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**TESTIMONY
BEFORE THE**

**HOUSE TRANSPORTATION SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC
BUILDINGS, AND EMERGENCY MANAGEMENT**

REGARDING

FEMA’S PREPAREDNESS AND RESPONSE TO ALL HAZARDS

THE UNITED STATES HOUSE OF REPRESENTATIVES

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Introduction

Thank you Chairman Norton, Ranking Member Graves, Full Committee Chair Oberstar, Full Committee Ranking Member Mica, and distinguished members of the Committee for allowing me the opportunity to provide you with a statement for the record on our nation’s preparedness. I am Craig Fugate, the Director of the Florida Division of Emergency Management. In my statement, I am representing the National Emergency Management Association (NEMA), whose members are the directors of emergency management in the states, territories, and the District of Columbia. I have over 25 years of experience in state and local emergency management, serving in various positions including ten years as the Emergency Management Director for Alachua County, Florida, Chief of the Bureau of Preparedness for the State of Florida, and the appointment to my current position in 2001. I continue to serve and have been reappointed to my position by Governor Charlie Crist. In my time with the State of Florida, I have served as the Governor’s authorized representative for major disasters such as the 2004 Hurricane season including Hurricanes Charlie, Frances, Ivan, and Jeanne and coordinated the State Emergency Response Team (SERT)’s response for all Florida disasters and for state-to-state mutual aid for Hurricanes Katrina and Rita. I have also served as the Response and Recovery Chair for NEMA and on the NEMA Board of Directors.

I very much appreciate the opportunity to testify before your Committee today. Emergency management is built upon three very basic concepts: 1) All disasters are local; 2) All-hazards preparedness is the foundation in which readiness is built for all disasters regardless of the cause or size; and 3) The emergency management cycle includes preparedness, response, recovery, and mitigation. There are several key areas that I wish to discuss with you today that need to be addressed in order to secure our preparedness for all disasters:

- 1. Maintaining the all-hazards approach to emergency management;**
- 2. The need for oversight on the implementation of the Post-Katrina FEMA Reform Act;**
- 3. Concern for maintaining the Emergency Management Performance Grant (EMPG) program at the FY 2007 level while requirements increase for state and local governments;**
- 4. Federal support for the Emergency Management Assistance Compact (EMAC); and**
- 5. Significant deficits for improving state and local Emergency Operations Centers (EOCs).**

Before I begin discussing those subjects, I want to note the efforts that FEMA Administrator Dave Paulison and Deputy Administrator Vice Admiral Harvey Johnson have made to work together to ensure that preparedness is closely linked with response and recovery in the reorganization that took effect on March 31, 2007. To their credit, they reached out extensively to NEMA and other key stakeholders to ensure a comfort level with the organizational structure and plans. NEMA also appreciates the work of this Committee in particular in drafting the Post-Katrina FEMA Reform Act and extensively consulting with NEMA throughout the process. As FEMA moves ahead, we must continue to look at ways to prevent separation of emergency management functions and to re-link the cycle of preparedness, response, recovery, and mitigation.

MAINTAINING THE ALL-HAZARDS APPROACH TO EMERGENCY MANAGEMENT

All-hazards emergency preparedness is the key building block and foundation for emergency management. To give you a sense of how we got to where we are today, my colleagues around the nation were very concerned about the direction of all-hazards in summer 2005. Just prior to Hurricane Katrina, preparedness functions were being separated from response and recovery and FEMA funds were being reprogrammed to support other program areas within the Department of Homeland Security. Our nation had become narrowly focuses on the threat of terrorism rather than all of the risks that we faced. NEMA expressed its concern in a letter to DHS in August 2005. The aftermath of Hurricane Katrina shifted the national focus again. Congress made changes, however we must remain careful not to only plan for the last disaster but to prepare for hazards and emergencies of all sizes and types, not just catastrophic events like Hurricane Katrina.

Natural hazards continue to be the pervasive disaster that occurs regularly. In the past several years, major disaster declarations were for events including severe storms and tornadoes, typhoons, tropical storms, multiple hurricanes, flooding, ice storms, snowstorms, and wildfires. Natural disaster preparedness must not suffer as a result of homeland security efforts, but rather should be viewed as the most frequent opportunity to validate domestic preparedness efforts and to also build best practices. We need to start looking at the system in terms of hazards preparedness. Furthermore, our emergency response system must be built for all-hazards and terrorism should be a component of the system. We cannot afford to build duplicate systems by hazard or to eliminate programs to support the homeland security effort.

Since I have been with the State of Florida, we have had had 22 major disaster declarations, five emergency declarations, and 43 fire management assistance declarations. While hurricanes are the most urgent and prevailing threat we have faced, we do not prepare for hurricanes alone. Florida was the first state with anthrax cases in 2001, the terrorists for 9/11 trained in Florida, we have three commercial nuclear power plant sites, host major sporting events including Superbowls, and boast three national championships in the past two years in college football (2006) and basketball (2006 and 2007). We have extensive threats for tornadoes, flooding, fires, and severe freezing. You will recall the February 2, 2007 tornado that left 21 people dead and destroyed hundreds of homes with more than \$17 million in federal assistance for victims. Additionally, we have done significant influenza pandemic planning for our large special needs populations and planning for mass migration incidents from the Caribbean.

While every state may not experience a disaster every single year, preparedness is essential. Florida took the lead in ensuring that localities were prepared for any disaster when our state legislature made changes after Hurricane Andrew that a surcharge is set aside for emergency preparedness from every insurance

policy written in the state. This fund, which exists only in Florida, helps us to ensure that localities have the necessary means to prepare for disasters and citizens do their part too. In addition, we utilize the only all-hazards funding source, the Emergency Management Performance Grants to supplement these funds to build our key preparedness programs.

Hazards need to be explored in the context of disasters too. A disaster is really caused by humans as a result of getting in Mother Nature's way. Humans build in harms way, we traditionally build at the cheapest costs, and we build power grids that are subject to wind damage. When we prepare for terrorism, we harden critical infrastructure and look for ways to prevent events. We develop strong public health systems and plans to address pandemics. However, addressing hazards before a natural disaster means stronger building codes, enforcing those codes, heeding warnings ahead of disasters and having business and family plans in place when disaster does occur. We have to begin looking at the complexities and scale of the consequences of hazards.

The federal government must continue its commitment to ensuring national security through all-hazard preparedness. Without adequate numbers of state and local personnel to operate the all-hazards emergency management system, the infrastructure used to prevent, prepare for, respond to, and recover from all disasters will collapse. Unfortunately, Hurricanes Katrina and Rita illustrated the need for adequate emergency management systems from the ground up. Instead of making unbalanced investments towards terrorism preparedness, we must maintain an all-hazards approach and shore up the foundation of our response system for all disasters regardless of cause.

OVERSIGHT ON THE FEMA REORGANIZATION

The passage of the Post Katrina FEMA Reform Act was an important priority for the nation's emergency managers. Congress should be applauded for their action to take significant and serious steps to reform and repair the nation's emergency management system. This legislation marks the first time since the Disaster Mitigation Act of 2000 that Congress has spelled out expectations and outcomes for FEMA and the emergency management community, rather than having goals be driven by budgetary actions. We now have measured outcomes that will drive our preparedness, where we make investments into the emergency management system, and expectations for response to disasters. As FEMA transitions, Congress must support full implementation of the Act to ensure that the intent of the reforms are put into practice to build a strong national emergency management system. Additionally, Congress must continue to work beyond the transition period to ensure that the new dynamic is not only working, but that adequate resources and leadership are provided as critical ingredients toward successful integration of preparedness activities. DHS must implement a true "all-hazards" mission within the Department and this must be also demonstrated in all grant guidance.

Strengthening FEMA's regional offices is a goal of the legislation, and as we move forward Preparedness and Department of Defense positions must be clearly defined and integrated within the FEMA regions. Relationships with state emergency management agencies must be reestablished to ensure coordination and synchronization in preparedness, response, recovery, and mitigation activities. The creation of the National Advisory Council is lauded by NEMA and we hope that the new organizational system will enable DHS and FEMA to include stakeholders on the front end of new or revised policy and program development.

NEMA remains concerned about the differentiation between the Federal Coordinating Officer (FCO) and the Principal Federal Official (PFO). NEMA strongly urged Congress to abolish the PFO, but language was included in the final reform bill to limit the PFO's roles and responsibilities. The Federal Coordinating Officers (FCO) must have the authority in the field to carry out the responsibilities of the position. The FCO's authority and responsibilities are clearly delineated in the Robert T. Stafford Disaster Relief and Emergency Relief Act (41 U.S.C. 5143 Section 302). The statute outlines the functions and appointment of the FCO, and the National Response Plan (NRP) must follow the Stafford Act authorities that empower the FCO to serve on behalf of the President in a declared disaster area. NEMA strongly supports eliminating the role of the Principle Federal Official (PFO). In NEMA's view, the position is duplicative. In fact, the model used in the 2004 Hurricane Season where the FCO and I established joint command for all of the disasters works much better and avoids any confusion over who is in charge. NEMA opposed the creation of this position in the drafting process for the NRP and have revisited the issue in the NRP rewrite, but have been told by DHS that the PFO position is authorized in law and cannot be abolished. Initially, the PFO was included in the NRP to address an incident prior to a formal disaster or emergency declaration. The PFO role adds additional bureaucracy and confusion to any disaster. The PFO position should be eliminated, consistent with the Senate report on Hurricane Katrina. Other issues we need to revisit include an "incident of national significance", defining "catastrophic" disaster, and maintaining Governors' control of the National Guard in a disaster.

The current plans for reorganization are not entirely clear on the subject of grant administration. The plan calls for separation of the Office of Grants and the National Preparedness Office within FEMA. Risk management and analysis responsibilities are addressed in another part of the Department of Homeland Security. Grants must be closely linked with the overall preparedness strategy to ensure we are building the right capabilities. I ask Congress to look closely at how these offices can be formally linked within FEMA. It is not clear how FEMA and DHS will coordinate on risk assessment and risk management activities to determine funding priorities.

FEMA has the ability to tap into the emergency responder community to build relationships through training and exercises. FEMA also has the skills to work cooperatively with state and local elected and appointed officials towards comprehensive recovery. FEMA has the coordinating function in the federal government and should have the ability to tap all the resources at the federal level to respond to a disaster. However, all these areas need to be strengthened with an all-hazards focus to ensure that federal, state, and local governments are building relationships before a disaster and understand how to work together cohesively. FEMA also needs financial support to maintain and build their capacity. We hope that Congress will partner with NEMA as you provide oversight and direction.

EMERGENCY MANAGEMENT INFRASTRUCTURE FUNDING

EMPG is the only program for All-Hazards Preparedness

Natural disasters are certain and often anticipated. Every state must be able to plan for disasters as well as build and sustain the capability to respond. EMPG is the only source of funding to assist state and local governments with planning and preparedness/readiness activities associated with natural disasters. At a time when our country is continuing long term recovery efforts from one of the largest natural disasters in history and making strides to improve the nation's emergency preparedness/readiness, we cannot afford to have this vital program be just maintained. EMPG is the backbone of the nation's all-hazards emergency management system and the only source of direct federal funding to state and local governments for

emergency management capacity building. EMPG is used for personnel, planning, training, and exercises at both the state and local levels. EMPG is primarily used to support state and local emergency management personnel who are responsible for writing plans; conducting training, exercises and corrective action; educating the public on disaster readiness; and maintaining the nation's emergency response system. EMPG is being used to help states create and update plans for receiving and distribution plans for emergency supplies such as water, ice, and food after a disaster; debris removal plans; and plans for receiving or evacuating people – all of these critical issues identified in the aftermath of Hurricane Katrina and the following investigations and reports.

State and Local Match

EMPG is the only all-hazards preparedness program within the Department of Homeland Security that requires a match at the state and local level. The match is evidence of the commitment by state and local governments to address the urgent need for all-hazards emergency planning to include terrorism. EMPG requires a match of 50 percent from state or local governments. According to the NEMA 2006 Biennial Report, states were continuing to over match the federal government's commitment to national security protection through EMPG by \$96 million in FY05, which is an 80 percent state and 20 percent federal contribution. To bring all state and local jurisdictions up to the fifty percent level, \$135 million is needed. This would allow as many as 3,030 additional local jurisdictions to become part of the program. To bring non-participating jurisdictions into the program at the 50 percent level requires an additional \$152 million.

EMPG Helps Ensure Personnel for Mutual Aid

During the 2004 and 2005 hurricane seasons, the interdependencies of the nation's emergency management system were demonstrated and one of the success stories was the Emergency Management Assistance Compact (EMAC). EMAC enabled 48 states, the District of Columbia, the Virgin Islands, and Puerto Rico to provide assistance in the form of more than 2,100 missions of human, military and equipment assets and over 65,000 civilian and military personnel and equipment assets to support the impacted states. The estimated costs of these missions will exceed \$829 million. Of the personnel providing assistance through EMAC, 46,503 were National Guard personnel and 19,426 were civilians. Many of the civilians sent to provide assistance are supported by the EMPG program in their state. The nature of the nation's mutual aid system vividly shows the need for all states to have appropriate capabilities to respond to disasters of all types and sizes. In Florida we used EMPG to build self-sustained response teams that are able to respond to disasters in our state and in neighboring states when called upon to provide assistance. The increased reliance on mutual aid for catastrophic disasters means additional resources are needed to continue to build and enhance the nation's mutual aid system through EMAC.

Appropriate Support Needed to Strengthen Program

While EMPG received modest increases in 2003 and 2004 after ten years of straight-lined funding, the program needs to be adequately resourced based on building capacity. The increased flexibility of EMPG is offset by funding shortfalls estimated in the NEMA Biennial Report in 2006 to be over \$287 million for all 50 states. The current total need is \$487 million. The Post-Katrina FEMA Reform Act authorized EMPG at \$375 million for FY 2008.

Clearly, Congress wants to understand what is being built with these investments, especially in tight fiscal conditions. The 2006 Quick Response Survey found that if states were to each receive an additional \$1

million in EMPG funding for FY 2007, states would use the following percentages for each of the following activities: 88 percent of states responding would use the funding to support the update plans including evacuation, sheltering, emergency operations, catastrophic disasters and others; 83 percent would provide more training opportunities for state and local emergency preparedness and response; 88 percent would provide additional preparedness grants to local jurisdictions; 69 percent would conduct more state and local exercises; and 61 percent would use funding for state and local NIMS compliance. (States were able to respond to multiple activities, as each state has multiple emergency preparedness priorities.)

Last year's Nationwide Plan Review Phase 2 Report completed by the Department of Homeland Security found that current catastrophic planning is unsystematic and not linked within a national planning system. The report cites that, "This is incompatible with 21st century homeland security challenges, and reflects a systematic problem: outmoded planning processes, products, and tools are primary contributors to the inadequacy of catastrophic planning. The results of the Review support the need for a fundamental modernization of our Nation's planning process." The report goes on to explain that all states do not adequately address special needs populations, continuity of operations, continuity of government, evacuation plans, and resource management. EMPG is the ONLY source of funding that can address these significant and immediate needs. The current EMPG shortfall does not take into account these findings.

EMPG as a Separate Account

The President's Budget proposal for FY 2007 suggests combining the EMPG account with the Citizen Corp account to form a formula-based grant account. NEMA strongly disagrees with this approach, as EMPG must be maintained as a separate line item account as Congress has affirmed since FY 2003. Congress agreed at that time that the program account needed to be visible and easy to find in the budget because of the importance of the program. The separate account is critical because the program is the only all-hazards grant program being administered through the Grants and Training Office to emergency management agencies. Additionally, NEMA suggests that Congress maintain the method of distribution for EMPG, similar to the language in the FY 2006 appropriations, however continuing to allocate the funding through the State Administrative Agencies (SAAs) continues to cause delays in some states. NEMA supports language that would expressly restore the direct allocation and administration of the EMPG grants to state emergency management agencies. This will facilitate the process of expediting funding to state and local emergency management agencies without adding unnecessary steps.

BUILDING OUR NATION'S MUTUAL AID SYSTEM THROUGH EMAC

The response to Hurricanes Katrina and Rita resulted in the largest deployment of interstate mutual aid in the nation's history through the Emergency Management Assistance Compact (EMAC). As mentioned previously, EMAC deployed personnel comprised of multiple disciplines from all member states to respond to Louisiana, Mississippi, Alabama, Florida, and Texas. The process enabled National Guard, search and rescue teams, incident management teams, emergency operations center support, building inspectors, law enforcement personnel, and other disciplines to immediately assist the requesting states in need of support. The National Guard even chose to continue under EMAC when deployed under Title 32 because of the organization, liability protections, accountability, and tracking abilities EMAC provides.

EMAC was created after Hurricane Andrew by then-Florida Governor Lawton Chiles. The system was developed through the member states of the Southern Governors' Association to establish mechanisms to

enable mutual aid among member states in emergency situations. The Southern Regional Emergency Management Assistance Compact (SREMAC) was signed by participating Governors in 1993. Following recognition of SREMACs nationwide applicability by the National Governors' Association and FEMA, Congress enacted EMAC in 1996 (P.L. 104-321). Currently 49 states, the U.S. Virgin Islands, Puerto Rico, and the District of Columbia are members of EMAC. EMAC requires member states to have an implementation plan and to follow procedures outlined in the EMAC Operations Manual. EMAC takes care of issues such as reimbursement, liability protections, and workers' compensation issues.

Prior to the historic 2005 deployments for Hurricanes Katrina and Rita, EMAC's largest previous deployment was during the 2004 Hurricane season in Florida, Alabama, and West Virginia, which enabled 38 states to provide assistance in the form of more than \$15 million in human, military, and equipment assets and over 800 personnel to support the impacted states for over 85 days of continuous response operations. NEMA completed a 2005 After Action Report, which identified areas for continuous improvement for the EMAC systems. EMAC has a strategic plan to put lessons learned into practice. The support of EMAC is critical to helping offset the costs of disasters and maintaining the need for a massive federal workforce for response to catastrophic disasters. The beauty of EMAC is that it provides assistance to those in need, but allows others to assist and learn from disasters in other states.

In order to meet the ever-growing need for and reliance on interstate mutual aid, NEMA is seeking \$4 million over three years to continue to build EMAC capabilities. This funding will allow EMAC to focus on the implementation of lessons learned from Hurricanes Katrina and Rita, such as training and education for all mutual aid stakeholders, resource typing and credentialing, and information and resource management. Since EMAC's inception in 1993, EMAC was funded by member states until 2003. In 2003, FEMA funded EMAC with a 3 year grant of \$2 million. This funding expires on May 31, 2007. Funding has been used for administrative support of EMAC, development of the EMAC Operations system whereby all resources deployed under the Compact are tracked from when it is requested until reimbursement is paid, and the 2004 and 2005 after action reports. NEMA has also established an EMAC Advisory Group that is already working to better integrate mutual aid partners into the EMAC system before future disasters occur.

Specific funding for EMAC is needed to continue to build capabilities. The Post-Katrina FEMA Reform Act authorized \$4 million annually for EMAC, but no funds were appropriated. NEMA supports inclusion of an annual budget line item in FEMA to assist in training and education, resource typing requirements in the FY 2007 DHS appropriations, credentialing, and information and resource management. Including a budget line item for building EMAC capabilities and our nation's mutual aid system in the DHS budget for FY 2008 will help to address these specific actions to improve mutual aid.

IMPROVING STATE AND LOCAL EMERGENCY OPERATION CENTERS

During emergencies and disasters, emergency operations centers (EOCs) serve as the nerve center for state and local coordination. Federal agencies also use these facilities to act as a central point for communication during response and recovery phases. After the 2001 terrorist attacks, Congress provided some funding to states to update their EOCs. Additionally, Congress temporarily changed the state local cost share from 50-50 to 75-25 for these funds.

States continue to require more monies to enhance state primary and alternate EOCs. According to data in the 2006 NEMA Biennial Report, it is estimated that almost \$393 million would be needed to build,

retrofit and upgrade the facilities. For local EOCs, that number increases to \$1.1 billion, for a total of almost \$1.5 billion. This includes the costs to upgrade equipment and software, train personnel, and conduct operations during emergency and non-emergency situations. A separate line item is needed in the budget for EOC improvements. Congress should make a \$160 million commitment to upgrading EOCs as a down payment to address the significant deficits.

EOCs are critical because decisions have to be made in response to a disaster in very short turnaround times, having federal assets respond could be untimely, cumbersome, and would not be cost effective. These coordination points need to come from the ground up and help to coordinate the true first responders in the management of the incident and the system. Having appropriate facilities and resources for EOCs can hasten the response and may ultimately save lives.

CONCLUSION

With the passage of the Post-Katrina FEMA Reform Act, Congress has affirmed their support for ensuring preparedness for our nation's continuous vulnerability against all-hazards. We must continue to build national preparedness efforts with a multi-hazard approach. We appreciate Congress' increased attention and focus on disaster preparedness, response, recovery, and mitigation efforts. We ask that Congress look at ways to immediately influx the system with resources, encourage and reward innovation in order to face the challenges of the day. We cannot afford to continue to repeat history as we did with Hurricane Andrew and Hurricane Katrina. We must, once and for all, learn the lessons of the past and resolve ourselves to ensure that Federal, State and local governments have adequate funding for baseline emergency preparedness so exercises and training can ensure that plans and systems are effective before a disaster. I thank you for the opportunity to testify on behalf of NEMA.