

STATEMENT

OF

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“Emergency Response and Recovery: Central Takeaways from Unprecedented 2017 Hurricane Season”

Submitted

By

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Introduction:

Good morning, Chairman Shuster, Ranking Member DeFazio, and Members of the Committee. My name is Brock Long, and I am the Administrator of the Federal Emergency Management Agency (FEMA). I'd like to thank you for the opportunity to discuss the future of FEMA and this hurricane season's federal response and recovery efforts.

I have been in office for just over four months, and I am proud to be part of an agency that, every day, is helping communities reduce the risks associated with future disasters, as well as assisting disaster survivors all across the country. As I returned to serve at FEMA, I came in with ideas on how to make this Agency more effective. But before implementing a set of changes and reforms, I needed to spend time in the Agency with the people who do this important work every day to ensure my ideas withstood the rigors of a thorough review. Just as I began this effort, Hurricane Harvey struck Texas. Then, Hurricane Irma swept through the Caribbean, striking the U.S. Virgin Islands, Puerto Rico, Georgia, and the entire state of Florida. Hurricane Maria followed, striking a devastating blow to the U.S. Virgin Islands and Puerto Rico.

These historic disasters – each historic in its own right – put to test many ideas and concepts in a way that no intra-Agency dialogue could ever accomplish. In my testimony today, I would like to share with you not only the experiences of recent months, to include the catastrophic wildfires in the Northwest and California, but also insights into which ideas survived the test of this historic hurricane season.

2017 Hurricane Season

FEMA works quietly, day in and day out, across the country responding to many disasters that do not get national attention. Prior to Harvey making landfall on August 25, 2017, FEMA had 17 Joint Field Offices working 28 presidentially-declared disasters. FEMA, our partner agencies in the Federal, state, local, tribal, and territorial governments, in addition to our vital volunteer relief organizations and the private sector, work in concert, with unity of effort, to serve the needs of disaster survivors.

To say this hurricane season has been historic is an understatement. To date, we've had four hurricanes make landfall this season, three of which have been major hurricanes (Harvey, Irma, and Maria).

Since Hurricane Harvey made landfall in Texas, the President has granted 14 Major Disaster declarations and 14 Emergency Declarations, while FEMA has authorized 25 Fire Management Assistance Grant declarations. Hurricane Irma was unique not only because it struck both the U.S. Virgin Islands and Puerto Rico, but also because it struck the entire State of Florida, including the Seminole Tribe of Florida. Hurricane Maria, following in quick succession, then struck the U.S. Virgin Islands and Puerto Rico, more than 1,000 nautical miles from the mainland United States, devastating an area with already fragile infrastructure and facing challenging economic circumstances. In a span of 25 days, FEMA and our partners deployed tens of thousands of personnel across 270,000 square miles in three different FEMA Regions.

The impacts of these events are substantial. Roughly 25.8 million people were affected by these three storms – eight percent of the entire U.S. population. As of October 16, 2017, more than four million survivors have registered for FEMA assistance, which is a greater number than Hurricanes Katrina, Rita, Wilma and Sandy combined. FEMA’s Individual and Households Program (IHP) has thus far approved more than \$2 billion in disaster assistance to respond to the three hurricanes, and I expect this number to continue to grow. As of mid-October, National Flood Insurance Program (NFIP) policyholders filed approximately 120,000 claims, and the NFIP has paid over \$2 billion to them.

In just over 30 days, FEMA increased our call center capacity to more than ten times our steady-state level. Call centers receive registrations for FEMA’s Individual Assistance program from survivors, and also serves as a helpline for those survivors who have questions about their applications. Additionally, FEMA more than quadrupled our cadre of inspectors, who validate damages to an applicant’s home and property. We will continue to expand these capacities each day for as long as the mission requires.

FEMA alone cannot deliver assistance to this vast number of survivors. Unity of effort is required for disaster response and recovery on any scale, but especially during this historic season. When emergency managers call for unity of effort, we mean that all levels of government, non-profit organizations, private sector businesses, and survivors must work together – each drawing upon their unique skills and capabilities – to meet the needs of disaster survivors.

State, local, tribal, and territorial governments, along with the residents in the impacted areas, are the true first responders. Non-profit organizations like those that are members of the National Voluntary Organizations Active in Disasters (NVOADs) provide crucial services to sustain lives while the rest of the response and recovery infrastructure can be established by emergency managers for longer-term needs. The private sector also plays a critical role in disasters, as businesses work to restore critical services and donate their time and resources – in close coordination with emergency management personnel – to help communities rebound in the wake of disasters. The whole community must be, and is, engaged, involved, and well coordinated.

For our part on the Federal level, FEMA called upon not only the vast majority of our own workforce, but also engaged over 3,800 other Federal employees through the Department of Homeland Security’s “Surge Capacity Force,” and, extended the Surge Capacity Force to all Federal agencies. This is significant. FEMA employees come to FEMA knowing they will be deployed into disaster areas, work in austere conditions, and assist survivors. That’s part of our job at FEMA. However, when personnel from other Federal agencies volunteer for the Surge Capacity Force, they volunteer to leave their jobs and families, receive just-in-time training, and work in an environment that is completely unfamiliar and outside of their normal job responsibilities. I am incredibly grateful to my interagency colleagues from across the Federal government for supporting this important initiative, and for allowing their hardworking and dedicated personnel to support disaster survivors who have been impacted by these historic events. Over 22,300 members of the Federal workforce were deployed to Texas, Florida, the

U.S. Virgin Islands, and Puerto Rico. This includes 13,892 staff from various offices of the Department of Defense, including the military services. We could not do this without them.

This unprecedented hurricane season has truly tested us as a nation and tested many of our assumptions about what works in disaster response and recovery. While each year the hurricane season comes to an end on November 30, the lessons that we are learning from the response and recovery operations that we are performing this year, under the most difficult circumstances possible, will transform the field of emergency management forever.

Lessons Learned and Key Priorities for FEMA's Future Success

Whole Community Engagement-Early and Often

All levels of government, along with the private and non-profit sectors, share a responsibility for disaster preparedness, response, recovery, and mitigation. Throughout my time at FEMA, I intend to focus on not just engaging the whole community, but coordinating closely with the whole community. I believe the Federal government plays a vital role in supporting state, local, tribal, and territorial (SLTT) partners before, during, and after disasters. The Federal government should bring resources and capabilities following a disaster that our partners do not have at their disposal. However, we are just part of the team.

State, local, tribal, and territorial governments know their communities and their needs best, and have a critical role in preparing for and responding to disasters in order to manage risk to communities and infrastructure. States also play a critical role in supporting each other through mutual aid agreements like the Emergency Management Assistance Compact (EMAC). Indeed, many of these mutual aid agreements have been activated during this hurricane season to support affected states, Puerto Rico, and the U.S. Virgin Islands. As of October 13, EMAC supported 85 different requests for assistance to Puerto Rico, leveraging assistance from 26 different states.

I plan to work with our partners to identify areas of the collective mission that the Federal government, SLTT governments, and private sector partners may each be in the best position to manage. Throughout this collaborative process, it is important that FEMA provide clear guidance on what our role is, what support our partners might expect from the Federal government, and what they should be prepared to handle at their level. This will help support communities in becoming more self-sufficient while allowing everyone to focus their resources and training on identified areas of responsibility. As a result of a discussion with the Council of Governors this summer, FEMA will develop a checklist of actions Governors should take to be ready to support the disaster response mission in their states and territories, and enable Governors to identify areas where they could implement better local solutions. The Federal government must work with SLTT governments to build capability and manage risk.

For instance, if an event does not rise to the level of a Federal disaster declaration, FEMA should help SLTT governments in planning for how they could support their impacted communities and individuals through state-, commonwealth-, territorial-, or tribe-led disaster assistance programs. According to the 2016 National Emergency Management Association (NEMA) Biennial Report, 28 states have their own state-funded assistance programs to help individuals and businesses

when a disaster or emergency does not meet the criteria for a Federal declaration. That means that 22 states do not have any financial resources set aside to support their citizens when disaster strikes. Moreover, even for those states that have programs, many are underfunded and several are entirely unfunded. How can FEMA help incentivize and support SLTT partners in creating and maintaining their own programs similar to FEMA's Individual Assistance and Public Assistance programs that work for them? How can we encourage and support additional mitigation activities prior to a disaster?

The key to working on these and other areas of collaboration with our partners is communication and relationship building. This is why I am exploring options for improving coordination with our partners in order to ensure a quick and effective response after a disaster strikes, and helping improve national resilience. For instance, FEMA personnel could support states with their pre-disaster technical assistance needs, including disaster planning, training, exercising, and initial response and recovery support.

We will also examine how FEMA can better work with the private sector -- including businesses, industry associations, trade groups, and academia -- to help solve challenges, spur innovation in emergency management, identify any current barriers to effective coordination, and integrate, as appropriate, the private sector across various Federal programs.

We continue to bolster FEMA capacity at both the Headquarters and Regional levels to ensure we meet the needs of the whole community--including people with disabilities. Through our Office of Disability Integration and Coordination (ODIC), we are continuing our work to ensure that FEMA programs and services are accessible to everyone by promoting equal physical access, program access, and effective forms of communication. Including people with disabilities and groups that represent them in disaster response and recovery planning efforts will result in solutions and resources that better suit a variety of needs. In addition, we are committed to ensuring FEMA and its partners provide services and run programs in accordance with applicable Federal civil rights laws, including Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973.

Finally, we cannot forget about engaging individuals across America. During a disaster, people in the affected community become the "first responders." We need to empower individuals with the skills necessary to help speed their recovery after an emergency. Do they know how to shut off their own water and gas? Do they check on their neighbors? Do they know CPR?

September was National Preparedness Month, and this year's theme was "*Disasters Don't Plan Ahead. You Can.*" During this campaign and other public awareness campaigns throughout the year, such as "*You Are the Help Until Help Arrives,*" FEMA provides actionable steps that people can take to prepare themselves and their families. I'd like to thank Congress for supporting this effort, and Chairman McCaul and Ranking Member Thompson for co-chairing the National Preparedness Month campaign.

The Disaster Relief Fund

Under current law, the Disaster Relief Fund (DRF) is the source of the funding that enables FEMA to direct, coordinate, manage, and fund response, recovery, and mitigation efforts associated with major disasters and emergencies that receive a Presidential declaration pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). Therefore, FEMA's ability to provide essential services and financial assistance to overwhelmed SLTT governments relies on having sufficient balances in the DRF.

The DRF helped fund response needs related to hurricanes Harvey, Irma, and Maria and will also help fund recovery efforts for those events. As of October 27, 2017, FEMA obligated approximately \$12.7 billion in support of these hurricanes response and recovery operations. Adequate funding for the DRF is essential to FEMA's ability to carry out its mission.

Because FEMA had only \$2 billion on hand to fund Major Disasters at the time Harvey struck, the Agency took extraordinary measures to maintain the DRF's solvency during the first two weeks of the incident, including temporarily suspending payments for long-term recovery projects (a policy known as Immediate Needs Funding), reprogramming a net total of \$750 million from the Base category of the DRF (which funds, among other things, emergency declarations) to the Major Disaster category.

To date Congress has passed two supplemental appropriations bills that enables FEMA to continue helping communities respond to and recovery from Harvey, Irma, and Maria. I'm concerned, however, that use of emergency appropriations like those passed on September 8 and October 24 may become the new normal due to a projected decline in the amount of funding available for natural disasters since FY 2015.

Currently, Congress proactively funds the DRF through annual appropriations in anticipation of future disaster activity. This mechanism, known as the Disaster Relief Allowable Adjustment, or more simply the Disaster Cap, was successful in decreasing dependence on supplemental appropriations since it was put into place with the passage of the Budget Control Act of 2011 (BCA).

Funding available under the Disaster Cap is recalculated each year based on a formula established by the BCA. However, the Disaster Cap will continue to fall or remain flat over the next few years due to the good fortune of relatively low disaster spending between 2012 and 2016 and the fact that the formula does not take into account emergency funding FEMA will receive in FY 2018.

This drop in the Disaster Cap could result in constraints on future DRF appropriations and, consequently, insufficient balances in the DRF to support mission operations. This dynamic could lead to an increasing reliance on emergency supplemental appropriations to support basic disaster missions as soon as this fiscal year or FY 2019. We would like to work together with Congress to provide a fix to the mechanism that funds the DRF.

Simplifying Recovery and Reducing Disaster Costs

My goal is to make navigating FEMA's programs as clear and easy as possible. I'm also committed to making sure Federal dollars are spent in the most effective way possible and that we're taking steps to reduce disaster costs for all levels of government.

This year, FEMA focused on improving the delivery of direct post-disaster housing when financial rental assistance is not practical or does not meet the need. The agency recognizes that this is a complicated issue that requires diverse, innovative solutions that meet individual communities' needs. FEMA would like to work with SLTT governments to help and incentivize them to build more capacity to allow them to take a leadership role in post-disaster housing.

Following Hurricane Harvey in Texas, FEMA entered into an Intergovernmental Service Agreement with the State of Texas which allows the delivery of post-disaster housing to be Federally supported, state managed, and locally executed. FEMA continues to engage our SLTT partners, other Federal agencies, and industry stakeholders to explore ways to improve disaster housing outcomes through improving coordination, improving implementation of our programs, and evaluating new, innovative housing solutions. FEMA is working with each of the impacted areas to look at which temporary housing solutions can best meet community-specific needs. Working with the Texas General Land Office, FEMA has authorized new forms of housing assistance such as "Direct Lease" and "Direct Repair," increased eligibility for the Multi-Family Repair & Lease program, and authorized the use of recreational vehicles as a housing solution for eligible applicants. FEMA also continues to work with the U.S. Department of Housing and Urban Development (HUD) to ensure our programs transition into HUD long-term housing programs. As Texas recovers from the effects of Hurricane Harvey, it will be important for FEMA and the DHS Office of Inspector General to validate both the effectiveness and financial benefit of these new approaches.

Even as we take steps to streamline and simplify assistance, we must strive for a future where disasters cause less disruption in our communities. It's important to acknowledge that the number of Presidential disaster declarations is increasing, as is the cost of disasters to the Federal government. From 1995 through 2004, the President approved 598 disaster declarations with a cost of \$36.9 billion in FEMA assistance. From 2005 to 2014, that number increased to 808 disasters with a cost of \$106.9 billion. The increasing cost is primarily driven by at least three factors: 1) the increase in the overall number of declared disasters; 2) the magnitude of destruction caused in declared disaster areas (particularly the devastation caused by the most significant events, such as Hurricane Katrina and Superstorm Sandy); and 3) the widening gaps in insured versus uninsured losses. Given this backdrop, we must consider what steps we can take collectively to reduce costs and, more importantly, to reduce the human and economic impacts of disasters. Costs are merely a proxy measure for the extent of disruption our communities face from disasters. As Administrator, I look forward to working with Congress to find ways to address these causes of increased disaster costs.

Additionally, flooding is the most frequent and costly disaster we face. For example, over 3.24 million flood insurance policies administered by the National Flood Insurance Program (NFIP) were in areas impacted by Hurricanes Harvey, Irma, and Maria. The NFIP has paid over \$2 billion to policy holders, and the program managers estimate that both storms caused up to \$16

billion in losses. We expect much more to be provided in the near future. Homeowners who maintain flood insurance are not only able to recover more quickly and fully after a flood disaster, but they also have less of a need for Federal disaster assistance grants. FEMA is engaging in an effort to double the number of flood insurance policies nationwide by 2023. This effort is focused on encouraging homeowners to purchase insurance not just through the NFIP, but through the private market as well. Insured survivors -- regardless of how they purchase their coverage -- will be in a better position to recover. FEMA will be working closely with the insurance industry, realtors, mortgage lenders, community leaders, and other partners -- including Congress -- to work towards this goal.

Buying Down Risk through Preparedness and Mitigation

Building more resilient communities is the best way to reduce risks to people, property, and taxpayer dollars. I cannot overstate the importance of focusing on investing in mitigation before a disaster strikes. Developing resilient capacity ahead of an incident reduces loss of life and economic disruption. When communities are impacted, they should ensure that they rebuild infrastructure better, tougher, and stronger to protect taxpayer investment and promote economic stability.

Through the Mitigation Framework Leadership Group (MitFLG), FEMA is working with Federal, SLTT, and private sector partners to help align pre- and post-disaster mitigation investments to more effectively reduce disaster losses and increase resilience. The results of this effort will also provide strategic planning considerations for the Federal government, SLTT partners, and the private sector as they make resource allocation decisions.

FEMA also manages the Hazard Mitigation Grant Program (HMGP), the Flood Mitigation Assistance (FMA) grant program, and the Pre-Disaster Mitigation (PDM) grant program that fund projects such as seismic retrofits, safe rooms, and risk reduction for utility and other infrastructure. These funds play a key role in building resilient communities. For example, in September 2013, an unprecedented rainfall event occurred along Colorado's Front Range of the Rocky Mountains, resulting in catastrophic flooding. Eighteen counties experienced significant damage from this flood. Fortunately, a 2010 PDM project for the City of Longmont (the Left Hand Creek flood project), located in Boulder and Weld counties, two of the affected counties, had been completed in 2012. The mitigation project was designed to increase the flow capacity of the creek channel through a mixed-use area. The Left Hand Creek flood project improved the creek channel design and updated and resized two bridge culverts. The project also removed 110 structures from the Special Flood Hazard Area (SFHA). In 2012 dollars, the FEMA project cost was \$5,689,013, with total estimated losses avoided of \$22,453,091. This mitigation project avoided losses and resulted in a return on investment of \$3.95 saved for every \$1 spent.

In addition, FEMA's investment of \$205 million in the coastal areas of Texas for the acquisition and elevation of 1,618 properties avoided losses from Hurricane Harvey of what could have been more than \$330 million.

HMGP is available to a state following a major disaster declaration, and its funding level is based on the costs associated with that disaster. Each year, we receive more PDM and FMA

applications than we are able to fund. This enables FEMA to select the best applicants on a competitive basis. From FY 2003-2016, FEMA received PDM grant applications requesting a total of \$3.4 billion. From FY 2013-2016, FEMA received FMA grant applications requesting a total of \$1.2 billion. During my time at FEMA, I plan to work with SLTT and private sector partners to explore other potential avenues to enhance pre-disaster mitigation efforts so the Nation is investing as many resources as possible into managing risk, and consequently lessening the impacts to communities, before a disaster strikes.

From the preparedness perspective, FEMA continues to maintain and strengthen the National Preparedness System by helping our non-Federal partners build their capabilities, which will reduce their reliance on the Federal government in the future. Together, we are working to achieve the National Preparedness Goal of a “secure and resilient nation with the capabilities required across the whole community to prevent, protect against, mitigate, respond to and recover from the threats and hazards that pose the greatest risk.” Our team is currently focused on promoting integrated mutual aid across the whole community, continuing the development of a National Qualifications System for first responders, and advancing a National Training and Education System and National Exercise Program to prepare responders and officials for disasters.

Addressing Human Capital Challenges and Improving FEMA’s Processes

As former administrators have told this committee, FEMA’s best assets are its people. One of my key areas of focus is determining how we can holistically look at our hiring, training, and career paths to serve the needs of our staff and the Nation while reducing preparedness costs. For example, how do we develop better career progression opportunities so that motivated, experienced staff have a path to move forward and do not leave the agency? How do we remove silos across programs, enhance cross-training, and expand development opportunities so employees can gain a better understanding of the big picture? How do we develop a more robust Reservist capacity while increasing the cost efficiencies of the program? The 2017 hurricane season provided many opportunities for FEMA’s programmatic staff to support response and recovery efforts. This experience is invaluable and will help FEMA deliver better services and support in future disasters. These are some of the issues we’ll be exploring during my time at the agency.

FEMA is also making a concerted effort to modernize our various information technology (IT) systems and processes to be a more responsive and agile agency. FEMA has several ongoing initiatives: Financial Systems Modernization (FSM); the Grants Management Modernization (GMM) Program; the Pivot NFIP IT Modernization Initiative, and the Enterprise Data & Analytics Modernization Initiative (EDAMI). These initiatives target FEMA’s existing IT infrastructure to deliver crucial mission capability by improving the customer experience, minimizing service gaps, reducing costs and delays in services, improving logistics and delivery coordination, and minimizing barriers to informed and timely decisions.

Next Steps and Conclusion

At FEMA, we strongly believe in the importance of listening to our employees and external partners on how to improve our programs and the way we do business. In August of this year, we began hosting several “Discovery Change” sessions to help shape our future strategic direction, brainstorm on topics covered in this testimony, and explore new ways to accomplish our mission.

These sessions are my first step in a new cycle of listening to stakeholders, including agency employees, SLTT governments, non-governmental organizations, and the private sector, regarding ideas to improve the agency, our processes, and our services. During those sessions, stakeholders discussed the importance of building State-level capacity, reducing risk, streamlining and simplifying recovery, and improving FEMA’s internal processes. The agency will continue to leverage ideas from these sessions and lessons learned from the recent hurricanes and wildfires to define our strategic goals and objectives for the 2018-2022 FEMA Strategic Plan.

The 2017 hurricane season has and continues to provide me the opportunity to test the validity of many of the ideas I had coming into this job. We look forward to collaborating with the House Committee on Transportation and Infrastructure in the coming months to implement lessons learned, as well as gather any additional feedback that you may have. I look forward to your questions. Again, thank you for the opportunity to appear before the Committee today.