state, local, and tribal agencies to support FEMA and other Federal agencies in defining and integrating emergency communications support during an incident.

Updated information is also available regarding the status of emergency communications plans. To date 31 states and 9 regions have emergency communications plans with 4 more state plans slated to be completed this fiscal year and the one remaining regional plan in its final stages. The remaining state plans will be completed at a rate of 6 per year under the current budget. We are also doing an annex for American Samoa which had not been planned but additional resources were identified to support the Tsunami alert and warning system initiative.

With respect to progress in the emergency communications area, we would point to the Public Safety Interoperable Communications (PSIC) Grant Program, which is administered by the Department of Commerce (DOC) in consultation with Department of Homeland Security (DHS)/FEMA, as a leading example of a Federal program that supports emergency communications activities. More than 90 percent ($811 million) of PSIC funds were designated by State and local agencies for acquisition and deployment of equipment that will increase emergency communications interoperability. Jurisdictions invested in all frequency bands (specifically, VHF, UHF, 700 MHz, and 800 MHz) and relied heavily on advanced and standards-based (such as Project 25 [P25]) technology, including Internet Protocol (IP), satellite, and video for public safety purposes.

In consideration of the available Federal funding support for emergency communications technology, DHS/FEMA and the DHS Office of Emergency Communication (OEC) opted to maximize the impact of the Interoperable Emergency Communications Grant Program (IECGP) funding by focusing on strengthening state and local governance structures, to enable them to: (a) implement a statewide plan; (b) ensure that those plans align with national goals and objectives; (c) effectively manage large communications projects; and (d) improve emergency communications capabilities.

Logistics

The draft report indicates that FEMA has only made moderate progress since the 2008 audit in establishing a national supply chain strategy. Significant progress has been made on maturation of the national supply chain by building strong partnerships and developing clearly identified sourcing strategies for "routine" through catastrophic events. Consequently it is our position that we have made substantial progress in this area since 2008. All of our efforts have been consistent with the Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA) mandate requiring the Administrator to develop an efficient, transparent, and flexible ***logistics system*** for procurement and delivery of goods and services necessary for an effective and timely response to major disasters, acts of terrorism, and other emergencies and for real-time visibility of items at each point throughout the logistics system. This legislation precipitated the National Logistics Coordinator (NLC) concept that is currently incorporated in the National Response Framework, Emergency Support Function, ESF #7 (Logistics Management and Resource Support), and the accompanying ESF #7 Annex.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00173 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.131

Specifically, our national supply chain strategy is based upon a tiered sourcing concept that aligns with the incident magnitude (copy of this information to be provided under separate cover). Our deliberate planning efforts for effective supply chain support begin with our Regional Planning Assistant Team (RPAT). This team consists of Headquarters Logistics Planners who are individually assigned to each of our ten regions. The team works through our regional Logistics Chiefs, who work with their respective states to develop regional logistics support requirements. Once developed, the Resource Management Group (RMG), as mentioned in the OIG report, develops the definitive sourcing plan for each state. Both our 2009 and 2010 Hurricane Season Concept of Resource Support Briefs (copies to be provided under separate cover) are the direct outcomes of this process. Additionally, this concept was used to support two of the most challenging supply chain scenarios since Katrina, Haiti and Samoa. As described in the FEMA Tiered Sourcing Strategy/Planning document, the total cost of 2008 logistics support (including Hurricanes Gustav and Ike) exceeded $1 billion and 2009 (including the American Samoa Tsunami) over $42 million. The complexity, scale and efficiency of service and support provided during 2008 and 2009, could not have been accomplished without a highly effective national supply chain strategy.

Additionally, this report should note and emphasize that FEMA routinely collaborates with both DHS Science & Technology (S&T) and the FEMA Office of the Chief Information Officer (CIO). Specifically, the FEMA OCIO has appointed a dedicated Delivery Manager to the Logistics Supply Chain Management System (LSCMS) Program. Additionally, FEMA conducts weekly 30-minute Executive Briefings which the CIO personally attends. FEMA also conducts bi-weekly meetings which the project managers, along with OCIO key players attend. The FEMA CIO attends and co-chairs this meeting.

Evacuations

This section in the draft report mentions the Catastrophic Disaster Planning Initiative but nothing about the Regional Catastrophic Preparedness Grant Program. As discussed above, the RCPGP is designed to support planning for catastrophic events to include evacuation planning. To date, ten of the eleven sites have projects relating to evacuation planning efforts for their regions.

Also, the National Plan Review mentions several elements of progress regarding evacuation planning that should be included in this section. For example, the Evacuation Planning Technical Assistance program created in 2007 has been delivered 15 times since its inception and also states and urban areas have indicated an increased confidence in their Public Protection and Evacuation appendices.

We would also like to point out additional information regarding GAP. The GAP mission has remained the same; however, the former program has been integrated with a holistic approach and in a new functional organizational framework to achieve the same mission. GAP is now considered a tool not a program or how we develop a plan. It is an analytical tool to help develop initial mission analysis and staff estimates, which are both key steps in plan development. FEMA will continue to develop interagency and regional plans in FY2010 and

FY2011. The staffing estimate and capability assessment process is an imperative step in the development of these plans.

Finally, we do not understand why our preparedness to support a regional or large-scale evacuation still remains in question. Over 2 million people were successfully evacuated during the 2008 hurricane season with Gustav and Ike.

Housing

FEMA requests that you add the following information to your Housing section: "In addition to the progress FEMA has made towards improving the interagency and intergovernmental coordination of disaster housing through the progress of the National Disaster Housing Task Force, FEMA has also worked to clarify the roles and responsibilities of Individual Assistance (IA) personnel and key external stakeholders through its IA Disaster Housing Concept of Operations (DHOPS CONOPS). The DHOPS CONOPS will identify and explain the major program activities associated with providing FEMA disaster housing program while documenting each activities purpose, intended sequence, preferred methodology, and performance targets."

With respect to your discussion regarding the Non-congregate Housing Program, we request that you include the following: "FEMA has also developed a Non-congregate Housing Program that allows for sheltering 500,000 disaster-affected households after a catastrophic event. This Non-congregate Housing Program uses hotels and motels or federally-owned unoccupied housing units as a sheltering resource. Each option has unique challenges.

FEMA maintains a contract to place disaster survivors in hotel/motel rooms for an extended period. The vendor has access to a network of 14,000 participating hotels across the entire nation, and has proven capability of housing more than 93,000 households in a single night. However, hotels are not a long-term solution; they are a transition to longer term housing resources. The program's success depends on the ability to register disaster survivors quickly and on the existence of available hotel/motel resources where disaster victims have relocated.

In support of sheltering individuals in federally-owned and unoccupied housing units, FEMA has worked with other federal partners to identify approximately 46,715 units nationwide. Although these units are available, there are several constraints on this program. States must be willing and able to receive disaster survivors, disaster survivors must be willing to relocate to areas where this housing is available, and available units may not be ready for immediate occupancy without first being repaired."

While the report indicates that "FEMA has only limited headquarters and regional staff to fully execute an expert-based disaster housing mission for every disaster," we wish to point out that we are currently hiring and training more full time staff in the regional offices to increase capacity in this area.

With respect to encouraging the state and local role in developing and implementing housing solutions, the National Disaster Housing Task Force will work in conjunction with the FEMA

regional offices to encourage and provide technical assistance to states for developing their State- Led Disaster Housing Task Forces (SLDHTF). The goal is to develop SLDHTFs in all states.

Disaster Workforce

FEMA notes the following four significant developments regarding the disaster workforce:

Integration of the Disaster Reserve Workforce Division (DRWD) and the Office of the Chief Component Human Capital Officer (OCCHCO) - as mentioned in the OIG draft report, establishing and fully staffing a reserve-only program office was noted in the 2007 Agency assessment as the highest priority action which would transform the Disaster Reserve Workforce. While the assessment provided management with an initial focus for our efforts -- the Disaster Reserve Workforce -- we also identified shortfalls in the efforts and resources to sustain FEMA's full-time workforce, which also deploys during active disasters. In addition, it resulted in the duplication of efforts by the Disaster Reserve Workforce and Human Capital Divisions, which maintained separate budget management, policy development, and information systems functions. In February 2010, as part of a broader Headquarters realignment, the Disaster Reserve Workforce and Human Capital Divisions were integrated into a new OCCHCO. As a result, the Disaster Workforce Division now oversees the readiness and deployment functions for the entire disaster workforce of full-time and Reserve employees, while at the same time a critical mass of staffing in the budget, policy and system areas are able to provide more effective services to both the institutional workforce and the deployable workforce.

Agency-Wide Credentialing Program - FEMA recognizes the need to prepare and deploy disaster workers who perform at expected standards of performance While the existing credentialing program represents a vital first step forward, FEMA's credentialing program must be reconfigured to meet the demands of emerging operating doctrine, as well as to provide unity of effort with all levels of the emergency management community at the federal, state, local, tribal, and private sector levels.

In March 2010, FEMA began working on broadening the oversight of its Agency-wide credentialing program. Oversight of credentialing FEMA employees was transferred to the Deputy Administrator for Protection and National Preparedness. This change brings under one organizational "hat" a wide array of credentialing initiatives for which FEMA is responsible, and places them in the entity which ensures unity of efforts in line with the National Response Framework.

In addition to changes in program oversight, FEMA will begin moving from the existing approach to one which requires demonstrated performance in training and in the field in order to be credentialed. This is an approach which incorporates best practices from the model employed by the National Wildfire Control Group.

As FEMA builds out this new "FEMA Qualification System," execution of the existing credentialing program continues At this time, FEMA reports the following updated status for

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00176 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.134

the existing program documented in the bulleted list on page 44 of the draft report:

- Eleven cadres have a complete and approved Cadre-Specific Plan (CSP). Five of these eleven cadres have migrated to the existing credentialing framework.
- Six cadres have a complete CSP that awaits approval.
- No cadres have a CSP that is actively in development.
- Four cadres have begun the initial planning in order to credential their disaster workers under the FEMA Qualification System.

Impact of Disaster Relief Funds Restrictions - a third development experienced subsequent to OIG interviews conducted for this report was a shortfall in Disaster Relief Funds (DRF) that negatively impacted all funding budgeted for the Disaster Reserve Workforce program in FY2010. From February until July, as a responsible step of stewardship, FEMA implemented proactive, immediate needs funding guidance in order to extend the available balance of DRF funding while waiting for supplemental funding. DRF funding is appropriated annually by Congress to aid disaster survivors and help communities across the country recover. Congress may offer supplemental appropriations, as needed, throughout a year to address additional needs. As a result of these restrictions, all expenses charged to the Disaster Readiness and Support account within the DRF were affected; including specific disaster-related functions such as the Hazard Mitigation Grant Program and certain categories of public assistance to states, local, and tribal governments.

The impact of "immediate needs" funding restrictions on the Disaster Reserve Workforce program has been severe. The program sent approximately 300 Reservists to credentialing-based training in FY2010, rather than the 2,000 it had planned. Contracting vehicles that provide the technology infrastructure to effectively manage the disaster workforce could not be not approved until late July 2010, when Congress approved a supplemental appropriation to replenish the DRF and FEMA could lift its "immediate needs" funding restrictions.

Surge Capacity Force Concept of Operations - subsequent to interviews by the OIG, FEMA achieved a major milestone towards creation of the plan for a Surge Capacity Force required by Section 624 of the Post-Katrina Emergency Management Reform Act.

On June 30, 2010, the FEMA Administrator approved the draft concept of operations plan for the Surge Capacity Force and forwarded it to DHS for review by all other DHS components. On a parallel track during June 2010, the DHS Office of the Chief Human Capital Officer established a working group of human resource managers from the DHS components to identify ways to avoid pitfalls experienced when FEMA has deployed employees from other federal agencies, as documented in OIG reports such as OIG-07-051, *Federal Emergency Management Agency's Volunteer Service Program Following Hurricane Katrina*, and OIG-06-32, *A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina*.

A Surge Capacity Force Concept of Operations Plan, applicable to all DHS components, is expected to be finalized in FY2011.

Acquisition Management

The Office of the Chief Procurement Officer (OCPO) has placed the list of all pre-positioned disaster response contracts on its intranet site to provide easy access to those responding to disasters in the field. Additionally, OCPO has provided to all Federal Coordinating Officers (FCOs) the prepositioned contract list and additional information in a customer-friendly format called the FCO ToolBox. The tool box is also posted to OCPO's intranet site. FEMA must balance the use of prepositioned contracts with the requirements of Section 307 of the Stafford Act that require FEMA to contract with local vendors to the maximum extent possible when responding to a declared Major Disaster.

With respect to the need for additional staff, while your draft report indicated that OCPO has a 36% vacancy rate, the Acquisition Operations Division, under which the majority of contracting officers and contract specialists are employed, has a 12% vacancy rate. Finding qualified candidates and filling open positions continues to be a challenge. In an effort to improve the situation, FEMA has 18 interns on board in various stages of completion of their three-year rotation. For other positions in OCPO, in job series such as 1101, 340 and 343, no direct hiring authority exists, leaving these positions to be filled through lengthy merit system competitive recruitment process. For exceptional applicants, recruitment bonuses are used. Moreover, retention bonuses are also used to retain highly qualified acquisition personnel.

Training is another priority of the OCPO and the Office offers a robust series of courses through each fiscal year to include DHS sponsored and Federal Acquisition Institute and Defense Acquisition University no-cost acquisition training.

The number of FEMA Contracting Officer Technical Representatives (COTRs) has increased significantly (from 700 to 1450) and the OCPO has instituted a COTR Tiered Certification Program which your report correctly identifies as having "resulted in better contractor performance and increased value for taxpayers." We wish to emphasize that there are 57 COTRs certified at the Tier III level, 56 certified at the Tier II level and the remainder are Tier I certified. COTRs that are Tier III certified may be assigned to contracts of any dollar value; Tier II COTRs may be assigned to contracts up to $57 million; and Tier III COTRs may be assigned to contracts up to $5 million. As the Tiered COTR initiative is relatively new, FEMA COTRs have 18 months from the date of the signed COTR Directive to become certified at the appropriate level (March 28, 2011).

Moreover, the OCPO has taken a large step forward in increasing contract oversight and administration of disaster contracts. OCPO has gained approval for 26 Direct Charge CORE employees that will constitute a Disaster Acquisition Response Team (DART) whose primary focus will be to respond to disasters and provide contract administration and oversight of the large disaster contracts in the field. This staff will consist of Administrative Contracting Officers and Quality Assurance Representatives who will provide consistent contract lifecycle support in each disaster. This team's focus will also include the closing out of disaster contracts in an effort to assist in the overall Disaster Closeout Process and return funds to the Disaster Relief Fund. Most of the DART (23 of the 26 team members) will be located in Regions IV, VI and IX where a large part of disaster activity occurs. However, the team will also serve the disaster

contract administration and disaster contract close-out needs of the other regions. OCPO expects the team to be hired and in place at their regional locations within the next few months.

In March 2010, OCPO's Acquisition Program and Planning Division (APPD) created a new branch, the Business Management Operations Branch (BMOB), that is responsible for overseeing FEMA's compliance with DHS's Directive 201-01: *Acquisition Lifecycle Management*. In this capacity, the BMOB supports both FEMA's Head of Contracting Activity and Component Acquisition Executive in meeting their obligations to oversee FEMA's acquisition management activities for major acquisitions. In meeting its mission, the BMOB provides the executive support to FEMA's Acquisition Review Board (ARB), serves as the primary liaison to DHS's ARB and provides both acquisition oversight and technical assistance to FEMA program offices in the execution of FEMA major acquisitions. The BMOB continues to recruit and fill vacancies within the Branch, and establish operating procedures and working relationships with FEMA programs.

With respect to the report's identification of DHS information technology system issues impacting FEMA procurement, FEMA wishes to point out that even though the system's security plan is still in the DHS approval process, the FEMA CIO has permitted system upgrades as well as the installation of new acquisition provisions and clauses. Rather than being six months to a year behind in implementing new acquisition policies, the OCPO is able to install these new acquisition policies within 30 to 60 days of publication.

Finally, in the draft report's *Continuing Concerns* for Acquisition Management, you state that "FEMA has said that many more pre-disaster contracts are in place. However, some Joint Field office officials and contracting personnel still contract separately for the same good rather than using the established contracts." However, to comply with Section 307 of the Stafford Act, FEMA is supposed to minimize the use of prepositioned contracts, so this statement appears to be in conflict with the statutory mandate to use local firms.

Mitigation

The Federal Insurance and Mitigation Administration (FIMA) in FEMA has worked to increase progress in the critical components identified by OIG.

FIMA has worked with the National Emergency Management Association (NEMA) to coauthor a white paper – *Recommendations for an Effective National Mitigation Effort - Building stronger partnerships, increased resilience, and disaster resistance for a safer nation.* (http://www.nemaweb.org/?3177) The principles of this white paper, which offers strategic themes and elements of a national mitigation strategy, are being integrated into the ongoing development of the National Recovery Framework and efforts to adapt to climate change.

FIMA has initiated a new program, Risk MAP (Mapping, Assessment and Planning), that provides communities with flood information and tools they can use to enhance their mitigation plans and better protect their citizens. Through more accurate flood maps, risk assessment tools, and outreach support, Risk MAP builds on Map Modernization and strengthens local ability to

make informed decisions about reducing risk. The goals of this new program are laid out in the RiskMAP multi year plan (http://www.fema.gov/library/viewRecord.do?id=3587)

FIMA continues to make progress with the National Flood Insurance Program (NFIP) Reform Workgroup. The Workgroup has established a three phase reform process: Phase I - capture stakeholder concerns and recommendations from the NFIP Listening Session; Phase II - analyze stakeholder feedback, develop evaluation criteria and create a portfolio of public policy alternatives; and Phase III - evaluate public policy alternatives began in June 2010 and will last 18 to 24 months. Phase III will result in a comprehensive NFIP reform package that will be delivered to Congress.

Thank you again for the opportunity to comment on this draft report and we look forward to working with you on other issues as we both strive to improve FEMA.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00180 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.138

Appendix C
Selected Reports

Overall Planning

DHS' Progress in Federal Incident Management Planning (OIG-10-58), February 2010.

Management Advisory Report: FEMA's IMAT Program (OIG-10-32), January 2010.

Emergency Preparedness: FEMA Faces Challenges Integrating Community Preparedness Programs into Its Strategic Approach (GAO-10-193), January 2010.

National Preparedness: FEMA Has Made Progress, but Needs to Complete and Integrate Planning, Exercise, and Assessment Efforts (GAO-09-369), April 2009.

National Response Framework: FEMA Needs Policies and Procedures to Better Integrate Non-Federal Stakeholders in the Revision Process (GAO-08-768), June 2008.

Coordination and Support

Disaster Recovery: Experiences from Past Disasters Offer Insights for Effective Collaboration after Catastrophic Events (GAO-09-811), July 2009.

Management Advisory Report: FEMA's Response to Hurricane Ike (OIG-09-78), June 2009.

National Disaster Response: FEMA Should Take Action to Improve Capacity and Coordination between Government and Voluntary Sectors (GAO-08-369), February 2008.

Homeland Security Information Network Could Support Information Sharing More Effectively (OIG-06-38), June 2006.

Emergency Communications

Emergency Communications: Establishment of the Emergency Communications Preparedness Center and Related Interagency Coordination Challenges (GAO-10-463R), March 2010.

Review of DHS' Progress in Adopting and Enforcing Equipment Standards for First Responders (OIG-06-30), March 2006.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00181 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.139

Logistics

FEMA's Logistics Management Process for Responding to Catastrophic Disasters (OIG-10-101), July 2010.

FEMA's Sourcing for Disaster Response Goods and Services (OIG-09-96), August 2009.

Logistics Information Systems Need to Be Strengthened at the Federal Emergency Management Agency (OIG-08-60), May 2008.

Evacuations

Status of Implementation of GAO Recommendations on Evacuation of Transportation-Disadvantaged Populations and Patients and Residents of Health Care Facilities (GAO-08-544R), April 2008.

Actions Needed to Clarify Responsibilities and Increase Preparedness for Evacuations (GAO-07-44), December 2006.

Housing

Disaster Assistance: Federal Assistance for Permanent Housing Primarily Benefited Homeowners; Opportunities Exist to Better Target Rental Housing Needs (GAO-10-17), January 2010.

FEMA Temporary Housing Property Management Controls (OIG-10-24), December 2009.

Management Advisory Report: FEMA's Housing Strategy for Future Disasters (OIG-09-111), September 2009.

Improvements to Internal Controls for FEMA's Individuals and Households Program Registration Process (OIG-09-110), September 2009.

Audit of Application Controls for FEMA's Individual Assistance Payment Application (OIG-09-104), September 2009.

Final Letter Report: Potential Duplicate Benefits Between FEMA's National Flood Insurance Program and Housing Assistance Programs (OIG-09-102), September 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00182 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.140

Disaster Housing: FEMA Needs More Detailed Guidance and Performance Measures to Help Ensure Effective Assistance after Major Disasters (GAO-09-796), August 2009.

FEMA's Temporary Housing Unit Program and Storage Site Management (OIG-09-85), June 2009.

Management Advisory Report: Computer Data Match of FEMA and HUD Housing Assistance Provided to Victims of Hurricane Katrina and Rita (OIG-09-84), June 2009.

FEMA Response to Formaldehyde in Trailers (OIG-09-83), June 2009.

Federal Emergency Management Agency's Exit Strategy for Temporary Housing in the Gulf Coast Region (OIG-09-02), October 2008.

FEMA's Sheltering and Transitional Housing Activities After Hurricane Katrina (OIG-08-93), September 2008.

Hurricane Katrina Temporary Housing Technical Assistance Contracts (OIG-08-88), August 2008.

Management Advisory Report – FEMA Emergency Housing Units Property Management (OIG-08-33), March 2008.

Review of FEMA's Use of Proceeds From the Sales of Emergency Housing Units (OIG-08-23), February 2008.

Disaster Workforce

Challenges Facing FEMA's Acquisition Workforce (OIG-09-11), November 2008.

Mission Assignments

Consolidated Report on DHS' Management of 2005 Gulf Coast Hurricanes Mission Assignment Funding (OIG-09-89), July 2009.

U.S. Coast Guard's Management of 2005 Gulf Coast Hurricanes Mission Assignment Funding (OIG-09-34), March 2009.

U.S. Customs and Border Protection's Management of 2005 Gulf Coast Hurricanes Mission Assignment Funding (OIG-08-80), July 2008.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00183 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.141

Acquisition Management

Improvements Needed in FEMA's Disaster Contract Management (OIG-10-53), February 2010.

Opportunities to Improve FEMA's Disaster Closeout Process (OIG-10-49), January 2010.

FEMA's Acquisition of Two Warehouses to Support Hurricane Katrina Response Operations (OIG-09-77), June 2009.

Challenges Facing FEMA's Disaster Contract Management (OIG-09-70), May 2009.

Internal Controls in the FEMA Disaster Acquisition Process (OIG-09-32), February 2009.

FEMA's Implementation of Best Practices in the Acquisition Process (OIG-09-31), February 2009.

Costs Incurred for Rejected Temporary Housing Sites (OIG-08-86), August 2008.

Hurricane Katrina Multitier Contracts (OIG-08-81), July 2008.

Hurricane Katrina: Ineffective FEMA Oversight of Housing Maintenance Contracts in Mississippi Resulted in Millions of Dollars of Waste and Potential Fraud (GAO-08-106), November 2007.

Mitigation

Gulf Coast Recovery: FEMA's Management of the Hazard Mitigation Component of the Public Assistance Program (OIG-10-28), December 2009.

FEMA's Progress in All-Hazards Mitigation (OIG-10-03), October 2009.

Multiple Preparedness Areas

Major Management Challenges Facing the Department of Homeland Security (OIG-10-16), November 2009.

DHS Efforts to Address Lessons Learned in the Aftermath of Top Officials Exercises (OIG-09-53), April 2009.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00184 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.142

Actions Taken to Implement the Post-Katrina Emergency Management Reform Act of 2006 (GAO-09-59R), November 2008.

Major Management Challenges Facing the Department of Homeland Security (OIG-09-08), November 2008.

FEMA's Preparedness for the Next Catastrophic Disaster (OIG-08-34), March 2008.

Major Management Challenges Facing the Department of Homeland Security (OIG-08-11), January 2008.

A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina (OIG-06-32), March 2006.

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00185 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.143

Appendix D
Major Contributors to this Report

Donald Bumgardner, Lead Director
Norman Brown, Director
Kaye McTighe, Director
Philip McDonald, Project Manager
Craig Anderson, Supervisory Auditor
Adrian Dupree, Supervisory Auditor
Nigel Gardner, Supervisory Program Analyst
Trudi Powell, Supervisory Auditor
Soraya Vega, Supervisory Program Analyst
Eric Young, Supervisory Auditor
Douglas Campbell, Program Analyst
Polin Cohanne, Senior Program Analyst
Kimberly Gilliland, Program Analyst
S. Ryan Hartong, Program Analyst
Eric Hostelley, Program Analyst
John Meenan, Program Analyst
Nathaniel Nicholson, Auditor
Puja Patel, Program Analyst
Alexandra Vega, Program Analyst
John Woo, Senior Auditor

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00186 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.144

Appendix E
Report Distribution

Department of Homeland Security

Secretary
Deputy Secretary
Chief of Staff
Deputy Chief of Staff
General Counsel
Executive Secretariat
Director, GAO/OIG Liaison Office
Assistant Secretary for Office of Policy
Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs
FEMA Administrator
FEMA Audit Liaison (10-011-EMO)

Office of Management and Budget

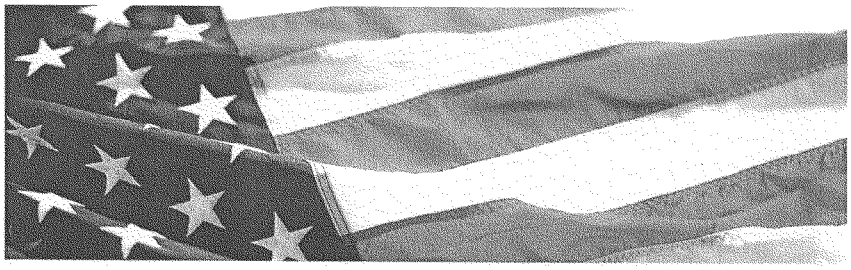
Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees, as appropriate

VerDate Nov 24 2008 14:42 Jan 30, 2012 Jkt 067118 PO 00000 Frm 00187 Fmt 6601 Sfmt 6601 P:\DOCS\67118.TXT SAFFAIRS PsN: PAT

67118.145



ADDITIONAL INFORMATION AND COPIES

To obtain additional copies of this report, please call the Office of Inspector General (OIG) at (202) 254-4100, fax your request to (202) 254-4305, or visit the OIG web site at www.dhs.gov/oig.

OIG HOTLINE

To report alleged fraud, waste, abuse or mismanagement, or any other kind of criminal or noncriminal misconduct relative to department programs or operations:

• Call our Hotline at 1-800-323-8603;

• Fax the complaint directly to us at (202) 254-4292;

• Email us at DHSOIGHOTLINE@dhs.gov; or

• Write to us at:
DHS Office of Inspector General/MAIL STOP 2600,
Attention: Office of Investigations - Hotline,
245 Murray Drive, SW, Building 410,
Washington, DC 20528.

The OIG seeks to protect the identity of each writer and caller.

Post-Hearing Questions for the Record
Submitted to Hon. W. Craig Fugate
From Chairman Joseph I. Lieberman

"Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster"
March 17, 2011

Question#:	1
Topic:	nuclear reactors
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: According to news reports, there are 23 nuclear reactors in 16 power plants in the United States with the same reactor and containment design as the Fukushima Daiichi Plant in Japan. A number of these plants are located along the New Madrid fault line, which runs along eight Midwestern and Southern states and could affect more than 15 million people if an earthquake occurred.

Are the planning assumptions used for disaster scenarios that may impact U.S. nuclear power plants sufficient – that is, are we planning for a big enough event?

How will the disaster in Japan inform FEMA's National Level Exercise to test response plans for a New Madrid earthquake scheduled in May?

Response: Currently, all planning scenarios for nuclear power plant exercises assume a "worst case" accident that results in the simulated release of radiological materials. These scenarios are then used to drive exercise play by the utility and the Offsite Response Organizations. In addition, at least once every six years, each State exercises a scenario that results in a simulated release beyond ten miles of the site boundary, often out to fifty miles or beyond. While some utilities and Offsite Response Organizations may use a natural disaster as a concurrent or initiating event for the scenario, it is not required at this time.

FEMA' National Exercise Division has worked with the U.S. Geological Survey (USGS) and Sandia National Labs to develop a realistic catastrophic exercise scenario for NLE 11. After the Japan earthquake and subsequent tsunami, a review of the NLE 11 scenario in relation to the Japanese earthquake was performed. For example, based on lessons learned from the Japan disaster, FEMA has ensured the scope of the exercise includes those departments and agencies whose responsibilities involve interaction with the international community, recognizing that international resources have been invaluable to

Question#:	1
Topic:	nuclear reactors
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Japan's response and recovery. NLE 11 is also incorporating the use of social media which proved particularly helpful in the timely sharing of shelter information in Japan.

The closest nuclear power plant to NLE 11 epicenter is approximately 168 miles and would be subject to minimal ground shaking. Furthermore, the release of radioactive material is not associated with any of the NLE 11 overarching exercise objectives on which the exercise was developed. In follow on discussions about the magnitude of the Japanese earthquake occurring in the New Madrid Seismic Zone (NMSZ), the USGS response was that this magnitude was "unreasonable" for an earthquake in the NMSZ. The FEMA Radiological Exercise Program regularly exercises nuclear power plant emergencies with plant owners and appropriate federal/state/local officials.
The National Recovery Exercise, one of the exercise activities in the NLE 11 series, scheduled for September 2011, may afford the opportunity to incorporate ongoing recovery issues from the Japanese earthquake into the NLE 11 recovery activities.

67118.148

Question#:	2
Topic:	power plants
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: Some nuclear power plants in the United States are in highly populated areas. For instance, San Onofre and Indian Point in California and New York respectively, have millions of people living nearby. FEMA's emergency planning for radioactive plum exposure around nuclear power plants only includes for an approximately 10-mile zone around each nuclear plant. However, in the recent disaster with the Fukushima power plant in Japan, the United States government recommended that U.S. residents within 50 miles of Fukushima power plant evacuate, while the Japanese government has recently advised its own citizens to avoid an 18-mile zone around the plant.

Why do we use only a 10-mile emergency planning zone for radioactive plume exposure in the United States? Given the disaster at the nuclear plant in Japan, do you think we need to consider including a larger zone in our radioactive plume exposure planning around nuclear power plants?

The Mass Evacuation Incident Annex was finalized nearly three years ago, but FEMA has yet to finish the Operational Supplement to the Annex, which will provide additional guidance for mass evacuations. When will the supplement be completed and operational?

Response: The Federal Emergency Management Agency (FEMA) and U.S. Nuclear Regulatory Commission (NRC) emergency preparedness planning guidance provides for two emergency planning zones (EPZs) for U.S. commercial nuclear power plants (NPPs) to include the Plume Exposure Pathway/Evacuation Planning (apx. 10 miles in radius) and the Ingestion Exposure Pathway (apx. 50 miles in radius). The Plume Exposure Pathway is designed to safeguard the population most at risk from direct exposure to radiation levels in excess of Environmental Protection Agency Protective Action Guidelines (PAGs). The Ingestion exposure pathway is designed to protect the public from secondary exposure to radiation through the food chain or public water supplies.

The planning zones are intended to be scalable over time to account for changing conditions that could possibly extend outside the initial EPZ. Specifically, as stated on page 11 of NUREG-0654/FEMA-REP-1, Rev. 1, "In a particular emergency, protective actions might well be restricted to a small part of the planning zone. On the other hand, for the worst possible accidents, protective actions would need to be taken outside the planning zones". Accordingly, the EPZs are the base areas requiring emergency planning and they are designed to be expanded (beyond the base of 10 or 50 miles), as necessary, during emergencies.

Question#:	2
Topic:	power plants
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

The 10 and 50 mile EPZs are the federally required minimum. FEMA and NRC regulations state that the exact size and shape of the EPZs shall be determined by the State and local governments – in consultation with FEMA and the NRC, taking into account such local conditions as demography and topography.

Presidential Policy Directive/PPD 8 was approved on 30 March 2011. An implementation plan on this directive will be developed to assign departmental responsibilities and delivery timelines for the development of the national planning frameworks. Once these assignments have been made, a course of action on potentially revising the NRF, the Catastrophic Incident Supplement, the Mass Evacuation Incident Annex, and other annexes will be developed. Because the new PPD on National Preparedness will have such a significant impact on future planning activities, the decision was made to place on hold any further revision to the CIS and other annexes.

67118.150

Question#:	3
Topic:	Nuclear Incident
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: The National Response Framework and its incident annexes lay out leadership roles for the federal agencies after a nuclear incident. Incident management falls to DHS for deliberate attacks on nuclear power plants and for large scale incidents. Emergencies at nuclear plants that don't trigger DHS management may be led by the Departments of Defense or Energy, Nuclear Regulatory Commission, or the Environmental Protection Agency, depending on who owns or licenses the facility. Other types of radiological emergencies may trigger leadership by even more federal agencies. It is obviously important that our leadership structure is clear in order to effectively respond to such incidents.

Are the leadership, roles, and responsibilities clear for a nuclear incident? How is it determined if an event is a "large scale incident" where DHS takes the lead?

What steps have been taken to evaluate the capabilities and resources of each coordinating agency with responsibilities under the National Response Framework to ensure that there aren't gaps at a particular agency or unnecessary redundancies between agencies?

Response: These are defined at multiple levels. The plans and procedures for the communities located near commercial nuclear power plants define the leadership, roles and responsibilities at the local, tribal and State levels that would come into play in the event of a radiological emergency. These include the necessary interfaces with federal agencies with direct statutory responsibilities in such an event. At the federal level, the Nuclear/Radiological Incident Annex to the National Response Framework defines the leadership, roles and responsibilities for specific types of events.

For an accident or incident at a licensed nuclear power plant, the Nuclear /Radiological Incident Annex identifies roles and responsibilities that describe how agencies would initiate support to the local and state jurisdictions under their statutory authorities. Should the event proceed to levels where health and safety of the public was significantly affected, it is likely that DHS would take the lead.

67118.151

Question#:	4
Topic:	IGA report
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: According to the Inspector General's report, FEMA's Preparedness for The Next Catastrophic Disaster – An Update, (OIG-10-123), much of DHS' and FEMA's planning efforts for catastrophic disasters have been on hold since about July 2009, when the Administration announced it was conducting a review of Homeland Security Presidential Directive 8 (HSPD-8) and its Annex 1. Even before the delay in planning due to the revision of HSPD-8, our planning efforts were lagging far behind. Indeed the Catastrophic Incident Supplement required by the Post-Katrina Emergency Management Act ("Post-Katrina Act") has not yet been completed.

What is your timeline for completion of the Catastrophic Incident Supplement?

How many qualified permanent full-time employee operational planners does FEMA currently have on staff?

Response: The 2006 version of the CIS remains the official document. An official revision of the CIS was placed on hold because of the rewrite of HSPD-8 and the ultimate replacement of HSPD-8 with the new White House Presidential Policy Directive on National Preparedness.

Presidential Policy Directive/PPD 8 was approved on 30 March 2011. An implementation plan on this directive will be developed to assign departmental responsibilities and delivery timelines for the development of the national planning frameworks. Once these assignments have been made, a course of action on potentially revising the NRF, the Catastrophic Incident Supplement, the Mass Evacuation Incident Annex, and other annexes will be developed. Because the new PPD on National Preparedness will have such a significant impact on future planning activities, the decision was made to place on hold any further revision to the CIS and other annexes.

However, FEMA is moving forward with updating the relevant data for the CIS as part of the Whole Community efforts and the work being done with New Madrid Seismic Zone (NMSZ) earthquake planning. Earlier this year, a Resource Allocation Workshop was conducted with over 350 federal, state, local, private/public sector, and voluntary organization representatives. The outcome of both Whole Community and the NMSZ efforts will result in an execution schedule for an all hazards plan that will be the updated CIS.

The Response Directorate has 23 full-time employee operational planners.

67118.152

Question#:	5
Topic:	grants
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: Since 2003, FEMA has issued nearly $30 billion in preparedness grants. This Committee has long believed that we must be able to evaluate the effectiveness of these grants. Both the Post-Katrina Act and the Implementing Recommendations of the 9/11 Commission Act of 2007 require FEMA to establish a comprehensive assessment system, yet to date FEMA has failed to do so. In addition, I worked with Rep. Cuellar last Congress to pass HR 3980—the Redundancy Elimination and Enhanced Performance for Preparedness Grants Act—which requires FEMA to work with the National Academy of Public Administration on the development and implementation of performance measures for its grant programs.

When does FEMA intend to complete the requirements for a comprehensive assessment system for grants set out in the Post-Katrina Act and the 9/11 Commission Act?

What milestones does FEMA plan to reach within the next year?

HR 3980 required FEMA to submit a report in January 2011 that included, among other things, a plan with a specific timetable for developing grant performance measurements. FEMA has not yet submitted this report. When does FEMA plan to submit it and will FEMA meet the other deadlines set out in this legislation?

Response: FEMA has developed the Comprehensive Assessment System (CAS) as an analysis-based enterprise designed to help evaluate preparedness using a coordinated body of methods and procedures. The concept provides an overarching framework that spans the lifecycle of an assessment of effectiveness. It is not the Administration's solution to the grant effectiveness question, but it does represent an approach.

CAS was developed as a business process and is used to produce preparedness assessments. The process includes five steps:

1. Define – determine the best, most appropriate standards to use and data sources to draw from depending on what aspect of preparedness we are assessing;
2. Collect – collect quantitative and qualitative data from a large variety of FEMA, interagency, and open-source data sources;
3. Analyze – use a variety of quantitative and qualitative analytical techniques to sort through and evaluate what indicators of preparedness are telling us about just how much capability has been achieved by preparedness partners;
4. Report – assemble our analytical results in a formal statement to Congress or other entity requesting information, while delivering standards-based assessments. (e.g. The 2009/2010 National Preparedness Report that answers a number of different Congressional reporting requirements was developed using this process); and finally
5. Improve – evaluate how the process worked and what we have to do better to conduct better and more useful assessments in the future.

67118.153

Question#:	6
Topic:	problems
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: For years, numerous reports have pointed to serious, sometimes embarrassing management problems at FEMA. These include FEMA's inability to count the number of individuals it employs and track billions of dollars awarded in homeland security grants. Underlying FEMA's management challenges are outdated, unreliable, and inadequate IT systems. If FEMA is to respond to catastrophic disasters, these issues must be resolved.

How will FEMA address these management deficiencies and build the management infrastructure necessary to effectively achieve its mission?

Does FEMA have a management strategy that lays out priorities, measurable goals and milestones?

Response: The Agency has undertaken significant modernization projects over the past three years to improve information technology infrastructure, services and systems that support management functions and disaster response activities. FEMA is always striving to enhance and improve our systems and processes to keep up with the ever-changing technological environment in which we operate.

FEMA CIO is establishing an interactive website that captures the strategic goals set for major functional areas (enterprise, business, and mission), and details sanctioned mission goals and needs. The website will provide links to the consolidated modernization management data, reports, and structures.

As part of the Agency-wide budget planning process, FEMA CIO leaders will continue to meet quarterly with senior leaders in enterprise, business and mission areas to ensure IT investments support Agency mission goals.

The significant IT modernization projects undertaken by FEMA are governed by steering groups that set clearly defined goals and objectives to support the Agency's mission. The Chief Information Officer ensures that IT investments support FEMA's goals and objectives. This governance process will inform the updated IT strategy.

Examples of recent accomplishments made by FEMA include:

- Improving telephone services and management that saved the agency roughly $9 million over the past two years;

67118.154

Question#:	6
Topic:	problems
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

- Managing the Disaster Assistance Improvement Program, which brings together the resources of 17 federal agencies in one central location. The system is designed so that it can be scaled to intake 200,000 registrants in a 24-hour period;
- Implementing a budget system and a robust disaster recovery capability for its financial system;
- Improving critical enterprise capabilities or systems, such as e-mail, while dramatically reducing costs.

Additionally, with regard to FEMA's management of homeland security grants, the Grant's Program Directorate has initiated use of the Non-Disaster Grants Management System (ND Grants). This web-based system is intended to track all preparedness grants, which account for approximately 90% of all non-disaster grants administered by DHS. As part of this system, FEMA and its stakeholders will be able to:

- Apply for, report on, and monitor grants using just one system,
- More efficiently evaluate grant applications and monitor programmatic and financial progress,
- Develop and utilize better performance monitoring analysis tools,
- Address deficiencies earlier in the grant lifecycle, and
- Ensure the timely close out of grants.

The planning and development of the ND Grants system has already helped us identify burdensome or duplicative requirements for not only FEMA, but also our grantees. The ND Grants system will help FEMA streamline and more effectively manage grant processes.

67118.155

Question#:	7
Topic:	funds
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: During the hearing, former Inspector General Richard Skinner expressed concerns regarding transparency and accountability in the use of disaster relief funds. One specific concern was the Fraud Prevention Unit, which Mr. Skinner said was under-funded and under-staffed.

What funding was allocated for this office in fiscal year 2010?

How many employees currently work in this office?

What did this office accomplish in fiscal year 2010?

Response: In FY10, the Fraud Unit was annexed as a component of the Office of the Chief Security Officer (OCSO). There is no allocated funding for this program. OCSO continues to fund, supply, and support items out of current funding as necessary, capable, and appropriate.
Currently there are nine positions in the Fraud Unit, two of which are vacant. Last Thursday, the Administrator tasked OCSO to immediately develop a plan for expanding the unit.

In FY10, the Fraud Unit accomplished the following:

- Conducted 464 investigations/reviews of FEMA fraud complaints,
- Submitted $2.2 million for recoupment of fraudulent or improper payments,
- Prevented/protected improper disbursement of $137k,
- Presented at the Government Accountability Conference in Washington, DC on FEMA's Fraud Prevention and Detection Efforts,
- Presented at the DHS OIG leadership conference in Dallas, TX on FEMA's Fraud Prevention and Detection Efforts and cooperative investigative initiatives,
- Provided FEMA fraud awareness training to personnel from the Office of the Chief Security Officer, Gulf Coast Recovery and Office of External Affairs, and
- Provided assistance and training to FEMA's Disaster Assistance Improvement Program, Office of the Chief Information Officer, staff of the Recovery Directorate and Internal Control Program Fraud Prevention Working Group on FEMA fraud detection and proposed internal controls to FEMA Programs and IT systems.

67118.156

Post-Hearing Questions for the Record
Submitted to Hon. W. Craig Fugate
From Senator Mark L. Pryor

"Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster"
March 17, 2011

Question#:	8
Topic:	disaster recovery
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Mark L. Pryor
Committee:	HOMELAND SECURITY (SENATE)

Question: Last year, the President announced that Secretaries Napolitano and Donovan of HUD would lead a Long Term Disaster Recovery Working Group, which would report to him on the Administration's efforts to improve the nation's long term disaster recovery apparatus. . The report was due in April of 2010, when that deadline passed, the Administration promised to deliver the report in August of 2010. When will this report be delivered to the President and when will you or Secretary Napolitano be able to discuss the report with Congress?

What role have you had in the development of the Long Term Disaster Recovery Working Group's report to the President?

Response: In September 2009, the President asked the Secretaries of DHS & HUD to chair & form the Long-Term Disaster Recovery Working Group (Working Group) to provide recommendations to the President on what additional changes were needed to enhance recovery operations in the long term. As you know development of the Working Group Report was an extensive process that incorporated substantial stakeholder input. The Working Group submitted a number of recommendations, which are currently undergoing a final review by both DHS/FEMA and HUD before being submitted to the Interagency for concurrence.

Question#:	9
Topic:	evacuation plans
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Mark L. Pryor
Committee:	HOMELAND SECURITY (SENATE)

Question: The 2011 National Level Exercise will take place in May of this year and will test the ability of Federal, state, and local governments to respond to an earthquake in the New Madrid Seismic Zone. Has FEMA included nuclear evacuation plans in its disaster planning for a catastrophic New Madrid earthquake? What other planning has FEMA done to consider a destabilized nuclear power facility in the wake of a major earthquake?

What are some of the specific tools FEMA can use to save lives and provide basic necessities, such as medical care and shelter, if such an event occurs?

Response: There is historical precedence (The 2009 San Onofre Nuclear Generating Station (SONGS) dress rehearsal scenario was driven by an earthquake event) that scenarios for REP exercises at the nuclear power plants in California have had an earthquake as the initiating event that leads to a cycle of events that triggers an offsite release of radiation to the environment. In addition, common practice during REP exercises across the Country (regardless of the initiating event…natural or technological); impediments to evacuation routes are injected or built into the exercise in order for FEMA to evaluate the State and local capabilities in handling those sorts of evacuation issues. The State of California Emergency Plan has earthquakes listed as one of the high-risk hazard and vulnerability that they prepare to respond to and that would be the plan implemented for an earthquake event.

If evacuation is not feasible due to earthquake damage because of debris or even because of adverse weather conditions, elected officials would not order an evacuation that would place the public in harm's way or in a perilous situation. The State and local protective action/measure decision would be to shelter in place until the evacuation routes are cleared and deemed safe for travel or until the inclement weather passes and no longer poses a safety risk to the public. The authorized decision makers consider all of these factors prior to issuing a protective action to the public. Potassium Iodide (KI) programs are also administered by States in accordance with Federal guidance and State law.

If there is an accident at a plant (resulting in a radiological release) taking place simultaneously with or as a result of another disaster (Earthquake, hurricane, Tsunami, flood, wildfire, etc...) the state and local OROs would bring all response resources. A shortfall could be addressed via emergency management assistance compacts (EMACs) and mutual aid agreements with other counties and states.

67118.158

Question#:	9
Topic:	evacuation plans
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Mark L. Pryor
Committee:	HOMELAND SECURITY (SENATE)

Standard NRC/industry protocols call for plants to be shut down during (or in anticipation of) natural disasters. In the aftermath of a natural disaster, FEMA REP would conduct a Disaster Initiated Reviews (DIR) of the community infrastructure surrounding each commercial nuclear plant prior to their restart. Coordinated closely with NRC, industry, and State/local/tribal governments, DIRs ensure the infrastructure and people surrounding a nuclear power plant have recovered sufficiently to provide a reasonable assurance of public safety. Should the DIR find conditions have not sufficiently improved to allow for a reasonable assurance of public safety, NRC would be advised of this, along with the specific plan for remedying the situation prior to plant restart.

To assist state, local and tribal governments overwhelmed in a disaster situation, FEMA can immediately deploy multiple disaster response teams. Several different types of disaster response teams can be deployed to support disaster response. FEMA has developed a next generation of rapidly deployable interagency National and Regional emergency response teams, identified as Incident Management Assistance Teams (IMAT).

In addition, the National US&R Response System is a framework for structuring local emergency services personnel into integrated disaster response task forces. The 28 National US&R Task Forces, complete with the necessary tools, equipment, skills and techniques, can be deployed by FEMA to assist state and local governments in rescuing victims of structural collapse incidents or to assist in other search and rescue missions. Each Task Force must have all its personnel and equipment at the embarkation point within six hours of activation to be dispatched to the incident site.

Another key FEMA disaster response asset is the MERS System. The primary function of MERS is to provide mobile telecommunications capabilities and life, logistics, operational, and power generation support required for the on-site management of disaster response activities. MERS support falls into three broad categories to include operations (Mobile Emergency Operations Centers, quick reaction support, disaster preparedness officers, MERS security officers), communications (satellite, multiple radio vans, High Frequency line of sight microwave, land mobile radios, voice, video, and data capabilities, and wide area interoperability), and logistics (fuel, water, HVAC, life support, transportation, and power).

MERS supports federal, state and local responders in their efforts to save lives, protect property and coordinate disaster operations, including providing prompt and rapid multi-media communications, information processing, logistics, administrative, and operational support. Staged in six strategic locations, one with offshore capabilities, the MERS detachments can concurrently support a large JFO and multiple field operating sites within a disaster area.

67118.159

Post-Hearing Questions for the Record
Submitted to Hon. W. Craig Fugate
From Senator Susan M. Collins

"Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster"
March 17, 2011

Question#:	10
Topic:	tsunami
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: While Japan's geographic location leaves that nation highly susceptible to an earthquake resulting in a tsunami, it is also within the realm of possibility on our own Pacific Coast. Please discuss the steps FEMA has taken to date to prepare for an earthquake resulting in a tsunami similar to the one that struck Japan on March 11, 2011.

Response: The Cascadia Subduction Zone (CSZ) is located off the Pacific Northwest coast where the Juan de Fuca Plate meets the North American Plate, creating an 800-mile long earthquake fault zone. CSZ quakes occur between 200 to 1,000 years apart, with an average return time of between 300 to 600 years. The last CSZ quake occurred on January 26, 1700, with an estimated magnitude of 9.1. Scientists estimate that violent shaking caused by a CSZ quake could last for four to five minutes, and be felt by millions of people from Vancouver Island, British Columbia, south to California and as far east as Spokane Washington. In comparison, the recent Japan quake lasted a little over two minutes. It is estimated that within 30 minutes of the quake, the entire coastline of the Pacific Northwest would be inundated by the first in a series of tsunami waves averaging 30-feet in height, subjecting hundreds of miles of the U.S. coastline to massive destruction. The fault rupture will likely generate tsunami waves north to Alaska and west towards Hawaii, Guam, and Japan, resulting in multi-region, multi-state and international impacts.

Currently, regions IX and X are developing a multi-region, multi-state CSZ hazard specific annex to their Regional All Hazards Plans that describes the major response actions, objectives, and tasks to be accomplished in responding to an earthquake registering 9.0 on the Richter Scale and accompanying tsunami. The threat spans two regions, impacts five states directly and one territory, transcends international borders, and includes Urban Areas Security Initiative (UASI) cities to include Seattle, Portland (Tier II), and Los Angeles (Tier I) in the impacted areas. The National Protection and Programs Directorate's (NPPD) Homeland Infrastructure Threat and Risk Analysis Center (HITRAC) is working with FEMA Region X to develop a Risk/Impact Analysis that describes physical affects, second and third level affects as well as cascading affects. In the event of a CSZ earthquake or tsunami event before the completion of this plan, Regions IX and X will use existing national level plans including NRF, NIMS, and other scenario specific plans and tailor them as necessary to support CSZ response efforts.

67118.160

Question#:	11
Topic:	DHS-OIG
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: The DHS-OIG released a report in January 2011 (OIG-11-21) that found that in 2007 FEMA stopped attempting to recover all improper payments that resulted from Hurricanes Katrina and Rita and subsequent disasters. The report also noted that FEMA had identified approximately 160,000 applicants since Hurricanes Katrina and Rita that received improper disaster assistance payments through the Individuals and Households Program, totaling approximately $643 million.

I understand that, on March 16 of this year, FEMA finally began sending out the first round of "Notice of Debt" letters to disaster assistance applicants who received improper federal disaster assistance payments. What steps is FEMA planning to take to follow-up on these initial notifications?

Response: On March 15, 2011, FEMA published a notice in the Federal Register providing information to the general public on the Agency's revised recoupment process. By publishing the notice, FEMA took the initial step to reinstitute recoupment actions for improperly distributed or overpaid disaster assistance funds. Then, on March 16, 2011, FEMA began sending out Notice of Debt letters to disaster assistance applicants who received improper federal disaster assistance payments. FEMA sent these letters from the most recent disasters first. These letters inform applicants of the amount and reason for their debt, and provide information on how to repay the debt or appeal FEMA's determination.

Individuals who receive a Notice of Debt may choose one of the following options:

- Pay the amount owed in full.
- Request a copy of their FEMA records for inspection or review and/or to file an appeal within 60 days.
- If applicants choose to file an appeal, they submit a written request for an oral hearing as part of that appeal. Cases which raise issues of truth, veracity or other appealable concerns and cannot be resolved using documentary evidence will be granted an oral hearing. FEMA will make a decision on their appeal and send them a follow-up letter explaining the basis of the decision along with a description of the next steps in the process.
- If individuals choose not to file an appeal or they file an appeal and it is denied, applicants will have the opportunity to request a payment plan and/or a waiver or compromise of the debt based on inability to pay.

FEMA is committed to working with all individuals identified for potential recoupment to ensure they have a complete understanding of the determination made in their case and the various options available to them to resolve this debt. If an individual has immediate questions about their case, they may contact FEMA's Recoupment Helpline at 1-800-816-1122 or TTY at 1-800-462-7585 for persons who are Deaf, Hard of Hearing or those with speech disabilities, between the hours of 9:00 a.m. and 8:00 p.m. EST, Monday through Friday.

67118.161

Question#:	12
Topic:	new process
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: Another troubling finding in the January 2011 DHS-OIG report (OIG-11-21) was that FEMA's Office of Chief Counsel had produced a new process for the recoupment of improper payments that was delivered to the Office of the Administrator in late 2008. While part of this time was under the previous Administration, it has been almost two years since you have been the FEMA Administrator and could have taken action.

Yet only on March 16, 2011, have recoupment proceeding finally restarted, with the first round of notification letters being sent out. Why did it take so long for your office to finalize the new process for the recoupment of improper disaster assistance payments?

Response: At FEMA we are committed to being responsible stewards of taxpayer dollars, and we have been actively working to finalize the recoupment process, while continuing to support communities as they recover. As a recent Inspector General audit reinforced, FEMA and other federal agencies are required by law to recoup funds that are paid in error. As a result of a lawsuit filed and new DHS regulations in 2007, FEMA's recoupment efforts were suspended. Under our current leadership, we have worked diligently to develop a fair, open and transparent process for recovering these payments.

FEMA has made key improvements to ensure this process is as fair and as easy-to-understand as possible for disaster survivors. These improvements include clearly articulated letters informing applicants of an improper payment and notifying them of the debt amount, the reason for the determination made in their case, and what their options are for appealing or repaying the debt. The new process also outlines an appeal process that provides some eligible applicants an opportunity to participate in an oral hearing regarding their case if the indebtedness cannot be resolved by FEMA's review of the documentary evidence alone.

In the meantime, this administration has been vigilant about pursuing any potential cases of fraud or abuse, which are handled through a separate process and have not been delayed by this suspension of recoupments. The improper payments that will be pursued through the recoupment process generally are due to human or accounting errors and duplication of benefits. If a case shows evidence of fraud, FEMA immediately refers the case to the Office of Inspector General to investigate. If warranted, the Office of Inspector General refers cases to the Department of Justice for prosecution.

Question#:	13
Topic:	GAO report
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: I remain concerned over the 2006 GAO report (GAO-06-655) that found that the $2,000 debit cards issued by FEMA in the aftermath of Hurricane Katrina were used for such inappropriate purchases as bail bonds, diamond engagement rings, casino gambling, liquor, and firearms. These are clearly not items envisioned by the Individual Assistance provisions of the Stafford Act.

What is perhaps most disturbing is that it appears that no attempt was made to recover these funds from persons taking advantage of the tragedy and spending taxpayer dollars intended to be used for temporary housing, medical expenses, and other critical post-disaster necessities on such inappropriate items. FEMA could attempt to recover assistance funds that have been misspent so egregiously, but it has not.

Why has FEMA failed to recover these misspent funds?

What safeguards, if any, does FEMA now have in place to prevent post-disaster assistance from being used to purchase non-disaster-related items again in the future?

Response: At FEMA we are committed to being responsible stewards of taxpayer dollars, and we have been actively working to finalize the recoupment process, while continuing to support communities as they recover. As a recent Inspector General audit reinforced, FEMA and other federal agencies are required by law to recoup funds that are paid in error. As a result of a lawsuit filed and new DHS regulations in 2007, FEMA's recoupment efforts were suspended. Under our current leadership, we have worked diligently to develop a fair, open and transparent process for recovering these payments.

In the meantime, this administration has been vigilant about pursuing any potential cases of fraud or abuse, which are handled through a separate process and have not been delayed by this suspension of recoupments. The improper payments that will be pursued through the recoupment process generally are due to human or accounting errors and duplication of benefits. If a case shows evidence of fraud, FEMA immediately refers the case to the Office of Inspector General to investigate. If warranted, the Office of Inspector General refers cases to the Department of Justice for prosecution.

On March 15, 2011, FEMA published a notice in the Federal Register providing information to the general public on the Agency's revised recoupment process. By publishing the notice, FEMA took the initial step to reinstitute recoupment actions for improperly distributed or overpaid disaster assistance funds. Then, on March 16, 2011,

67118.163

Question#:	13
Topic:	GAO report
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

FEMA began sending out Notice of Debt letters to disaster assistance applicants who received improper federal disaster assistance payments. FEMA sent these letters from the most recent disasters first. These letters inform applicants of the amount and reason for their debt, and provide information on how to repay the debt or appeal FEMA's determination.

We have also worked diligently to put protections in place that will safeguard against waste, fraud and abuse, and significantly reduce the percentage of improper payments. New processes have been developed in order to improve the identification, reduction, and recovery of improper payments disbursed to federal disaster assistance applicants. While the current cases identified for recoupment represents a significant amount of improper or potentially improper assistance, FEMA has made significant strides in reducing the number of recoupable cases since Katrina, and is far better positioned to prevent future errors in disaster assistance.

First, the identity of individuals who register for assistance must be verified prior to receiving any Individuals and Households Program (IHP) financial assistance. This verification is performed along with automated checks of applicant occupancy and ownership during the application process. Therefore, identity, occupancy and ownership verification checks are now being conducted prior to any assistance being distributed to an applicant.

Second, FEMA has focused on the increased prevention of improper payments by developing new information management procedures in our National Processing Service Centers (NPSCs). The NPSCs have worked with the Office of Chief Information Officer to improve the National Emergency Management Information System (NEMIS) software used to process applications for disaster assistance. These actions include:

- Using identity and occupancy verification checks to prevent automated payments to applicants who may have used a fraudulent name, SSN or address;

- Flagging "high risk" addresses such as check cashing stores, mail drops, cemeteries, and jails to block them from receiving automated payments; and

- Blocking duplicative rental assistance payments for overlapping months or payments over the IHP maximum;

- Stopping duplicative registrations over the Internet to prevent duplicate payments to the same applicant;

67118.164

Question#:	13
Topic:	GAO report
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

□ Improving the NEMIS business rules to prevent duplicate payments to applicants at the same address; and

□ Added a NEMIS direct assistance module to track individuals in mobile homes or travel trailers in order to prevent financial rental assistance to applicants who were already housed by FEMA.

Lastly, FEMA has also engaged in several other fraud prevention efforts which have further contributed to the decreased error rate:

□ FEMA Headquarters established the IHP Assistance Group in 2008 to provide clear, consistent and timely guidance regarding IHP policies and case processing procedures in order to reduce case processing errors, improve operational efficiency and overall delivery of service.

□ The NPSCs have established specialized teams of employees referred to as Specialized Processing Groups dedicated to the processing of some of the more difficult cases, such as appeals and recoupments.

□ The NPSCs have expanded the Quality Control group to include reviews of special projects and new case processing procedures. This has enabled the NPSCs to rapidly identify problems with projects and new processing guidelines and take remedial action as necessary.

□ The NPSCs have established an Audit Group responsible for performing internal audits and analysis on the efficiency and effectiveness of the manner in which IHP is administered by the NPSC enterprise.

□ The NPSCs have updated their IHP credentialing training curriculum to include changes in IHP policy and case processing procedures. In 2009, all NPSC staff involved in manual case processing received re-credentialing training.

The combination of these improvements has resulted in a reduction of the error rate in financial assistance from 14.53% in FY 2007 following Hurricanes Katrina and Rita to 2.72% in FY 2009. FEMA continues to work to reduce this number further; however, these factors have significantly reduced the potential for recoupment in disasters since Hurricanes Katrina and Rita and will continue to do so in future disasters.

67118.165

Question#:	14
Topic:	EAS
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: As the terrible events in Japan remind us, every second counts in the dissemination of disaster information to the general public. In Japan and here in the United States, most people receive this lifesaving information through TV or radio. I am pleased that FEMA has been improving the Emergency Alerts System (EAS) by building more Primary Entry Point broadcast stations across the country.

However, I am interested in what FEMA and the entire federal government are doing to utilize more recently developed technologies, such as smart phones and the Internet, to ensure alert messages get to more people, regardless of their location.

Please provide an update on the Integrated Public Alert and Warning System (IPAWS), FEMA's next-generation system designed to use today's technologies, in addition to TV and radio, to alert the American public.

Response: The FEMA IPAWS program has been working with next-generation technologies to provide multiple paths for public alerts, including cell phones and the Internet.

CAP Development – Developing an alert message format that adhered to common Web standards and that could be transmitted via Internet Protocol was the IPAWS Program's key development to enable alerts to be transmitted via cell phones and internet services. To make this happen, the IPAWS Program worked with an international standards body to create the Common Alerting Protocol (CAP), which is a specialized version of Extensible Markup Language (XML), the structured web data description language that allows data interchange through web services, cell broadcast to mobile devices, unique state systems, siren systems, digital signage, AM/FM/Satellite radio, cable and satellite TV.

IPAWS-OPEN CAP Alert Message Aggregation System – The IPAWS Program has been working over the past three years to integrate CAP alerting into its systems. The IPAWS-OPEN 2.0 system, which was deployed on August 25, 2010, allows CAP alert messages to be received, authenticated, and distributed over IP. The IPAWS-OPEN system is an aggregator of CAP alert messages, which receives, authenticated the sender, logs and distributes the alert message to all participating public alert and warning dissemination networks (i.e. Emergency Alert System broadcasters, Commercial Mobile Alert System cellular carriers, NOAA Weather Radio network, and other internet information services).

67118.166

Question#:	14
Topic:	EAS
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Commercial Mobile Alert System and Cell Broadcast – Due to the increasing ubiquity of cell phones, an IPAWS program priority was to enable the delivery of emergency alerts to cell phones. In conjunction with the FCC, DHS S&T and the cellular industry, NOAA, and public safety officials, the requirements for the Commercial Mobile Alert System were developed and issued in FCC Reports and Orders in 2008. The CMAS requirements recommended the adoption of cellular broadcast technology for alert delivery to cell phones. Cell Broadcast enables the dissemination of a single message to an unlimited number of cell devices without causing network congestion. Essentially, one message goes out to all cellular devices within range of a tower, versus multiple individual copies of the same message going out to each device. FEMA was tasked with developing the interface between public safety officials and cellular carriers for delivery of alerts. In December 2009, FEMA announced adoption of the technical interface specifications for the CMAS. In accordance with FCC regulations, this gave the cellular industry until April 2012 to begin deploying CMAS cell broadcast alerts to their subscribers. In February 2011, the CMAS interface capability was deployed in the IPAWS-OPEN alert aggregator for cellular carriers to begin interface testing. The cell phone industry is beginning to deploy networks and cell phones that are enabled with CMAS cell broadcast capability The IPAWS Program plans to continue to educate, train, and assist public safety officials in adopting CAP to enable alert and warning to cellular devices. The IPAWS Program will continue to support testing and integration with cellular carriers as they build out the cell broadcast technology for alerting and develop new alerting technologies.

Mobile Digital Television – The IPAWS Program will be working with PBS in a pilot program that allows PBS to receive CAP alerts from IPAWS-OPEN and to send alerts via the new Mobile Digital Television (Mobile DTV) format. Mobile DTV enables the delivery of video from Digital TV broadcast stations to Mobile DTV compatible smart phones. This technology has been available in Japan for several years and is used extensively. Notably, after the March, 2011 earthquake and tsunami in Japan, cellular service was disrupted but Mobile DTV live video was still available as the video is transmitted from TV station broadcast towers, not cell phone towers. This is a very promising new technology, proven in Japan, which will deliver new capabilities when fully operational in the US. Currently some US TV stations are already transmitting Mobile DTV, but Mobile DTV capable smart phones are not yet readily available.

RSS Feeds to Internet Services – Once there is a CAP alerting message that can be transmitted over the Internet, there are few limits to the kind of internet services that can receive CAP messages. The Really Simple Syndication (RSS) web feed format standard used to update blog entries and news headlines is a broadly implemented standard across

67118.167

Question#:	14
Topic:	EAS
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

many web sites and internet services. RSS is a medium that will be used by the IPAWS-OPEN system to disseminate CAP alert messages to a wide variety of internet services.

Social Media – In addition, DHS S&T is supporting FEMA IPAWS by examining the use of emerging technologies in public alert and warning. The First Responder Group is examining how the Emergency Response Community can best use Social Media to originate and disseminate alerts and warnings. Given the popularity and growth of online social media communities, alerting the public through social media, in addition to the other sources, serves as a critical dissemination channel. According to a survey conducted in August, 2010 by the American Red Cross, nearly 75% of the US population uses at least one online social media community. In light of the popularity of these networks, online social media offers an important opportunity for emergency managers to disseminate alerts to more people, in more places, in less time.

67118.168

Question#:	15
Topic:	IPAWS
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: Public alert and warning is an important mission for DHS because it has a direct lifesaving effect for Americans in emergency situations like earthquakes, tornadoes, and floods. I hear about the importance of alerts from numerous stakeholders, including emergency managers, broadcasters, public safety officials, the private sector, and elected officials.

A major element of the Integrated Public Alert and Warning System (IPAWS) that will affect stakeholders who create and disseminate messages is the transition to a Common Alerting Protocol (CAP). As you know, CAP is a format for exchanging emergency alerts simultaneously over various warning systems. Please describe what FEMA is doing to engage state and local officials and broadcasters regarding this transition.

Response: The FEMA IPAWS Program Management Office (PMO) is actively engaging state and local officials, broadcasters, cellular providers and technology manufacturers in the Common Alerting Protocol (CAP) transition.

Training and Education: The IPAWS PMO engages in extensive training and education for alerting authorities and broadcasters relating to the implementation of CAP. IPAWS has developed an interactive, hands-on "Implementation of CAP to EAS" workshop which will launch at the 2011 National Association of Broadcasters (NAB) Show. IPAWS has extended invitations to several hundred individuals and executed an extensive media campaign to reach and engage many of the 10,000 broadcasters at the NAB Show through workshops, demonstrations, and sessions. The "Implementation of CAP to EAS" workshop will: (1) detail how EAS Participants can connect CAP-compliant EAS devices to IPAWS OPEN; (2) discuss and describe the CAP architecture and feed; and (3) provide information on CAP-based messaging. The workshop will be recorded and made into an on-line tutorial and will be posted on the IPAWS website.

Each month IPAWS senior leadership presents an overview of IPAWS and CAP to approximately two Association of Broadcasters state annual conferences or Society of Broadcast Engineer groups and two Alerting Authorities state annual conferences. IPAWS senior leadership also hosts quarterly teleconferences with the Regional Emergency Communications Coordinators Working Group (RECCWG) and monthly teleconferences with the Joint Special Interest Group (Joint-SIG) to discuss the status of IPAWS and relevance of accomplishments, milestones, and forward approaches (including the transition to CAP) affecting, respectively, alerting authorities and broadcasters.

67118.169

Question#:	15
Topic:	IPAWS
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

IPAWS, in partnership with FEMA's Emergency Management Institute (EMI), is constructing focus groups to assist in the development of a web-based course for alerting authorities. This course will be designed to instruct alerting authorities on CAP compliant tools and authentication requirements for use in IPAWS.

Conferences and Events: IPAWS attends numerous conferences and events each year; IPAWS leadership often times serves as speakers in focused sessions. For the past two years, FEMA has been asked to participate in the annual NAB Show's EAS session. In 2011, FEMA IPAWS will highlight the CAP transition in the NAB EAS session as well as during the end-to-end IPAWS/CAP-centric demonstrations held in the IPAWS booth. This will allow IPAWS to actively engage broadcasters and receive feedback from them. Recently, FEMA and IPAWS leadership have engaged the broadcast community on the topic of the CAP transition through speaking at NAB Town Hall webinars and National Alliance of State Broadcasters Association (NASBA) events.

IPAWS also devotes resources to engage alerting authorities at conferences focused on their interests and needs. During the 2010 International Association of Emergency Managers (IAEM) annual conference, IPAWS engaged over 2,000 IAEM attendees through demonstrations and a panel session which included information on the adoption and transition to CAP. IPAWS also partnered with the Organization for the Advancement of Structured Information Standards (OASIS) at the IAEM to impress upon the alerting authority community the close, mutually beneficial working relationship between public and private organizations in the development of open standards such as the Common Alerting Protocol.

IPAWS also attends several other alerting authority national events, such as the National Emergency Management Association Annual Conference (NEMA), The National Emergency Number Association (NENA) Annual Conference, Access and Functional Needs conferences, Association of Public-Safety Communication Officials (APCO) Annual Conference, Chemical Stockpile Emergency Preparedness Program (CSEPP) National Workshop, the National and Governor's Hurricane Conferences, National Congress of American Indians Annual Conference, and NOAA related conferences, to promote understanding and adoption of IPAWS and CAP.

IPAWS Website: The IPAWS website contains extensive information regarding the adoption and transition to CAP. In particular, the IPAWS website contains the guiding documents shaping the transition: (1) CAP to EAS Implementation Guide; (2) OASIS CAP 1.2 Standard; (3) OASIS CAP v1.2 IPAWS Profile Version 1.0; (4) FEMA IPAWS Common Alerting Protocol Conformity Assessment Program; (5) Common Alerting

67118.170

Question#:	15
Topic:	IPAWS
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Protocol Profile Requirements; (6) Common Alerting Protocol FAQs. The IPAWS website also includes: (7) numerous CAP related press releases dating back through July 2008; (8) an IPAWS video detailing how CAP fits into IPAWS; (9) extensive and descriptive information and collateral materials explaining the Common Alerting Protocol and Conformity Assessment Program; and (10) instructions, forms, and links for vendors to apply to test products against the IPAWS CAP Profile.

***Inventory and Evaluation*:** The IPAWS PMO is conducting a survey to inventory and evaluate alert and warning systems used across the nation by Federal, State, tribal, territorial and local emergency management and first responder organizations. In addition to inventory and evaluation, this initiative is designed to assess how well current alerting infrastructure meets the needs of emergency managers, record capabilities and limitations of current alert and warning systems, and identify shortfalls between required, actual, and/or planned capabilities. The IPAWS PMO is using the results to determine the information needs of both the alerting authority community and private sector origination and dissemination vendors with regard to the CAP transition.

67118.171

Question#:	16
Topic:	preparedness
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: The September 2010 DHS-OIG report (OIG-10-123) found that FEMA has made only limited progress in Managing Mission Assignments. As was the case in the DHS-OIG's 2008 report (OIG-08-34), FEMA's mission assignment capability – the agency's system for issuing and coordinating task orders among federal agencies – was found to be one of the most problematic areas of preparedness.

Congress mandated the development of pre-scripted mission assignments in the Post-Katrina Emergency Management Reform Act (P.L. 109-295) because effective coordination among federal agencies is so important in responding to a catastrophic event. I was encouraged that FEMA established a working group to review the Mission Assignment process, which I understand was intended to develop recommendations for the management of mission assignments.

However, it is disappointing to read in the September 2010 DHS-OIG report that, more than four years after the passage of the Post-Katrina Emergency Management Reform Act, mission assignments are still not being managed effectively. What steps has FEMA taken to ensure mission assignments will be managed effectively going forward?

Response: Since the release of the September 2010 DHS-OIG Report, FEMA has taken several steps to more effectively manage the Mission Assignment Program in a newly established Business Management Division. The Mission Assignment Program staff has collaborated and facilitated meetings with Federal agencies/offices to build critical relationships and resources for managing and developing pre-scripted mission assignments (PSMAs). Through improved coordination with the FEMA Regional Offices, a new streamlined PSMA process has been implemented to significantly reduce the time necessary to create new PSMAs. An internal FEMA secure web-based tool providing one central location for access to PSMAs has enabled FEMA Mission Assignment Managers to more efficiently develop the forms required for assigning missions to other Federal agencies. Three mission assignment courses have been recently updated to reflect new processes and guidance, and a web-based mission assignment overview course is now available on-line to all Federal Agencies. The continued development and broader use of the internal secure web-based Request Action Tracking System (RATS) is increasing the efficiency and effectiveness of tracking requests and resources for mission assignments.

Post-Hearing Questions for the Record
Submitted to Hon. W. Craig Fugate
From Senator Tom Coburn

"Catastrophic Preparedness: How Ready Is FEMA for the Next Big Disaster"
March 17, 2011

Question#:	17
Topic:	grant programs
Hearing:	Catastrophic Preparedness: How ready is FEMA for the Next Big Disaster?
Primary:	The Honorable Tom A. Coburn
Committee:	HOMELAND SECURITY (SENATE)

Question: Have you examined the 96 grant programs administered by FEMA to look for duplication in grant funding allowances and made recommendations for consolidation? If yes, what are the recommendations? If no, should you?

Response: Although FEMA has not examined its entire inventory of grant programs to determine whether some level of consolidation would yield benefits, FEMA believes that some level of consolidation among grant programs would be beneficial. Looking towards the future FEMA believes that a more formal examination of grant programs with the goal of identifying opportunities for consolidation should be undertaken. To the degree programs might be combined and streamlined; there may be benefits and efficiencies to be gained. Consolidation may also lead to increased flexibility for recipients and increased efficiencies for both the grant – making agency and the recipient agency.

FEMA's Grant Programs Directorate (GPD) administers grants for at least six of FEMA's Program Directorates, each of which is responsible for the programmatic development of their programs. As part of the grant programs, each Directorate must ensure that the program fulfills a unique objective and does not duplicate already existing programs.

All of the Preparedness Grant Programs administered by FEMA GPD have a general strategic purpose, established by Congress, through appropriations and authorizations. FEMA is programmatically able, within the scope of appropriation and authorization, to review grant allowances. FEMA recognizes that sometimes there is overlap in the allowable cost and high level objectives of its preparedness grant programs. Through the grant application review process, however, GPD does review the investment justifications and budget reviews to ensure that funding across grant programs is being utilized in a complimentary manner and that grantees are not duplicating investments.

Further, in the past two budget requests, the Administration has proposed consolidating grant programs where activities are allowable under multiple grants. Specifically, the FY 2011 and 2012 requests propose the consolidation of a number of individual grant programs (including grants for Driver's License Security/Real ID, Interoperable Emergency Communications, Emergency Operations Centers, Buses, Rural Domestic Preparedness, and Counterterrorism Center) and make them part of the larger/broader grant programs such as Urban Areas Security Initiative (UASI) and State Homeland Security Program (SHSP).

○