

**THE FEDERAL EMERGENCY MANAGEMENT  
AGENCY'S BUDGET SUBMISSION FOR FISCAL YEAR  
2015**

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**HEARING**

BEFORE THE

SUBCOMMITTEE ON EMERGENCY  
MANAGEMENT, INTERGOVERNMENTAL RELATIONS,  
AND THE DISTRICT OF COLUMBIA

OF THE

COMMITTEE ON  
HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

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## CONTENTS

Opening statement:	Page
Senator Begich .....	1

### WITNESSES

THURSDAY, MARCH 13, 2014

Hon. W. Craig Fugate, Administrator, Federal Emergency Management Agency, U.S. Department of Homeland Security .....	3
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### ALPHABETICAL LIST OF WITNESSES

Fugate, Hon. W. Craig:	
Testimony .....	3
Prepared statement .....	17

### APPENDIX

Responses to post-hearing questions for the Record:	
Mr. Fugate .....	25



**THE FEDERAL EMERGENCY  
MANAGEMENT AGENCY'S BUDGET  
SUBMISSION FOR FISCAL YEAR 2015**

**THURSDAY, MARCH 13, 2014**

U.S. SENATE,  
SUBCOMMITTEE ON EMERGENCY MANAGEMENT,  
INTERGOVERNMENTAL RELATIONS,  
AND THE DISTRICT OF COLUMBIA,  
OF THE COMMITTEE ON HOMELAND SECURITY  
AND GOVERNMENTAL AFFAIRS,  
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 2:45 p.m., in room SD-342, Dirksen Senate Office Building, Hon. Mark Begich, Chairman of the Subcommittee, presiding.

Present: Senator Begich.

**OPENING STATEMENT OF SENATOR BEGICH**

Senator BEGICH. I call the Subcommittee to order. Thank you for being patient as we had a vote on the floor. We may be interrupted again. The staff will keep me informed of some potential votes that will be coming up.

But again, good afternoon. Welcome to the Subcommittee on Emergency Management, Intergovernmental Relations and the District of Columbia.

We are here today to discuss the President's Fiscal Year (FY) 2015 budget submission for the Federal Emergency Management Agency (FEMA). We welcome Administrator Fugate. Thank you again for being patient while we got down here. I look forward to our discussion.

The past few years have been very busy for FEMA. In 2013, the agency responded to 62 major disasters and made 28 Fire Assistance declarations.

In addition to responding to last year's events, the agency continued recovery and mitigation work following catastrophic disasters from the past years, including Hurricane Sandy.

FEMA continued to do this work under pressure to cut costs as we were asking agencies across the government to do. We also are asking FEMA to do more to aid State and local governments that face increasingly unpredictable threats.

While the number of declared disasters was down this year from the high water mark of 2011, severe storms and flooding were once again common. Flood ravaged parts of the United States, including communities along the Yukon River and the Kenai Peninsula in Alaska.

Overall the President has requested \$14.7 billion in total discretionary funds for FEMA with almost half of that supporting the Disaster Relief Fund (DRF).

DRF is vital in ensuring the Federal Government has the resources it needs to respond to disasters declared across the country, and I am pleased to see it fully funded under the responsible limits of the Budget Control Act.

I am also happy to see that the budget would maintain funding for the emergency management performance grants and fire grants that fund critical operations for our Nation's first responders.

While FEMA is provided with the largest increase in appropriations among components of the Department of Homeland Security (DHS), there are some decreases that are troubling and could affect the key missions of the agency.

State and local grants receive nearly a 15 percent cut which seems in direct conflict with the increased need for local resources we see across the country. The Administration has said the decrease is partly a result of efficiencies that can be found within the consolidated grants proposal in the budget. But concerns remain to what operational impacts these reductions might cause.

The proposal for the National Preparedness Grant Program will require a change in the 9/11 Act to restructure the grants. This could shift the responsibility for setting priorities from the Federal to the State level.

While I am encouraged that FEMA has listened to Congress's request for more detailed and stakeholder outreach, responsibility for overseeing reform lies within the Committee.

I look forward to working with FEMA as well as the State and local organizations across the country to determine if changes are needed. We must make sure the vital funding is distributed in a way that strengthens our security and preparedness while fulfilling our obligation to be good stewards of the public's money.

Last, I continue to be concerned with the decreases in the flood hazard mapping and risk analysis program. This program plays a critical role in the development and maintenance of the flood maps throughout the country.

Even as recent flood insurance legislation has made the accuracy of maps more important, the Administration is reducing the resources available to help communities, homeowners, and businesses understand the risk they face and make smart choices.

Coastal and riverine communities across Alaska face increasing flood risk, yet for many, their most recent flood map may be decades old and not taking into account the increased development or changes in geography.

I recognize the limited resources FEMA has but continuing to only prioritize the areas with highest populations and highest home values ignore the needs of rural communities that have built their homes and businesses along the river's edge dual or near the coast.

Many of those affected are subsistence communities or native communities that may not be able to relocate but could benefit from the risk information that flood maps can provide.

I appreciate the work that FEMA has done over the last year and I am sympathetic from the pressure that the agency has been under to implement the Sandy Recovery Improvement Act.

I look forward to hearing more about the agency's plans for the upcoming year and I appreciate your willingness, Mr. Fugate, to continue to open dialogue with this Subcommittee.

I will let you go ahead and have your testimony. Then I have some questions. I will followup. If any Member attends additionally, we will allow them their time for opening as well as questions.

Again, thank you for being here. Hopefully we will not be interrupted by a vote.

Thank you very much.

**TESTIMONY OF THE HON. W. CRAIG FUGATE,<sup>1</sup> ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. FUGATE. Thank you, Mr. Chairman. I will go ahead and submit my written testimony for the record, if that will please you, and go to some very brief remarks.

Any budget is always based upon your available resources with competing needs, and the needs have to be balanced across the entire Federal Government.

We think this is a responsible budget. We think it addresses our key missions, and again it is based upon the priorities of an overall budget within certain parameters of maintaining budget controls.

We do appreciate the fact what Congress has done for FEMA. Most probably, as you mentioned, the Disaster Relief Fund, part of the Budget Control Act that allowed that to be fully funded on an annualized basis versus only using supplemental processes to fund that.

That has enabled us to respond this past year without having to shut down or reduce any level of response due to lack of funds. It allowed us to respond to Hurricane Sandy, one of the largest responses post-Katrina, again without having to shut down, reduce, or go into what we call immediate needs funding for any program.

So, we are learning and I think what Congress is doing to fully fund that is a key part of our ability to continue to rebuild from these disasters but also be prepared for future catastrophic events.

Other areas of the budget again are based upon the parameters of our targets. Again, it is a continuation of many times what we have been looking at in the past.

I do want to highlight one thing, Mr. Chairman. In regard to the mitigation and understanding that the level of disaster response and the type of things we are facing in this Nation, we have been basically forced into responding to more and more events with higher population impacts.

Yet we have not really been able to look at how do we make investment strategies to start buying down that risk. The President is recommending above-the-line budget requests of which, in the pre-disaster mitigation program, which we below the line have recommended zeroing out because of fitting in those priorities that if Congress would look at that to make some large-scale investments

<sup>1</sup> The prepared statement of Mr. Fugate appears in the Appendix on page 17.

over a recurring basis, the requests there for about \$400 million in disaster mitigation to look specifically at how do we mitigate against climate disruption, particularly when we have too much water, not enough water.

Drought, as we are seeing across the Southwest, and the increased flood risk both coastally and from riverine flooding due to extremes in weather are such that if we do not make investments and we are not willing to get ahead of this we will continue to see the drawdowns in the Disaster Relief Fund in outyears and disasters.

So, the President is looking at this as part of the investment strategies of putting the funds in the pre-disaster mitigation, looking before disaster strikes at how do we address the issue of adapting to a changing world and buying down future risk.

Other areas of the budget again are based upon the input of all of the process to get in the budget. You covered your areas of concern there and I am willing to take questions.

The last piece I wanted to briefly address was, in the Hurricane Sandy supplemental, you also gave us a tremendous amount of work to do under the Sandy Recovery Improvement Act. And in that program, one of the key things, Senator, we much applaud was a provision within the Stafford Act to change the designation of who could request from the Presidential declarations.

Previously tribal governments were identified in the Stafford Act as political subdivisions that could only request assistance through the Governors, notwithstanding their own sovereignty in this country and recognition as federally recognized tribes. You change that. Congress gave that authority.

That is a very large undertaking for us. We are going from about, between the States and territories, about 54, 55 entities to over 500 additional new entities that can request disaster declarations.

Based upon that legislation, we made a decision not to wait until we had drafted any new rules. We were using existing rules. So, we were able to begin receiving and processing disaster declarations within weeks of the law being signed into law.

Notwithstanding that, there is a lot of work and consultation to take place in developing the policies and procedures for declarations for tribal governments, recognizing that it is going to require additional tools than what we would normally have available just to the State declaration process and a consultation process that requires us to go meet with tribal governments.

This is something that we feel strongly that we have to be able to sit down with folks at the tribal level to discuss this, to get their input and to build these policies.

Our budget reflects that internally the additional resources required to do that but it is a commitment that we are not waiting until we have all the answers to implement it but we have a lot of work to do to be able to successfully provide the tools to tribal governments for disaster declarations and to be able to ensure that our consultation process is built around those needs.

With that, Mr. Chairman, I am open to questions.

Senator BEGICH. Thank you very much. I appreciate all your work.



If I can start maybe with the tribal issues. As you know in Alaska with almost half the tribes in the Nation and also as a matter of fact this week we are having many of the tribes from my State and across the Nation here and Washington, D.C., for one of their conferences.

Let us start with the ability for tribes to declare disasters. I hear what you are saying but help me understand your timetable because it has been a year since the authority was granted, and honestly I am nervous that the way this place works in Washington it takes time and usually time means it happens many years later.

I need you to be more definitive on what you think, I guess there are a couple of parts to this question. When do you think you can move forward on these regulations in order to really clarify what the tribes can do, recognizing, that you are allowing some flexibility at the same time?

But how and when will you get back into play?

Second, I recognize from some discussions we had last night and this morning, our staff with yours, that there is some more effort going to be applied to the tribal consultation.

So, in your regulation drafting and rules, what is the role you take and where are and how will you engage the tribes? I will be frank with you. Just doing it by phone calls and teleconference is great, but physically going out to some of these locations I think is very important.

There are a lot of unique moments. For example, the National Indian Congress had met here this week, it would have been a great opportunity to have that engagement and discussion and work around or work session. The Alaska Federation of Natives has huge events off and on.

Give me your thoughts on a timetable and how you will engage the tribes in a very meaningful discussion, not just check the box. I am not saying that you are doing that. But to be frank with you on some Federal agencies, they checked the box on travel consultation by making a call and then they say they are done. That is honestly not acceptable.

Tell me your thoughts there.

Mr. FUGATE. My experience tells me that, unless we go to where the tribes want us to go and we meet in person, we are not done in consultation. I fully agree with you that conference calls, emails, and other tools do not work. At least the initial consultations.

But that required me to shift resources. Coming out of sequestration and the other difficulties, again we are very pleased to be back in normal order with a budget because that does allow me now to move resources to provide travel budgets so that we can get out in the field.

We are basically looking at between our various tribal liaisons and other program areas about three quarters of a million dollars so far that we are identifying that we are going to require to support this that we have internally made available to start that process.

So, the tribal consultation is, the policy, is in the first phase to be implemented; and from that, we are also building a draft policy guidance for tribal declarations.

We plan to implement that, Mr. Chairman, as a draft, not waiting until we have final rules. We will do it under our authorities under the pilot authorities you gave us in that. I will see that this year but we do not want to go too fast there because I do not want to get ahead of the consultation.

When you are trying to make this fit for a variety of tribal governments, some that are in multiple States and have very large sophisticated governments down to villages that are incorporated, we want to make sure that we have that input.

So, we are moving toward that for this year. We will do it as a draft pilot to begin the implementation not waiting for the rules to be finally published. We also want to build some flexibility in that as we are going for that process and go through actual tribal declarations. We can build that back into any final product that we would then submit for rules.

Senator BEGICH. To narrow it down, it sounds like you are moving forward on this. The budget that we just did through the Appropriations Committee that I sit on, we have been able to give you your authority through 2014 and the money.

You think about three quarters of a million, give or take, to start giving you the flexibility you need to get out into the field, and I think you are right. I mean, talking to Alaska tribes will be different than talking to Oklahoma tribes, Arizona tribes, or Washington State tribes.

So, do you see that process that you are engaged in as going to happen throughout this year then or shorter than that? Help me understand that outreach part.

And the reason I ask you this is I want to make sure that we do not miss these opportunities when these groups are meeting to connect, because this is very important. Some tribes will never take this authority, although depending on the State, because it requires match and other things. But some tribes really want to do this, and I know they have contacted your office already just in inquiry but also in action.

So, help me understand the timeline we are trying to work through.

Mr. FUGATE. The timeline is now, and again we had been attending the major conferences. This will give us some more flexibility to go to more of the regional conferences.

But the other part of this, Mr. Chairman, is I want to make sure that I have the ability to go meet tribal leaders where they are. In some tribes, if we meet them at the associations and conferences, that has met that need.

But we also are prepared to literally go to reservation land to sit down with tribal elders and elected leaders to talk and listen more than anything about this policy.

So, this is starting an ongoing, I would see this throughout the year but we will not wait on the draft policy for a year. We are doing this kind currently.

And so as soon as we feel we have enough of the feedback to have a good framework for the draft policy, we want to begin implementing that as pilots but to constantly continue to update that.

Part of this we are going to learn through doing. But I have been very clear to staff that I do not consider consultation, by our defini-

tion, successful because we said we consulted unless the tribal government said we consulted with them on their terms.

Senator BEGICH. Got it. As you progress then, I am assuming you will keep us informed here in the Committee on the progress on that.

Mr. FUGATE. Mr. Chairman, what I can do is have staff submit to your staff our current work plans—

Senator BEGICH. Excellent.

Mr. FUGATE [continuing]. Our current tribal consultation policy, the direction we have, and the group that we have established within FEMA to manage this and give you progress updates on that and some timelines of when we expect products to be coming forward.

Senator BEGICH. Fantastic. That would be great. Because another role that I have, I sit on the Indian Affairs Committee and I know this will come up potentially in some of the discussions. It is our way to get input in another venue, and I would want to make sure we are keeping on track. So, that would be great.

Let me ask you about some of the efforts, two part. One, I know within some of the work you are doing the definition of local government is potentially being expanded a little bit including ports, potentially nonprofits, some other organizations.

The overall concern is that we have a certain amount of money available, but now we are adding more definitions so the amount that may go to what we would call traditional defined local governments is going to potentially be diminished because now you are increasing capacity.

Are you worried that, we are going to be giving less out to more and therefore not getting the bang for the dollar?

And then on top of that, do you think there will be other groups now coming out of the woodwork and say, well, you included, the ports; you included the service nonprofits, what about and then fill in the blank.

The next thing is we have a laundry list of the groups we are now having to deal with. Can you give me some thought on that definition?

My second part to this will be a much broader sweep of dollars for your consolidation effort and some of that go to the States where local governments, as you can imagine as a former mayor, I hear plenty from mayors on a regular basis that State governments are notorious for not delivering those dollars all the way down to local governments.

Now, there are some that are very good about that, that have a good working relationship. But that is not the case across the Nation.

So, first question on definition; the second is on the delivery.

Mr. FUGATE. Yes, sir. Definitions are coming out of the authorizing language that would be required to implement a national preparedness grant system because, under the definition of 9/11, we would not be able to fund the port authorities and some of the transit authorities which are not considered local governments. So, the definition there is to allow for that and the consolidation of the grants.

Again giving flexibility to the States often times runs the issue of dilution. But it is also the prerogative, I think, to give that flexibility where appropriate to look at other groups that would benefit from this.

It does not preclude people coming already. When I was at the State of Florida, just about anybody who thought they had an nexus to terrorism funding were making their case that they should be funded out of the State homeland security grants.

It did not mean they were eligible, and even if they were, did not mean they were going to get funded if they did not contribute to the mission.

But the purpose in the national preparedness grant was to do no more than to provide for no exemptions against port authorities in the consolidation of the grant because under the current language, as I understand it, they would not be identified as a local government entity.

That was not the intention of consolidating those grants, to shut out the port authorities. They again have been receiving funding so we would not see this as any more or less, just clarifying the language so that if we consolidate them, they would still be eligible.

Senator BEGICH. What about this whole issue, and again I am very biased here and I recognize your history but also, I think our State does a pretty good job in working with local communities but that is not the case in most States. I should not say most States. In several States.

How do we solve this problem and are we premature in moving this forward with a State kind of directive? I appreciate it is going from Federal down because the less the Federals touch, the more we can get it to the service levels we need.

But when it comes to disaster relief, most time it is local communities that are dealing with it anyway on the first front. They are the first responders. They are the ones dealing with the outcome and they are usually the ones hanging it on. While the State leaves them after a year or two, they are still cleaning up the messes.

So, how will you and your office manage this in order to ensure that the local governments in States that may not be as receptive to local governments are?

I know that is a little tricky because we do not want to dictate how State sovereignty in the sense of these governments work but, let us assume for a second that we consolidate, we go through legislative action and it all happens, the first people we are going to hear from is not the State governments because they are going to get the money. It is going to be the local governments of those States that are not seeing the money.

So help me in understanding your thought there and I want to underline this, I understand this will take legislation and a whole different process. But as part of your budget, you are recognizing this as a potential budget element in consolidation of some of these programs.

Mr. FUGATE. Mr. Chairman, the issue between State and local governments, whether the money goes through the urban security areas and the State does not have the visibility to prioritize overall State issues, the money goes to the State and the urban areas feel they are not getting their fair share.

I have been a local. I have worked at the State. I built and worked under Governor Bush to build the first State homeland strategies before urban areas were created.

I dealt with that after they were created, and I would have to say that again we recognize that there are certain priority grant programs. We are not recommending consolidation. We are not recommending the emergency management preparedness grant programs. That goes back to the Civil Defense Act. That is a stand-up program. It is not tied to this directly, the same with the fire grants.

But when you talk about the homeland security grants whether they are port and transit, whether they are the urban security area initiatives, or they are the State homeland security grant programs. Those are prominently focused on the potential of either preventing a terrorist attack or in the event a terrorist attack occurs, the capability to respond.

The challenge you have is, once it exceeds the local authority, the local official you as mayor remember, you go to the State.

Senator BEGICH. That is right.

Mr. FUGATE. If the State is not part of that process, we produce the potential disconnects. Now, as much as everybody says the problem of trust about the funds, the reality is the response structure and the authorities and the Constitution for this arise from these States' constitutions and authorities and powers they present.

And so, this is really bringing funding back and recognizing that those structures may be imperfect; but if we are moving away from that, we create disconnects. And the challenge in the legislation and the authorization language is to put enough guidance and tools in there to really build a better team of State and locals planning together versus—

Senator BEGICH. You just hit on what my next question was going to be, and that is, do you think that the tools can be applied in legislation like this?

Obviously, you can never get down to the management of it because the goal here is to allow States and local governments to manage their affairs which is a great step, in a lot of ways.

But do you think there can be enough tools in that legislation or the authorizing legislation to give a strong enough guidance, and also oversight from you as an agency, this is, as a Committee, that we could watch this process.

So if we think or you think as an agency a year, 2 years, 3 years out there are problems, that we can create tools that can give flexibility to solve that problem rather than having to have all new kinds of legislation, because around this place, if you can pass a piece of legislation, you want to go.

And if you have to tweak it later, do you think we can create tools in the legislation to allow some of that from your experience as an administrator?

Mr. FUGATE. From my experience, if we have in the authorizing language clear outcomes and within that we have clearly identified who must be part of that process and the representation that it requires to have that consensus decision, recognizing that there needs to be a certain amount for the law enforcement community

that has to be addressed, so, Mr. Chairman when I got here this was all a bunch of different grants.

We are down to basically three large pots and all we are really talking about is can we close that down into one stream to get better prioritization.

But when I got here, we had funding just about broken into seven different categories. We are really talking right now the State homeland security grants, the urban security initiative grants, and then a competitive grant amount for port and transit.

And again I realize every constituency wants to see the visibility and have those funds rather than such a way that they have minimum outside influence on that but I also recognize that by putting that money together, we have a better chance of building the cohesive team of forcing that interplay that, when disaster strikes, the funding is actually driving better collaboration versus separating out funding by issue or by level of government.

It is not a popular opinion that I have and I have a lot of people that would tell me that after my fourth attempt I should be backing off of this. But also I have a duty, Mr. Chairman, to present to Congress what I recommend but I also have a duty to implement what you then appropriate and tell me to do.

Senator BEGICH. Understood. Let me ask you about the \$400 million and I want to make sure I connect with you on this. This is a pre-disaster mitigation. This is the initiative, the billion plus initiative, is that correct—

Mr. FUGATE. Yes, sir.

Senator BEGICH [continuing]. Encompassed within that?

And you see that \$400 million as an opportunity to really look at what we talked about, in Alaska—

Mr. FUGATE. Yes, sir.

Senator BEGICH [continuing]. Which was how to coordinate some of the efforts maybe between your agency, the Corps of Engineers, and others to look into the future rather than waiting for the action to occur or the natural disaster to occur, trying to say what can we do to lower future costs by mitigating some of these situations.

Is that a fair statement?

Mr. FUGATE. That is absolutely the intentions, Mr. Chairman.

Senator BEGICH. OK. Is there a concern to have within your agency not necessarily a robust funding of this issue and sometimes defunding that this does not just become a one off and that we should think about a two-part equation here.

For example, within FEMA that pre-disaster mitigation program to make sure that is robustly funded and recognizing this over here is potentially kind of juice it up for a period of time, I do not want to call it a stimulus because everyone around here freaks out when you call it names like that but basically it is to help move it and accelerate it.

Is not our best bet to say, look, that is a good idea and I am all for it and I am one of those, despite the way the press likes to report things around this place, I am actually one of those from an oil and gas State that believe in climate change.

It is happening. My State is the direct result more than any State in this country and we see the impacts. It may be in the Arc-

tic or what you have seen in disasters that have occurred where FEMA is called in.

I mean Galena is an example. People say, well, that it is just another disaster. Well, it is warmer in Anchorage today than it is here today here in Washington. I mean, I am leaving tomorrow to Anchorage to go get the warmer weather, to leave Washington, D.C.

So, I mean, that is what is wrong with what is going on, and climate change is real. It is happening. We have action to take.

So, is it not in our interest to figure out a sustainable funding level within your own program and then stimulate it, add to it, accelerate it with some additional, because if we do not do that and this money goes away after some period, then we are back to square one because mitigation does not disappear, right?

I mean, we should be doing this on an ongoing basis because the needs are so great, I mean, help me understand. I do not want the Administration to keep defunding the program that is annual and replacing it with a one-time hit.

Mr. FUGATE. Well, the challenge with—

Senator BEGICH. I know that puts you in an awkward position because any time you put more money into the program that—

Mr. FUGATE. The pre-disaster mitigation program was originally envisioned to fund ahead of disasters significant mitigation investments. Unfortunately, that never really happened and over the years that fund was cut lower and lower and lower to the point where it was essentially providing not much more than planning capability and we were not really seeing a lot of mitigation.

There were some good examples but the funding levels just were not there. And so, in looking at when you have to make hard choices, we found that in many cases it may be unpopular but sometimes it is better to eliminate an entire program and not try to maintain any infrastructure if it is not really accomplishing its stated goals.

Senator BEGICH. But are we not doing that with the \$400 million, almost replicating?

Mr. FUGATE. Yes, sir. Well, what we are looking at now is because we are authorizing this as a spending program, there would not be any additional work to create the program. It already exists, and it would bring for the first time large, substantial funds to the pre-disaster mitigation program.

But the pre-disaster mitigation program would be looking at all hazards. These would be more targeted and we want to look specifically at what are the drivers and the impacts for the future to climate disruption and make investment strategies through there.

Senator BEGICH. So, it becomes more narrow focused, and you correct me if I say this wrong at all.

Mr. FUGATE. Yes.

Senator BEGICH. More narrow focused, a sizable lift on it. And then do you see the ability to have that money in that fund limited in time of use or is it a period of time you can use it?

What can we do to make sure that fund does not—because if you are forced to do it all in one year, for example, it would be insane. You just never can do that. Your system would not allow it no mat-

ter what you tell me here, and I think you will agree with me on that.

So, how do we manage it so 2 years down the road, there is not a Government Accountability Office (GAO) audit and it says, you only spent "X" dollars and then we could come along and say well, let us just take that money and use it for something else.

Help me. Walk through that with me.

Mr. FUGATE. You are absolutely right, Mr. Chairman. This would have to be built into the whole timeframe of getting plans developed, submitted, approved, money awarded, and then construction. We would see everything from acquisition and buyouts to construction of projects would take years to do.

Senator BEGICH. This is like 5-, 10-years easy, right?

Mr. FUGATE. Yes. So, the funding would have to be tied in such a way that we do not want to give them unlimited timeframes because the other thing I have learned is that if there are no timeframes, it never seems to get drawn down and the work is not done.

Senator BEGICH. Well, you can build a road for a lifetime.

Mr. FUGATE. But it used to be tied to performance and awards so that work is done over a period of time. It would have to be funded on a multiyear process to allow projects to be brought forward, construction, and the final payments made without running the risk of not being able to finish the projects.

But again, I think, if we were able to see this move forward, to work on those timeframes, again when we are dealing with disaster relief fund mitigation dollars there, those are considered no year-end dollars but we try to move those projects through. This may require more definitively a timeframe but it has to account for, many of these would be construction type or acquisition projects.

Senator BEGICH. For example, in Kotzebue was a great example where we built a road which also was a break and the net result was they had a huge storm just last year. If that was not there, the town would have been flooded.

That is a project that someone might have said, well, that is just a road but actually, it was a road on the coast with a design built into it to protect the area. Literally, it saved FEMA, to be frank with you, probably millions of dollars. I mean, I was there and I saw the positive impact of that road.

Is that how you envision that kind of resource?

Mr. FUGATE. Yes, sir, Mr. Chairman. I think President Best gave me this guidance when we were traveling in Hurricane Sandy and says there is still a lot of discussion about climate change. He says I am concerned. We need to be really focused on climate adaptation.

So, it is how do we go forward with our built infrastructure and selectively make the improvements and the investments for the future risk that then, as you point out, saved the taxpayers the cost of responding to another disaster, that we have built mitigation, not just for what we have experienced in the past, but more importantly the types of impacts that we are seeing occur with unfortunately more frequency, with often times larger populations that—

Senator BEGICH. Yes, that are more severe.



Let me walk through a couple. I know they have called a vote. We probably have about 10 or 12 minutes on it so far. They will guide me here but a couple more. Again, I appreciate you being here.

As I mentioned in my opening on the cuts and the flood map program, this is almost an ongoing issue and it seems like between, let me just say mapping in general.

You guys do mapping. The National Oceanic and Atmospheric Administration (NOAA) does mapping. Interior does mapping. The U.S. Geological Survey (USGS) does mapping. It almost seems like we should just, because we all have the same, I do not want to say the exact same purpose. But when you are mapping, for example, a coastline which now Hurricane Sandy for example, we are going to have to do re-mapping there. There is no question about that and there is some money that has been put aside for that.

But also with flood maps and everything else, it seems like there is something here that should just be done in a more comprehensive way.

Do you agree or disagree with that?

Mr. FUGATE. Yes.

Senator BEGICH. It seems like everyone has resources.

Mr. FUGATE. It is something that I had been very passionate about and working in the interagency is standardizing the digital elevation map collection data. If we have standardized, and we are getting good progress. When one agency is using LiDAR or other techniques to develop these, if they are doing it at a scale and resolution that other agencies use, then we do not have to re-map that.

Senator BEGICH. Right.

Mr. FUGATE. But again those digital elevation maps are key to a variety of programs. So, I think this really goes back into the world of the geospatial, that as we are collecting elevation data as much as we can collect at resolution for the best possible community use, then it avoids us having to go out and repeat studies.

Senator BEGICH. Got you.

Mr. FUGATE. Now, we will still have to do the maps for the flood risk, but the key part of that is, if we all have consistent high resolution digital elevation maps, whatever agency is producing it, then that in turn lowers the cost of the production of these products and then allows a variety of agencies, both the State and local and the private sector—

Senator BEGICH. To utilize them.

Mr. FUGATE [continuing]. To utilize them for a variety of issues.

Senator BEGICH. Let me ask you more specifically then on the flood map program. I know it is a pretty good size schedule. On the one hand we are about to, probably today we might do a UC on the flood insurance issue. How are we going to accomplish this as if we are going in the wrong direction?

I know you had to make priorities. But what are we going to do here to make sure you have the resources? Now, I am sure we are going to pass a flood insurance bill which requires, as you know, some work in mapping and some other issues?

Mr. FUGATE. Mapping is an annual event, and again as we had to make choices, this does not eliminate mapping. It slows it down. So again, the resources that we can bring to bear and the maps

that we can update are tied to the budget but this is an ongoing process. We have been funding mapping for a long time and we are going to be continuing to update maps as we go through the out years.

Senator BEGICH. Do you think you have adequate funding and do you need more funding for mapping?

Mr. FUGATE. Mr. Chairman, it really comes back to the speed at which you want maps updated.

Senator BEGICH. If you had more money, could you expedite the process?

Mr. FUGATE. It would not be so much expedite as we could do additional mapping.

Senator BEGICH. In other words, more mapping, more capacity, more areas handled. OK.

I knew you could not answer the questions of saying you want more money because then the Office of Management and Budget (OMB) will call you very quickly and say, and they might be out in the audience for all I know, so.

But I want to make sure that if you had more resources——

Mr. FUGATE. No.

Senator BEGICH [continuing]. Then you could expand more areas of the mapping.

Mr. FUGATE. Yes, this is two parts. This is how much can we actually manage through our contracts in working with local governments that are ready to go.

Another part, though, is also to continue to look at the technology and the cost of maps and finding newer ways to get good resolution maps at a lower cost. As that continues to evolve, we will look at it.

But this is really, as much as we talk about FEMA, we have to remember this is also local communities. It is their maps that they have to adopt. So, part of this is also the bandwidth for local communities who are working on maps.

Senator BEGICH. I understand. We had a flood plain map, we had the wetlands map. We go through the whole process so I am very——

Mr. FUGATE. So, you are aware, Mr. Chairman, that is also going to be tied, even if we had more resources, the local communities have to be ready to go with that.

Senator BEGICH. That is right. There is a whole process they have to go through even to accept those maps in the legislative process depending on the community they are in.

Mr. FUGATE. Yes, sir.

Senator BEGICH. Let me ask you this last question and then I will end here but I do appreciate your testimony, your written testimony too. I am going to look forward to having more conversations with you on the legislation issue on consolidation. I have some concerns there.

But one, I hear where you are going and we will want to work with you to see how you are going to engage the local communities, maybe NACo, League of Cities, Mayors Conference, but let me put that aside here for a second.

I know one of the programs that you have to transfer responsibility, I think, is for the emergency food and shelter program to Housing and Urban Development (HUD).

Mr. FUGATE. Yes, sir.

Senator BEGICH. So, are there other types of programs within your organization, I mean, you are gathering some efficiency there. I am assume that is what is happening there. That is why you are doing it.

Are there others like that with other Federal agencies, you can see partnerships or transfers that make sense to create some better efficiencies or better utilization of your resources.

Mr. FUGATE. This was one that was kind of an anomaly. I think when people talk about emergency food and shelter, this is not for disasters. This is for homeless and for feeding.

Senator BEGICH. Right.

Mr. FUGATE. These are more aligned with HUD's mission. So, our recommendation is—

Senator BEGICH. It just aligns with their mission better.

Mr. FUGATE. It is better aligned with their mission. This goes back to, let us focus our resources on things that we are charged by Congress. We do not think this is something that is not important but it more aligns with HUD's missions. It would be a more appropriate fit for their program.

Senator BEGICH. Very good. I am going to end here. I will have a couple more questions probably just for the record but generally first thank you very much for your testimony.

Again as I said, I want to look toward you and working with you with regard to how you move forward on the consolidation. I have some concerns. We can have those conversations.

On the tribal land, again I know there were some conversations last night and this morning. We are going to be anxious. I will be following that very closely because I think that is a unique opportunity for tribes. I think it is a huge responsibility for tribes.

I think there are some that may not realize what this all means yet. That is why the rulemaking you are doing is going to be critical to how you engage them. Not only through this Committee but through my office we will be happy to assist you in some of those groups to make sure they are not missed and engage in that as best we can.

In regards to the consolidation, I am sure there are plenty of people who are watching this conversation they care about their specific, one of those 10 items or 12 items that are on the list.

And as we go down this path, I can only ask you to come and I am not going to put words in your mouth, but I can assume that you will obviously be open to hearing from these groups to figure out what the right way, if at all, to do this. Is that a fair statement?

Mr. FUGATE. That is a fair statement, Mr. Chairman.

Senator BEGICH. Very good. Thank you for your leadership. Thank you for your willingness to recognize Alaska is what I call every 2-week disaster that we seem to have because it seems like it never ends.

Most recently oddly enough we are now concerned about how little snow that we have which is amazing when you think about

Alaska but it is now becoming a problem from a lot of aspects, even in some of our winter construction.

I will be on the Arctic, North Slope on Saturday and because of some of the conditions, the ice roads they build, I will have to be on a snow machine and other types of equipment in order to get to where I need to get to because full loaded trucks will not necessarily be adequate.

So, I appreciate FEMA's interest in understanding climate change too. I think you all are starting to see and your interest in seeing mitigation as a part and a significant role of FEMA is a huge shift. I appreciate that and I think there will be more from us on that and more discussion I know. So, thank you very much.

At this time, the record will be kept open for 2 weeks for additional comments from other Members and/or questions.

At this time, we will adjourn the meeting.

Thank you very much.

[Whereupon, at 3:27 p.m., the Subcommittee was adjourned.]

# A P P E N D I X

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STATEMENT

OF

CRAIG FUGATE  
ADMINISTRATOR

FEDERAL EMERGENCY MANAGEMENT AGENCY  
U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE  
THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS  
SUBCOMMITTEE ON EMERGENCY MANAGEMENT, INTERGOVERNMENTAL  
RELATIONS, AND THE DISTRICT OF COLUMBIA  
U.S. SENATE  
WASHINGTON, D.C.

**“THE FEDERAL EMERGENCY MANAGEMENT AGENCY’S BUDGET SUBMISSION  
FOR FISCAL YEAR 2015”**

Submitted

By

Federal Emergency Management Agency  
500 C Street, S.W.  
Washington, D.C. 20472

March 13, 2014

### **Introduction**

Good Morning Chairman Begich, Ranking Member Paul and Members of the Subcommittee. My name is Craig Fugate, and I am the Administrator at the U.S. Department of Homeland Security's (DHS) Federal Emergency Management Agency (FEMA). It is an honor to appear before you today to discuss FEMA's Fiscal Year (FY) 2015 budget request.

FEMA's mission is to support our citizens and first responders to ensure that, as a nation, we work together to build, sustain and improve our capability to prepare for, protect against, respond to, recover from and mitigate all hazards.

The FY 2015 President's Budget request provides the level of resources required, in a balanced and prioritized manner, to support the Agency's ability to fulfill its emergency management mission, while recognizing the budgetary controls and needs of the Agency.

The FY 2015 budget request reflects FEMA's priority to manage resources effectively across the federal government while ensuring the nation's resilience to disasters. Under my direction, the Agency continues to re-examine its current allocation of resources to consider the relative return on investment and to better focus on those programs that have the most significant impact on the Agency's ability to fulfill its overall mission. Moreover, FEMA will continue to build on its successful past efforts to streamline and enhance current business processes, while using smart and innovative technologies to better maximize the delivery of services and the efficient use of available resources.

The Agency's budget request is guided by the Administrator's Intent for FY 2015-2019 (Intent), and its five strategic priorities: (1) be survivor centric in mission and program delivery; (2) become an expeditionary organization; (3) posture and build capability for catastrophic disasters; (4) enable disaster risk reduction nationally; and (5) achieve business and management excellence. FEMA is committed to leveraging our authorities and focusing our policies, programs and budget choices to best support our citizens and first responders in working together to ensure our nation's resilience to disasters. To deliver on this commitment, this Intent also provides two guiding principles to frame our thinking, build our budget request, guide our decisions, and shape our approach to mission and program execution, which are: (1) a whole community approach to emergency management and (2) fostering innovation and learning.

This testimony will review the initiatives the Agency hopes to pursue in FY 2015 through the lens of the Intent and the strategic priorities.

### **Disaster Relief Fund**

The Disaster Relief Fund (DRF) provides individual and public assistance to help families and communities affected by declared disasters to rebuild and recover, as well as mitigation funds to reduce the impact of future disasters. The FY 2015 DRF budget request is consistent with the

Budget Control Act of 2011 (Pub. L. No. 112-25) and totals \$7.03 billion, in addition to carry-over and recoveries. The DRF request for FY 2015 includes estimated costs for prior catastrophic events (including Hurricane Sandy), a ten-year average level for non-catastrophic disasters, and funds for DRF Base activities (i.e., Emergencies, Pre-disaster Surge Support, Fire Management Assistance Grants, and Disaster Readiness Support). The request also includes a \$1 billion set-aside for no-notice events, which should also support initial funding needs of a new catastrophic event. FEMA will continue to maximize the use of DRF resources by working closely with states, localities and tribes and through the use of its authorities and policies, including Strategic Funds Management, which is FEMA's process for obligating Public Assistance project funding based on a subgrantee's schedule to execute the eligible work. As in the FY 2014 Omnibus, the DRF FY 2015 request also includes a \$200 million rescission to Base balances in anticipation of unspent carry-over balances and expected additional recoveries.

#### **Continuing to Implement Major Legislative Changes**

##### *Sandy Recovery Improvement Act of 2013*

As part of the Disaster Relief Appropriations Act, 2013, on January 29, 2013, President Obama signed into law, the Sandy Recovery Improvement Act (SRIA) (Pub. L. No. 113-2) authorizing several significant changes to the way FEMA delivers disaster assistance. SRIA is one of the most significant pieces of legislation impacting disaster response and recovery since the Post-Katrina Emergency Management Reform Act of 2006. FEMA began implementing the provisions of SRIA while it was still helping survivors recover from Hurricane Sandy.

FEMA has developed and implemented pilot programs to use new authorities for Public Assistance (PA) Alternative Permanent Work and PA Debris Removal programs as part of its implementation of SRIA. When these pilots are completed, we believe the data will show that these programs speed recovery by empowering applicants with more choices, enabling better and timelier decisions that align with communities' recovery priorities, putting applicants in the driver's seat of their own recovery and reducing administrative costs.

##### *Biggert-Waters Flood Insurance Reform Act of 2012*

The Agency is also implementing the Biggert-Waters Flood Insurance Reform Act of 2012, (Div. F, Subtitle C, of the "Moving Ahead for Progress in the 21<sup>st</sup> Century Act" or "MAP-21" (Pub. L. No. 112-141), which aimed to make the National Flood Insurance Program (NFIP) more actuarially-sound and to make flood insurance rates better reflect real flooding risks.

The law requires changes to all of the major components of the NFIP, including flood insurance, flood hazard mapping, grants and floodplain management, and we are working to implement those provisions. These changes are being phased in over time and are consistent with the direction provided in the Department of Homeland Security Appropriations Act, 2014 (Division F of the Consolidated Appropriations Act, 2014 (Pub. L. No. 113-76)).

The Department of Homeland Security Appropriations Act, 2014 delays all work on implementing Section 207 of the Biggert-Waters Act, until Oct. 1, 2014. However, it neither amends nor changes the requirements in Section 207 and once funding is made available, FEMA will be required to continue with implementation. This means that flood map changes that increase risk and were adopted by communities after July 6, 2012, as directed by Congress, will eventually phase out of grandfathered rates retroactively once Section 207 implementation occurs. As part of the NFIP, FEMA identifies flood hazards, assesses flood risks, and partners with states, tribes and communities to provide accurate flood hazard and risk data, more accurately capturing flood hazard conditions now more than ever before with the Risk Mapping, Assessment and Planning program.

FEMA estimates that it will take an additional 12-18 months to implement Section 207 once funding is restored.

The FY 2015 request includes \$84.4 million to continue FEMA's Flood Map Modernization Fund and its long-term efforts to address existing gaps in the flood hazard data inventory and address changes that continue to occur over time.

#### **Strategic Priorities**

FEMA's budget request is consistent with the Administrator's Intent and its strategic priorities. Below we have focused on some of the high-profile programs, policies and priorities that the Agency hopes to continue, modify or implement in FY 2015.

##### ***Strategic Priority One: Be Survivor Centric in Mission and Program Delivery***

As part of FEMA's effort and its stated strategic priority to be survivor centric in mission and program delivery, the Agency is proposing moving its Emergency Food and Shelter (EFS) program to the Department of Housing and Urban Development (HUD).

The FY 2015 request is consistent with previous requests and reflects a focus on FEMA's primary mission of preparing for and coordinating disaster response and recovery efforts, while ensuring continued substantial support for the non-disaster EFS program. The budget proposes a transfer of the EFS program to HUD, as the core function of the program more closely aligns with HUD's primary mission and thus will provide the best service to survivors. This transfer will further reduce fragmentation and duplication of services among federal homeless assistance programs, addressing a challenge highlighted by GAO and others.

##### ***Strategic Priority Two: Become an Expeditionary Organization***

As part of FEMA's effort and its stated strategic priority to become an expeditionary organization, the Agency is working to develop a leaner, more agile workforce that is well-equipped, educated and trained. As part of this goal, FEMA is also working to ensure its



workforce is appropriately sized, organized and distributed to rapidly mobilize, deploy and conduct missions, while being fully supported by FEMA's technology and infrastructure.

***Strategic Priority Three: Posture and Build Capability for Catastrophic Disasters***

As part of FEMA's effort and its stated strategic priority to posture and build capability for catastrophic disasters, the Administration is proposing the National Preparedness Grant Program (NPGP) and additional funding for NPGP in the Opportunity, Growth and Security Initiative (OGSI). The FY 2015 NPGP will work to build and sustain core capabilities in the National Preparedness Goal, recognizing that a secure and resilient Nation is one 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. The NPGP draws upon and strengthens existing grants processes, procedures and structures, emphasizing the need for greater collaboration and unity among Federal, state, local, tribal and territorial partners.

***National Preparedness Grant Program***

NPGP proposes to maximize the impact and benefit of grants for the whole community's capacity to be prepared based on risks. The legislative language that would be required to fully implement the NPGP has been shared with FEMA's authorizers and appropriators, and we look forward to working with Congress as they consider these important legislative changes.

The NPGP would consolidate current state/local preparedness grant programs into one comprehensive and overarching program (excluding Emergency Management Performance Grants and Fire Grants), which eliminates redundancies and requirements for both grantees and the federal government based on the current system of multiple individual and often disjointed grant programs.

Consistent with Presidential Policy Directive (PPD) 8 (National Preparedness), the NPGP prioritizes building and sustaining core capabilities to address high consequence events posing the greatest risk to U.S. security and resilience. The NPGP will use the THIRA (Threat and Hazard Identification) process to guide the development of core capabilities.

State, tribal and local governments would be able to prioritize their need and maximize the use of grant funds for the greatest whole community impact, with tribal governments having the ability to receive direct funding. This process, and the creation of NPGP, will also ensure that grantees have the ability to build and sustain capabilities that can be deployed not just on the local level, but on the regional and national levels as well – creating an interconnected network of local, tribal, state, regional and national capabilities to increase the security of the whole nation.

Implementing the NPGP will also improve the efficiency of the grant programs by eliminating the burden on grantees to meet often redundant mandates from multiple individual grant programs. As the subcommittee is aware, the Redundancy Elimination and Enhanced

Performance for Preparedness Grants Act identified the elimination of duplicative mandates as a priority.

Ultimately, creating this program would strengthen our ability to respond to evolving threats across the United States.

*Opportunity, Growth and Security Initiative*

The Nation is already experiencing impact from climate change, and there is more to come. The Budget strengthens America's preparedness for and resilience to the effects of climate change by including base funding for investments specifically for identifying and analyzing critical infrastructure vulnerabilities, as well as funds for grants to support research and State and local level resilience planning. In addition to these base funding investments, the Budget includes over \$1 billion in a Climate Resilience Fund within the President's Opportunity, Growth and Security Initiative to more fully prepare the Nation for existing and future threats from climate change. The investments supported by the Fund will arm us with a greater understanding of the impacts of climate change, provide tools and information to support community planning that accounts for the effects of climate change, and help reduce the risk to our communities, infrastructure, and natural resources in the face of climate change and extreme weather events. As part of the Administration's OGSi, the FEMA budget includes a separate, fully paid for request to support further preparedness and pre-disaster planning and execution.

The OGSi, which will be split evenly between defense and non-defense funding, shows how additional discretionary investments in 2015 can spur economic progress, promote opportunity and strengthen national security.

The Budget will include \$400 million for the Pre-Disaster Mitigation program in the Opportunity, Growth, and Security Initiative. This, combined with the \$150 million in base funding for National Flood Insurance Program mitigation grants, represent an increase of \$425 million over the 2014 spending level. These programs provide grants for eligible mitigation planning and projects that reduce disaster losses and protect life and property from future disaster damages. This includes support for adaptation planning and pilot projects for cities and communities through hazard mitigation assistance, building on Administration efforts to implement the National Mitigation Framework. For mitigation funding provided through the Flood Insurance Program, this can include planning grants to prepare flood mitigation plans; cost-effective project grants to reduce flood losses, structure elevation, retro-fitting of existing buildings.

***Strategic Priority Four: Enable Disaster Risk Reduction Nationally***

As part of FEMA's effort and its stated strategic priority to enable disaster risk reduction nationally, FEMA will leverage its partnerships, programs, and risk information and tools to catalyze whole community efforts advancing risk-based decision making across the nation. This

effort will help to build community resilience through ensuring a common risk picture, better targeting of resources, and a joint/collaborative national effort to build the capabilities that will best address the identified/targeted risk areas.

Focus areas will include:

- Enabling greater risk informed decision-making by improving the quality, accessibility and use of risk information. For example: through the continued modernization of flood maps and the continued implementation of the THIRA process.
- Building the appropriate preparedness capabilities to address the identified risks through continued implementation of the National Preparedness System. For example: through the implementation of the National Mitigation Framework and National Disaster Recovery Framework, long-term disaster recovery planning, training and education, core capability development, and sharing of lessons learned.
- Leading greater federal interagency collaboration around risk reduction and resilience, building on earlier efforts such as establishment of the Mitigation Framework Leadership Group and implementing a consistent federal flood risk standard for federal funds in Hurricane Sandy rebuilding. For example: through the development and adoption of a Federal Flood Risk Reduction Standard under the President's Climate Action Plan of 2013.

FEMA will also strive to reduce the risk associated with flood events via the Flood Mitigation Assistance Program. As a result of the unification of the Flood Mitigation Assistance, Repetitive Flood Claims and Severe Repetitive Loss grant programs under the Flood Mitigation Assistance Program, FEMA has been a more efficient delivery of flood-related grants to states, local and tribal communities, which has reduced future claims to NFIP. These grants provide funding to states, federally-recognized tribal governments, and communities for the reduction and elimination of the long-term risk flood damage poses. The grant also provides funds on an annual basis so that measures can be taken to reduce or eliminate risk of flood damage to buildings insured under the NFIP. These measures include the acquisition and demolition of flood prone structures, elevation of homes above expected flood levels and construction of minor drainage projects to reduce the impact of storms.

FEMA requests \$150 million in FY 2015, an increase in \$50 million over the FY 2014 request, for this activity so that important loss reduction measures are completed.

***Strategic Priority Five: Achieve Business and Management Excellence***

As part of FEMA's strategic priority to achieve business and management excellence, the Agency is undertaking several initiatives. Among them: continuing to dramatically shrink its facilities footprint to save funds and apply taxpayer money wisely to higher priorities, leading

the federal government in developing collaborative workplaces and improving security posture and resiliency, executing training curriculum and programs to ensure employee readiness to timely execute their responsibilities, and reviewing and maximizing the use of all technology spending for mission execution.

**Conclusion**

The FY 2015 President's Budget provides the level of resources required to support the Agency's ability to fulfill its emergency management mission. The budget lays out a plan that effectively manages, efficiently uses and maximizes the impact of our resources, while ensuring the nation's resilience to disasters. FEMA's proposed budget continues to streamline current business processes and harnesses the use of innovative technologies. The budget also shows a commitment to learning from each disaster and evolving our plans and processes to better serve survivors – our ultimate stakeholders – and meet the needs of the whole community.

We look forward to continuing to work with the Subcommittee to ensure that our nation is even more prepared and resilient moving forward.

**Questions for the Record (QFR)**

EMDC Hearing: *"The Federal Emergency Management Agency's  
Budget Submission for Fiscal Year 2015."*  
Thursday, March 13, 2014 2:30PM

**Post-Hearing Questions for the Record  
Submitted to the Honorable W. Craig Fugate  
From Senator Mark Begich**

**"The Federal Emergency Management Agency's  
Budget Submission for Fiscal Year 2015"  
March 13, 2014**

**1. Tribal Issues:**

- a. We are requesting FEMA to provide additional information on the agency's progress of meeting with the tribes. As Administrator Fugate agreed to in the hearing, please submit FEMA's current work plans -- including funding and FTE data; current tribal consultation and policy direction; and the group established within FEMA to manage tribal outreach. This includes progress updates and timelines of when FEMA expects products to be coming forward, as per Administrator Fugate's response.

**Response:** FEMA follows and supports the President's November 5, 2009 Memorandum on Tribal Consultation. Two examples of FEMA's commitment to working with tribes in a government-to-government manner include the FEMA Tribal Policy and the development of a FEMA Tribal Consultation Policy (TCP). FEMA's 2010 Tribal Policy was recently renewed for another three years under current internal policy guidelines. FEMA commits to engaging and supporting federally-recognized Indian tribes in the areas of emergency management including preparedness, response, recovery, and mitigation. An implementation plan to support the Tribal Policy is currently under development, and will add further structure to FEMA-tribal relationships.

FEMA's Tribal Consultation Policy

FEMA is in the process of finalizing a proposed Tribal Consultation Policy. This FEMA Tribal Consultation Policy goes beyond the requirements of Executive Order 13175 of November 6, 2000, *Consultation and Coordination with Indian Tribal Governments* and the Memorandum of November 5, 2009, *Tribal Consultation* and the policy supports the Department of Homeland Security Tribal Consultation Policy. The executive actions in the order and memorandum directed agencies to engage in regular and meaningful consultation and collaboration with Tribal Officials in the development of Federal policies that have Tribal implications, and to strengthen the government-to-government relationship between the United States and Indian Tribes.

FEMA developed and then sought feedback on a proposed Tribal Consultation Policy (TCP) from federally recognized tribes through the consultation process

including in person meetings. FEMA's Office of External Affairs dedicated \$110,000 of funding to tribal outreach for consultation on the TCP. FEMA's draft Tribal Consultation Policy establishes an internal process to guide FEMA officials on how to engage Indian tribes and tribal officials in regular and meaningful consultation and collaboration on actions that have tribal implications. It also strengthens the agency's efforts to identify those actions that may have tribal implications. FEMA collected input on the policy through March 31, 2014, and is now adjudicating comments.

Attached is a more detailed sample of the consultation and other outreach that FEMA has conducted in relation to the TCP. Taking cues from successful tribal consultation processes of other agencies, FEMA aims to keep in touch with its stakeholders about consultations through maintenance of <http://www.fema.gov/tribal-consultation>.

*FEMA's Tribal Declarations Pilot Guidance*

FEMA initiated consultation on a first draft of the Tribal Declarations Pilot Guidance in early April 2014. This draft incorporated input received from individual tribal governments and tribal associations last year during the initial round of consultation on the guidance. Information about this effort is posted at Consultation on Procedures to Request Emergency or Major Disaster Declarations (<https://www.fema.gov/consultation-archive-procedures-request-emergency-or-major-disaster-declarations>).

FEMA is currently conducting meetings with tribal leaders and tribal staff to discuss the working draft of the Tribal Declarations Pilot Guidance. When finalized, the Tribal Declarations Pilot Guidance will describe the process that tribal governments will use to request declarations and the criteria FEMA will use to make recommendations to the President whether or not to authorize disaster assistance to tribal governments.

FEMA has identified \$750,000 for its consultation effort on the draft Tribal Declarations Policy Guidance and the Office of Response and Recovery has set aside \$125,000 to assist FEMA Regional Offices conduct in-person consultation on the draft Tribal Declarations Pilot Guidance. FEMA is working with individual tribes and tribal organizations to hold in-person meetings during the consultation. Thus far, FEMA has scheduled the following sessions to discuss the draft guidance, and additional dates and locations will be added in the near future as they are finalized:

DATE	MEETING, LOCATION
April 2	Intertribal Council of Nevada Reno, NV
April 8	Intertribal Emergency Management Council of Oklahoma

	Norman, OK
April 9	Tanana Chiefs Conference Fairbanks, AK
April 29	Intertribal Council of California Coarsegold, CA
May 7	Tribal Assistance Coordination Group Scottsdale, AZ
May 8	Ten Southern Pueblos Governor's Council TBD, NM
May 19	Intertribal Council of California Bishop, CA
May 21	Intertribal Council of California Susanville, CA
June 3	United South and Eastern Tribes Bar Harbor, ME
June 3	Intertribal Council of Nevada Elko, NV
June 8	National Congress of American Indians Anchorage, AK
June TBD	Cedar City, UT

FEMA posted online records of past FEMA tribal consultations, including audio recordings and transcripts, Federal Register Notices, and letters of testimony, and will continue to do so going forward.

FEMA Tribal Affairs resides in the Office of External Affairs to help ensure continued progress in strengthening the government-to-government relationship between the tribes and federal government. The organizational structure helps in coordination of messaging, and support of external outreach by leveraging the resources and experience of FEMA's intergovernmental, communications, congressional, and public affairs divisions. The Tribal Affairs Program continues close ties to the Administrator, and receives strong support from FEMA senior leadership. There is an active focus on Federal-tribal affairs under Administrator Fugate and he is regularly briefed on Federal-tribal issues and meets with tribal leaders. FEMA External Affairs and program offices regularly engage with the national and regional associations that represent and/or work with tribal nations. FEMA External Affairs, along with the Senior Advisor to the Administrator and Director for DHS Center for Faith-based & Neighborhood Partnerships recently began a series of phone engagements with FEMA senior leadership and the

councils of several of these associations. In addition, FEMA routinely travels to tribal association and regional tribal meetings and conferences to hear from Indian Country and to discuss FEMA programs and policies.

FEMA recently created and staffed the position of a full time, permanent National Tribal Affairs Advisor (NTAA) within the Office of External Affairs. This position replaces the temporary tribal affairs position. The creation of this permanent position at a more senior grade level reflects the important work ahead of FEMA as it implements the tribal provisions of the Sandy Recovery Improvement Act and works collaboratively with tribes to strengthen our government-to-government relations. This position will work closely with FEMA programs to ensure visibility of tribal concerns and will partner with national associations that represent tribal interests. The NTAA will lead the newly established Tribal Branch within the Intergovernmental Affairs Division. The Branch was created as a reflection of the importance of having tribal affairs coordinated under a dedicated structure, rather than one that grouped all state, local, tribal, and territorial stakeholders together.

In addition, each of the nine FEMA regions that work directly with tribal nations has staffed a Regional Tribal Liaison position, and Region 10 also has a position in the Alaska Area Office dedicated to working with Alaska Natives. These efforts represent the Administrator's commitment to enhancing the profile of tribes in this Administration and strengthening our government-to-government relationship. In addition to the attached list of consultation and meetings, senior FEMA leadership, including the Administrator, continue to engage with tribes at national and regional level events.

*Regional Tribal Liaison positions current status updates in the chart below:*

Region	Positions
1	<ul style="list-style-type: none"> <li>1 part-time Regional Tribal Liaison who also has Private Sector duties</li> </ul>
2	<ul style="list-style-type: none"> <li>1 part-time Regional Tribal Liaison who also has Private Sector duties</li> </ul>
3	<ul style="list-style-type: none"> <li>(No federally-recognized Tribes)</li> </ul>
4	<ul style="list-style-type: none"> <li>1 part-time Regional Tribal Liaison who also has National Preparedness duties</li> </ul>
5	<ul style="list-style-type: none"> <li>1 part-time Regional Tribal Liaison who also has National Preparedness duties</li> </ul>
6	<ul style="list-style-type: none"> <li>1 part-time Regional Tribal Liaison who also has Congressional Affairs duties</li> </ul>
7	<ul style="list-style-type: none"> <li>1 part-time Regional Tribal Liaison who also has Private Sector duties</li> </ul>
8	<ul style="list-style-type: none"> <li>1 full-time Regional Tribal Liaison</li> <li>2 full-time CORE working tribal disasters</li> </ul>



9	<ul style="list-style-type: none"> <li>• 1 full-time Regional Tribal Liaison</li> </ul>
10	<ul style="list-style-type: none"> <li>• 1 part-time Regional Tribal Liaison who also has Private Sector duties</li> <li>• 1 full-time CORE Tribal Liaison</li> <li>• 1 Senior EA Specialist/Regional Tribal Liaison* Note: Currently being advertised</li> <li>• 1 full-time Emergency Response Planner for Tribes in Alaska Area Office</li> </ul>

To date, the FEMA Administrator has spoken with the Board of the United South and Eastern Tribes (USET), the National Congress of American Indians (NCAI) and the Executive Board of the National Tribal Emergency Management Council (NTEMC). Other senior FEMA leaders routinely address USET, NCAI, NTEMC, the Tribal Emergency Management Association (iTEMA) and the Tribal Caucus of the International Association of Emergency Managers (IAEM).

In addition, FEMA will now enable up to three (3) tribal representatives on the National Advisory Council (NAC), a council established by the Post-Katrina Emergency Management Reform Act of 2006 to ensure effective and ongoing coordination of federal preparedness, protection, response, recovery, and mitigation for natural disasters, acts of terrorism, and other man-made disasters. The NAC's Elected and Non-Elected Tribal Government Official positions will be filled in the summer of 2014. These individuals will bring a greater tribal voice to the NAC going forward. As FEMA evaluates the current applicant pool we did not see a large number of applications. Although FEMA did conduct significant outreach to the tribes and tribal associations, the agency understands that the limited application pool was due to tribes and their associations strategically vetting their applicants. We do believe, however, that by making the process and evaluation criteria more transparent, we have received several qualified candidates.

Additionally, FEMA established an internal Tribal Integration Group (TIG) to give greater support to the Administrator's commitment to tribal concerns within the Agency. The TIG serves as an internal coordinating body for tribal-related engagement and consultation across FEMA programs. The TIG is working to ensure that the Agency meets requirements to regularly consult with and consider tribal governments in the Agency's program and policy development. In addition, the TIG will strengthen efforts to engage tribal governments in FEMA's processes, procedures, and outreach. The TIG will also assess long term strategies for building a stronger relationship with tribal nations throughout the agency. The TIG is not only an internal coordinating body for tribal-related engagement and issues across FEMA programs; it is also a tool for FEMA to discuss and consider high-level tribal issues for recommended action. FEMA now has an internal body that engages across the Agency on issues raised by tribal

governments. To further highlight the importance and level of tribal engagement at FEMA, two SES staff direct the TIG – (1) the Senior Advisor to the Administrator and Director for DHS Center for Faith-based & Neighborhood Partnerships and (2) the Deputy Director of External Affairs. These SES staff bring necessary leadership, knowledge, skills, and abilities to make the TIG successful in supporting FEMA tribal affairs efforts.

A calendar of tribal activities from January to June 2014 follows.

2014 Tribal Activities (Jan-June)				
Dates	Region	Division/Component	Type of Activity	Description
<b>January</b>				
1/2/2014	II		Conference	Declaration of Tribal State of Emergency for Shinnecock
1/9/2014	II	New York State Division of Homeland Security and Emergency Services, Shinnecock Nation	Meeting	
1/15/2014	IX	THIRA, TCP Consutation,	Meeting	ADEM Emergency Manager Meeting on Declarations Process Location: Phoenix, AZ
1/27/2014	II	Recovery Division, Shinnecock Nation	Meeting	Follow-up on DR-4085, DR-4011 PA projects
	X	RX External Affairs	Policy Discussion	Presentation on Tribal Consultation Policy to the Northwest Tribal Emergency Management Council
	X	RX Mitigation Division	Technical Assistance	RiskMAP study discussions Nooksack
	X	RX Mitigation Division	Meeting	Whatcom County DFIRM Study Coordination with Lummi Tribe
<b>February</b>				
2/13/2014	IX	Grants	Training	FEMA HQ/RIX Grants Programs Webinar Arizona
2/20-2/21/2014	IX	TCP Consultation THIRA Declarations Process EOP-Overview ICP-Preparedness HMP-Overview	Conference	ITCC Transportation Summit Location: Sacramento, CA

2/24-2/28/2014	IX	HMP Workshop TCP Consultation	Training	ITLTRF Workshop Location: Rincon, SoCal
	X	RX EA & ORA	Policy Discussion	Presentation on Tribal Consultation Policy to Affiliated Tribes of Northwest Indians (ATNI)
	X	RX EA & ORA	Policy Discussion	Presentation on Tribal Consultation Policy and Listening Session with Nez Perce
	X	RX EA & ORA	Policy Discussion	Presentation on Tribal Consultation Policy and Listening Session with Lummi
	X	RX EA & ORA	Policy Discussion	Presentation on Tribal Consultation Policy and Listening Session with Hoh
	X	RX EA & ORA	Meeting	Northwest Tribal Emergency Management Council meeting
	X	RX Mitigation Division	Meeting	Yakima - Ahtanum Flood Study meeting with Yakama Tribe
	X	RX Mitigation Division	Technical Assistance	Whatcom County DFIRM Study Coordination with Lummi Tribe
	X	RX Mitigation Division	Technical Assistance	RiskMAP study coordination on DFIRM Study Puyallup Tribe
March				
3/19/2014	II		Conference	Seneca participate in the Virtual TTX for a flood scenario
3/11/2014	IX	Grants	Training	FEMA HQ/RIX Grants Programs Webinar Nevada
3/18-21/2014	IX	TCP Consultation Declarations Process	Conference	iTEMA Conference Location: El Cajon, CA
3/31-4/4/2014	IX	THIRA HMP Tribal DPG	Consultation	Level 1 THIRA/HMP/Tribal Declarations Pilot Guidance Location: Reno, NV

	X	RX Mitigation Division	Technical Assistance	Project Management Grant follow-up Makah, Suquamish
	X	RX Mitigation Division	Technical Assistance	Project Grand application assistance Quinault, Shoalwater Bay
	X	RX EA & ORA	Meeting	Northwest Tribal Emergency Management Council meeting and Tribal Listening Sessions on Proposed Consultation Policy and Tribal Declaration Pilot Guidance
17-18	EMI	NPD-NTE-EMI	Training	L0552 COOP delivery, El Cajon, CA
17-18	EMI	NPD-NTE-EMI	Training	L0427 CERT Program Mgr delivery at iTEMA conference, El Cajon, CA
24-27	EMI	NPD-NTE-EMI	Training	E0580 E.M. Framework delivery
April				
4/17-18/2014	IX	ITCC, FEMA	Training	ITCC/FEMA COOP Workshop Location: Sacramento, CA
4/29-30/2014	IX	L583 Tribal DPG	Training	ITCC L583 and Tribal Declaration Pilot Guidance Location: Coarsegold, CA
	X	RX Mitigation Division	Meeting	Snohomish Coastal Map coordination with Stillaguamish and Tulalip Tribes
	X	RX Alaska Area Office & Alaska DHS&EMD	Training	Alaska Shield Recovery TTX to include Alaska Native Corporations
	X	RX Mitigation Division	Meeting	Yakama Tribe - Discussion about Flood Study and NFIP in general
	X	RX Mitigation Division	Meeting	Quinault Tribe discussion about making maps specifically for Tribal Boundaries

		RX Mitigation Division	Technical Assistance	Bristol Bay Native Association, Hazard Mitigation Planning Grant for 31 Alaska Native Villages, including: Aleknagik, Clarks Pt., Curyung, Ekwok, Koliganek, New Stuyahok, Portage Creek, Manokotak, Togiak, Twin Hills, Egegik, Kanatak, King Salmon, Naknek, Pilot Point, Port Heiden, South Naknek, Ugashik, Igiugig, Iliamna, Levelock, Newhalen, Kokhanok, Nondalton, Pedro Bay, Chignik Bay, Chignik Lake, Chignik Lagoon, Ivanof Bay, Perryville
	X			
	X	RX Mitigation Division	Technical Assistance	Coastal flood planning with Coos, Lower Umpqua, and Siuslaw
14-17	EMI	NPD-NTE-EMI	Training	E0581 Emergency Ops. delivery
		NPD-NTE-EMI	Training	
21-24	EMI			E0900 IEMC Preparedness and Response invitation only for tribal reps from CA
	VI			
April 2, 2014		RTL	Meeting	L-583 Training with Tribal Leaders in Albuquerque
	VI			
April 3, 2014		RTL	Meeting	L-583 Training with Tribal Leaders in Pueblo of Santa Clara, NM
22-25	EMI	NPD-NTE-EMI	Training	L0580 E.M. Framework delivery, Fort Yates, ND
May				
5/12-5/13/2014	II	Region II Staff, Shinnecock Nation	Conference	Virtual TTX Hurricane Exercise
5/5-9/2014	IX		Conference	BIA Tribal Assistance Coordination Group (TAC-G) National Conference Location: Phoenix, AZ
5/12-16/2014	IX		Conference	Level 1 FEMA/ITCA THIRA/HMP Location: Phoenix, AZ

5/21-22/2014	IX	L583 Tribal DPG	Training	ITCC L583 and Tribal Declaration Pilot Guidance Location: Susanville, CA
	X	RX Mitigation Division	Meeting	Kitsap Coastal Map coordination with Suquamish and Port Gamble S'Klallam Tribes
	X	RX Mitigation Division	Technical Assistance	Hazard Mitigation Plan Muckleshoot
	X	RX Mitigation Division	Technical Assistance	Coastal flood planning with Coos, Lower Umpqua, and Siuslaw
	X	RX Mitigation Division	Technical Assistance	Coastal flood planning with Siletz
	X	RX Mitigation Division	Technical Assistance	Bristol Bay Native Association, Hazard Mitigation Planning Grant for 31 Alaska Native Villages, Including: Aleknagik, Clarks Pt., Curyung, Ekuk, Ekwok, Koliganek, New Stuyahok, Portage Creek, Manokotak, Togiak, Twin Hills, Egegik, Kanatak, King Salmon, Naknek, Pilot Point, Port Heiden, South Naknek, Ugashik, Igiugig, Iliamna, Levelock, Newhalen, Kokhanok, Nondalton, Pedro Bay, Chignik Bay, Chignik Lake, Chignik Lagoon, Ivanof Bay, Perryville
	X	RX Mitigation Division	Technical Assistance	Project Management Grant follow-up Makah, Suquamish
	X	RX EA & ORA	Meeting	Northwest Tribal Emergency Management Council meeting
19-22		NPD-NTE-EMI	Training	E0582 Mitigation for Tribal Governments delivery
June				
	X	RX Alaska Area Office, External Affairs	Conference	NCAI meeting in Anchorage

	X	RX Mitigation Division	Technical Assistance	Bristol Bay Native Association, Hazard Mitigation Planning Grant for 31 Alaska Native Villages, Including: Aleknagik, Clarks Pt., Curyung, Ekuk, Ekwok, Koliganek, New Stuyahok, Portage Creek, Manokotak, Togiak, Twin Hills, Egegik, Kanatak, King Salmon, Naknek, Pilot Point, Port Heiden, South Naknek, Ugashik, Igiugig, Iliamna, Levelock, Newhalen, Kokhanok, Nondalton, Pedro Bay, Chignik Bay, Chignik Lake, Chignik Lagoon, Ivanof Bay, Perryville
July				
	X	RX Mitigation Division	Technical Assistance	Flood Mapping meeting with Warm Springs and Klamath
August				
	X	RX	Meeting	National Tribal Emergency Management (NTEMC) annual meeting technical assistance and information
	X	RX and EMI	Training	L552 COOP for Tribal Governments at NTEMC annual meeting
	X	RX National Preparedness Division	Training	Youth Leadership Training Workshop at the NTEMC annual meeting

- b. How is FEMA working to assure tribal governments of varying capacity have access to preparedness grant funding and can adequately complete required assessments like the THIRA?

**Response:** FEMA provides tools and technical assistance to tribal governments in support of the THIRA development. In FY 2013, FEMA provided technical assistance to all 28 Tribal Grantees receiving Tribal Homeland Security Grant Program (THSGP) funding. These included 10 in-person, regional-level THIRA technical assistance sessions, in which all grantees were invited and provided invitational travel expenses to attend. In addition, FEMA provided supplemental



technical assistance to those that were either unable to attend the regional sessions, or required additional assistance.

In FY 2014, FEMA will continue to provide tools and technical assistance for Tribal nations required to complete a THIRA. FEMA will offer a combination of in-person and virtual technical assistance, and will provide points of contact both within the FEMA Regions and at headquarter to support tribal governments as they complete the THIRA process.

FEMA Grant Programs Directorate (GPD) has worked to enhance the government to government relationship with tribes in accordance with FEMA's Tribal Policy, which was issued by the Administrator in June, 2010. As a result of this policy, FEMA has recommended states and other jurisdictions to incorporate Tribal governments into grant programs and processes. FEMA also encourages the building of the relationships between all governments and all levels of government in meeting our national preparedness goals.

In order to increase awareness of the Tribal Homeland Security Grant Program (THSGP) and opportunities designed to support tribal homeland security needs; and in turn increase the number of tribes that receive direct funding through THSGP, FEMA/GPD focuses on the following activities:

- Outreach to Tribes through attendance at national conferences and meetings sponsored by tribes to discuss tribal programs;
- Outreach to tribes through the Tribal Assistance Coordination Group (TAC-G), GPD anticipates on the monthly calls with Tribes and interested stakeholders;
- Outreach to tribes through conference calls coordinated by Regional Tribal Liaisons during the current FY 2104 THSGP application period;
- Outreach to Tribes through feedback on the grants cycle and program guidance development;
- Working to identify all tribes identified by statute as directly eligible and engaging in direct conversations with them;
- Expanding allowable grant activities to include new initiatives; and
- Ensuring tribal representatives review applications submitted by tribes.

2. **Preparedness Grants Consolidation:**

- a. As a former mayor, I am happy to see the decision making would no longer be stove piped at the Federal level, but I do worry that disagreements between States and localities may throw a wrench in the consultation that this proposal relies on. How would disagreements over risk assessments and grant investments between Federal, State, and local stakeholders be avoided or handled?

**Response:** The proposed National Preparedness Grant Program will emphasize building and sustaining capabilities that address high consequence events that pose the greatest risk to the security and resilience of the United States and can be utilized to address multiple threats and hazards, while utilizing a comprehensive process for assessing regional and national capability gaps through the Threat Hazard Identification and Risk Assessment process in order to prioritize and invest in key national capabilities.

The proposed National Preparedness Grant Program draws upon and strengthens existing grants processes, procedures and structures, emphasizing the need for greater collaboration and unity among Federal, state, territory, local and tribal partners. The proposal also builds upon existing state, territorial, and local administrative/governing structures, strengthening coordination among grantees to ensure that preparedness grant dollars are utilized in a manner that promotes collaboration and coordination in the maintenance and sustainment of existing capabilities and the development of new capabilities as prioritized in the urban area, state, territorial, and regional Threat and Hazard Identification and Risk Assessments and capability estimation process. This collaborative process is designed to break down stovepipes among various stakeholders and provide all grantees enhanced awareness of initiatives in the state, territory, and region as well as overall strategic direction and priorities.

Grantees will submit one coordinated statewide application to include urban areas, ports and transit systems, as applicable and appropriate. Mandatory engagement will be required among designated urban areas, ports, and transit authorities in state/territory-generated Threat and Hazard Identification and Risk Assessments and investment justifications. Mandatory engagement will include:

- A detailed description of the Senior Advisory Committee's composition and an explanation of key governance processes, including how Senior Advisory Committee is informed by the state or territory's Threat and Hazard Identification and Risk Assessment and State Preparedness Report data reflecting capability shortfalls and the approach to address shortfalls in core capabilities;

- A description of the frequency of how often Senior Advisory Committee will meet;
- How existing governance bodies will be leveraged by the Committee;
- A detailed description of how decisions on programmatic priorities funded by the State Homeland Security Program and Urban Area Security Initiative are made and how those decisions will be documented and shared with its members and other stakeholders as appropriate; and
- A description of defined roles and responsibilities for financial decision making and meeting administrative requirements.

The Senior Advisory Committee will review and prioritize all requests for funding. If the Governor of a State determines that a sub-application of a local unit of government is inconsistent with the State homeland security plan of that State, or otherwise does not support the application, the Governor shall notify FEMA of that fact and provide an explanation of the reason for not supporting the application at the time of transmission of the application. The State will transmit one application that reflects a risk-based, capability-driven application of needs throughout the State.

By elevating nationwide preparedness capabilities, FEMA is working to ensure that all communities will be better equipped to prepare for, protect against, respond to, recover from, and mitigate against natural disasters and other hazards. As part of the National Preparedness Grant Program application process, all stakeholders work together to make smarter investment decisions, develop deployable capabilities, and share resources through Emergency Management Assistance Compact or other mutual aid/assistance agreements. Also, as part of the grant allocation process, all regions will be examined to determine gaps in preparedness capacity and what additional resources are needed to build preparedness. This will ensure that critical resources and assets are prioritized.

- b. Is FEMA able to quantify the efficiencies that you believe will be realized by consolidating the grant programs? Further, who will benefit the most - FEMA or grantees?

**Response:** FEMA has been supporting state, territorial, local, and tribal efforts across the homeland security enterprise to build capabilities for the past ten years, awarding more than \$37 billion in funding. As we look ahead, in

order to address evolving threats and optimize resources for state and local grant programs, the Administration is re-proposing a new structure for the preparedness grants portfolio to help create a robust national preparedness capacity based on cross-jurisdictional and readily deployable state, territory and local assets.

The FY 2015 National Preparedness Grant Program will work to build and sustain core capabilities in the National Preparedness Goal, recognizing that a secure and resilient Nation is one 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.

Grants consolidation benefits both grantees and FEMA. The proposed National Preparedness Grant Program will alleviate the administrative burden on the grantees. This approach will streamline existing application review processes into one coordinated approach, while at the same time, increasing accountability over the use of Federal grant funds. By consolidating strategic planning, risk assessments, and grants management at the state/territorial levels, coordination and economies of scale will be enhanced. In addition, the development of one coordinated Funding Opportunity Announcement at the Federal level streamlines the distribution of preparedness resources and delivery of FEMA priorities.

10

The proposed National Preparedness Grant Program draws upon and strengthens existing grants processes, procedures and structures, emphasizing the need for greater collaboration and unity among Federal, state, territory, local and tribal partners. The proposal also builds upon existing state, territorial, and local administrative/governing structures, strengthening coordination among grantees to ensure that preparedness grant dollars are utilized in a manner that promotes collaboration and coordination in the maintenance and sustainment of existing capabilities and the development of new capabilities as prioritized in the urban area, state, territorial, and regional Threat and Hazard Identification and Risk Assessments and capability estimation process. This collaborative process is designed to break down stovepipes among various stakeholders and provide all grantees enhanced awareness of initiatives in the state, territory, and region as well as overall strategic direction and priorities.

- c. The NPGP appears to eliminate the carve-out for the Law Enforcement Terrorism Prevention Program (LETPP) that for years, helped fund critical prevention functions for police departments around the country. What was

the rationale for the elimination of this 25% carve-out and how can law enforcement continue to be prioritized in an all hazards grant structure?

**Response:** The proposed National Preparedness Grant Program aims to strengthen coordination among states, local governments, ports, transit agencies and other stakeholders to ensure that preparedness grant dollars are utilized strategically to address the highest priority capabilities within a state. The Threat and Hazard Identification and Risk Assessment (THIRA) process and the capability estimation process that stems from it are essential to that strategic decision making.

States, in collaboration with their partners, will determine where to allocate grant dollars in any given year to address capability requirements across the five National Preparedness Goal mission areas of protect, prevent, mitigate, respond and recover. The proposed NPGP is designed to provide states and their partners with the flexibility to allocate dollars to address their self-identified priorities; requiring that 25 percent of their funding be allocated to specific activities removes a significant amount of that flexibility and is inconsistent with the overall approach envisioned in the NPGP proposal.

Maintenance and sustainment of core law enforcement prevention capabilities – including fusion centers, countering violent extremism and state, territory and local information sharing – remain key Administration priorities and law enforcement activities previously funded under other grants, such as Operation Stonegarden and the Port and Transit grant programs will continue to be eligible activities under the proposed NPGP.

The National Preparedness Grant Program also will continue to support state, territory, and local law enforcement efforts to understand, recognize, and prevent pre-operational activity and other crimes that are precursors or indicators of terrorist activity, in accordance with applicable privacy, civil rights, and civil liberties protections. Such efforts include:

- Maturation and enhancement of state and major urban area fusion centers, including training for intelligence analysts and implementation of Fusion Liaison Officer Programs;
- Implementation of the Nationwide Suspicious Activity Reporting Initiative, including training for front line personnel on identifying and reporting suspicious activities;
- Continued implementation of the “If You See Something, Say Something™” campaign to raise public awareness of indicators of terrorism and violent crime.

- d. In the legislative language proposed for the NPGP, the Administration is requesting a change to the definition of local government in order to allow Ports, Transit Agencies, and non-profits to be eligible sub-grantees under the State. Is there another way this needed change could be achieved without putting local governments in jeopardy?

**Response:** The National Preparedness Grant Program consolidates several grant programs, including the Transit Security Grant Program and the Port Security Grant Program. The expanded definition of “local unit of government” combines all of the current eligible applicants from the various preparedness programs into one overarching local eligibility and ensures that those agencies are eligible for the local pass-through. However, FEMA will continue to identify and allocate National Preparedness Grant Program funding specifically to Urban Areas through a national level risk assessment.

The new “local unit of government” definition is more inclusive of areas that may have increased risks and capability gaps, and are therefore in need of homeland security resources. As part of the National Preparedness Grant Program application process, all stakeholders need to work together to make smarter investment decisions, develop deployable capabilities, and share resources through an Emergency Management Assistance Compact or other mutual aid/assistance agreements.

3. **Cuts to Flood Map Program:**

- a. I am concerned by the \$10M cut to the Flood Hazard Mapping and Risk Analysis Program and I’m not sure how this passes the “smell test” when you look at the flood mapping needs across the country. Why such a big cut to mapping when our needs aren’t being met under the current budget structure?

**Response:** While the budget for Flood Hazard Mapping and Risk Analysis has fluctuated for the past three years (FYs 2013-15) we have implemented increases in flood insurance fee income to largely offset this reduction.

FY	Appropriated (\$Million)		
	Fees (5)	Approps (44)	Total
2012	\$118	\$98	\$215
2013	\$117	\$90	\$208

2014	\$121	\$95	\$216
2015	\$121	\$84	\$205

The flood hazard information presented on FEMA's flood maps are studied along approximately 1.1 million miles of flooding source (inclusive of rivers, coastline, lakes, and ponds). We monitor and manage our NFIP mapping inventory for these flooding sources closely through the use of a Coordinated Needs Management Strategy. As of March 2014, roughly 52% of these studied miles are either in compliance or are actively being updated to achieve compliance with current technical standards. Estimating the amount of resources to develop and deliver accurate flood maps for the entire United States is dependent on accounting for an ever- changing environment. Existing maps continually become outdated as a result of physical changes, climatologically changes and methodological changes. Population growth, development, erosion, wild fires, flood control projects and other factors can all result in physical changes requiring updates to the maps. Additional rainfall, stream flow or tide gage records can result in changes to expected flood risk. Improvements in engineering methodologies and data can also result in changes to maps.

Current levels of funding allow FEMA to keep pace with change.

- b. As I understand it, FEMA's updating of flood maps is based on a risk calculation that gives priority to those factors like those areas of the country with the highest population and highest home values, for example. While this may help FEMA get the most "bang for its buck," it seems to ignore the needs of smaller communities that continue to face devastating flooding year after year. Accurate, up-to-date flood mapping is greatly lacking in rural areas of the country, including many riverine and coastal communities in Alaska. I am concerned that, without accurate maps and data, homeowners are being charged inaccurate premiums and may not be fully informed about their risk.
  - i. Please explain the factors that FEMA uses to prioritize and assign resources to update flood maps. Also include whether any of the factors used are weighted or given greater importance than other factors. To what extent are factors such as (1) rapidly changing locations of stream beds, (2) land subsidence, (3) isostatic rebound, and (4) erosion?

**Response:** Three principal factors drive the need for updated flood hazard analyses:

1. Physical changes: natural changes (e.g. erosion, isostatic uplift, and subsidence) and manmade changes (e.g., land development, new bridges, culverts, and levees) may influence watershed characteristics.
2. Climate changes: such as changing rainfall data as well as hurricane patterns and intensities.
3. Engineering methodology changes: such as improved computer models, new or improved data, and better understanding of the physics governing storm surges and major flooding events.

FEMA collaborates with stakeholders to refine the flood map update investment process used to determine distribution of appropriated flood mapping funding for the fiscal year to the ten FEMA Regional Offices who in turn manage flood map production. No two regions are identical, so the FEMA Regions are given discretion to use their local knowledge and partnerships to weigh the above factors along with program goals to prioritize flood map updates.

States and communities can affect this sequencing by contributing new engineering or flood studies that increase the efficacy of the mapping process; contributing funding toward the project; commit to furthering mitigation actions to reduce flood risk, or contribute funding that furthers mitigation goals. Regional discretion helps ensure resources for flood map updates align with risk while informing and improving the national flood risk assessment.

4. **Mitigation and Risk Reduction:**

- a. If the Opportunity, Growth, and Security Initiative is not funded, how can we work together to support a strong and effective pre-disaster mitigation strategy?

**Response:** FEMA administers the Flood Mitigation Assistance (FMA) program, which is a pre-disaster mitigation program that focuses on eliminating damage to structures caused by flooding. The President's Budget includes funding for this program in FY 2015. If the Opportunity, Growth, and Security Initiative (OGSI) is not funded, FEMA will continue to administer our existing programs to further the goals of mitigation, sustainability and resiliency. Additional funding from OGSI would allow more projects and plans to be implemented. The Hazard Mitigation Grant Program is a post-disaster mitigation program which funds the development of State and local Hazard Mitigation Plans in addition to all-



hazard mitigation projects. With funding for both the HMGP and FMA programs, FEMA will continue to work diligently to ensure that States and communities take advantage of the opportunity to reduce the Nation's disaster losses through pre-disaster mitigation planning, and the implementation of planned, pre-identified, cost-effective mitigation measures.

- b. The NPGP does not specifically mention mitigation as a priority and with the focus on nationally deployable assets and projects that can be completed in 24 months, I can't see a scenario in which mitigation projects are prioritized when put in direct competition with a new radio system or infrastructure updates for a port. What makes you confident in the role mitigation can or will play within in the new grants structure?

**Response:** The primary purpose of the proposed FY 2015 National Preparedness Grant Program is to build and sustain core capabilities associated with the five mission areas described in the National Preparedness Goal: prevention, protection, mitigation, response and recovery. Particular emphasis will be placed on capabilities that address high consequence events that pose the greatest risk to the security and resilience of the United States and its borders and can be utilized to address multiple threats and hazards.

The FEMA preparedness grant programs have always supported mitigation planning activities. The proposed National Preparedness Grant Program supports the National Mitigation Framework, which is part of Presidential Policy Directive 8, and will remain an eligible use of grant funding. The FY 2015 grants vision considers capability requirements holistically, based on a state, territory, and region's threat/risk assessments, so grantees can prioritize sustainment of core capabilities and fill gaps where they are most needed.

**Post-Hearing Questions for the Record  
Submitted to the Honorable W. Craig Fugate  
From Senator Tom Coburn  
“The Federal Emergency Management Agency’s  
Budget Submission for Fiscal Year 2015”  
March 13, 2014**

1. You are requesting \$1 billion in preparedness grant money for this year; however \$5.7 billion in funding going back to 2007 has not yet been spent, including 95% of the \$1.6 billion from last year. With so much grant money still unspent, how do you know that this next billion is needed? How would your proposal to consolidate preparedness grants address this problem specifically?

**Response:** The balance referred to in the question relates to money that has not been drawn down from the U.S. Treasury; however, the bulk of that money has been obligated by the grantees to specific projects. Federal accounting rules, including the Cash Management Improvement Act, stipulate when a grantee can draw down money. This results in grant dollars remaining in the Treasury until a grantee submits an invoice requesting reimbursement.

FEMA has made great strides over the past year in encouraging grantees to draw down previously awarded grant dollars more expeditiously. In January 2013, the remaining balance on grants from FY 2008 through FY 2012 was \$7.6 billion. One year later, in January 2014 that number had dropped to \$3.9 billion, a 48% decrease. In FY 2012, FEMA introduced a 2-year performance period on all preparedness grants in an effort to ensure that capability gaps are addressed efficiently and effectively. Concurrently, the agency has increased its scrutiny of requests for extensions to periods of performance and approves only those requests that meet strict funding criteria. FY 2013 grant funding was awarded in September 2013 and includes the same 2-year period of performance. FEMA expects the drawdown balance to continue to decrease as these new policies remain in place.

2. FEMA’s budget request re-proposes consolidating 19 grant programs into one larger grant program. What is the dollar amount of administrative cost savings that you estimate can be achieved through consolidation, and what is that estimate based on?

**Response:** DHS has been supporting state, territorial, local, and tribal efforts across the homeland security enterprise to build capabilities for the past ten years, awarding more than \$37 billion in funding. As we look ahead, in order to address evolving threats and optimize resources for state and local grant programs, the Administration is re-proposing a new structure for the preparedness grants portfolio to help create a robust national preparedness capacity based on cross-jurisdictional and readily deployable state, territory and local assets.

The FY 2015 National Preparedness Grant Program will work to build and sustain core capabilities in the National Preparedness Goal, recognizing that a secure and resilient Nation is one 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.

The proposed National Preparedness Grant Program is designed in part to alleviate the administrative burden on the grantees. This approach will streamline existing application review processes into one coordinated approach, while at the same time, increasing accountability over the use of Federal grant funds. By consolidating strategic planning, risk assessments, and grants management at the state/territorial levels, coordination and economies of scale will be enhanced. In addition, the development of one coordinated Funding Opportunity Announcement at the Federal level streamlines the distribution of preparedness resources and delivery of FEMA priorities.

Overall, the estimated savings were based on a comparison of the current state of FEMA grant management/operations to the future state of management/operations under the proposed National Preparedness Grant Program. Each activity in the 19 grant programs was matched to an activity which would remain under the proposed National Preparedness Grant Program. There are many activities that would be eliminated as duplicative under a consolidated program. The elimination of duplicative activities was not cross-walked to a specific dollar value. The Grant Program Directorate conducted several internal analyses when the National Preparedness Grant Program was first introduced and proposed in 2012-13. The analysis from those scenarios still provides clear insight to potential cost savings after the full implementation of the National Preparedness Grant Program and modernization of the Non-Disaster Grant System (ND Grants). The overall reduction of activities is most closely associated with personnel, and therefore the assumption and conclusion was the full implementation of the National Preparedness Grant Program would ultimately lead to a near fully automated and system driven management/operation lifecycle, resulting in marked reduction of separate administrative processes, application reviews, creation of guidance packages, creation of fewer funding opportunity announcements, reporting, and financial and programmatic monitoring.

3. The GAO and the DHS Inspector General have repeatedly noted FEMA's preparedness grants have long been plagued by a lack of concrete, measurable performance measures. How do you plan to measure performance of an NPGP recipient against achieving the 31 core capabilities? For example, one of those capabilities is "Economic Recovery." How will you measure states ability to achieve economic recovery? How will you know when a state has received enough money to complete preparing for "Economic Recovery?"

**Response:** The effectiveness of the preparedness grants are measured on progress made in meeting the National Preparedness Goal (Goal) and the implementation of the National Preparedness System (NPS). The Goal defines the core capabilities necessary to prepare for the threats and hazards that pose the greatest risk to the security of the Nation, and it includes concrete, measurable objectives to manage that risk. The NPS is the instrument developed to build, sustain, and deliver the core capabilities, including economic recovery, in order to achieve the Goal. FEMA requires grantees to implement the NPS and tracks the grantees' progress in both fulfilling the components of the NPS and closing capability gaps. Diverging from past efforts to establish measures and metrics for a capability that would be applied uniformly, this approach allows a jurisdiction to establish its own capability targets based on the risks it faces. Once each jurisdiction has determined capability targets, including those for economic recovery, through the Threat and Hazard Identification and Risk Assessment (THIRA) process, the

jurisdiction estimates its current capability levels against those targets through the State Preparedness Report (SPR).

States measure their current capabilities in the SPR against the targets established in their THIRA. FEMA tracks this information and reports it in the annual National Preparedness Report. In 2012, 27 percent of States rated themselves as proficient in meeting their capability targets in economic recovery. This number increased slightly in 2013 with a 28 percent proficiency rating for economic recovery. States will continue to address these economic recovery gaps in the coming years as prioritized in their homeland security strategies. States can fill their capability gaps through various methods, including state investment and grant funds.

Grantees address documented capability requirements and gaps in their grant applications. As stated in the FY2014 Funding Opportunity Announcements, the Department of Homeland Security expects grantees to prioritize grant funding to address the gaps identified through their annual THIRA and SPR. These assessments identify the jurisdictions' capability targets and current ability to meet those targets. Grantees should prioritize grant funds to increase capability for high-priority core capabilities with low capability levels.

Additionally, FEMA requires that grant recipients:

- Tailor grant applications to sustain their existing capabilities and address the capability gaps and requirements documented in their SPRs;
- Spend grant funds on shareable, standardized, typed resources that can be deployed to other jurisdictions in emergencies;
- Review and update their Emergency Operations Plan (EOP) every two years and incorporate the latest FEMA guidance in their plans; and
- Identify whether exercises and real-world incidents have sufficiently prepared them to meet the capability targets in their THIRA.

In summary, FEMA has helped states to establish goals, objectives, and performance measures that will enable states to systematically measure improvements in first responder capabilities and state-wide preparedness by requiring states to use a set of tools including the THIRA, SPR, and Investment Justifications.

4. During Sec. Jeh Johnson's testimony, he stated he has seen examples where the preparedness grant money has been spent well. Can you provide examples of where this money has been spent well?

**Response:** The National Preparedness Report summarizes progress the Nation has made in building, sustaining, and delivering the 31 core capabilities outlined in the National Preparedness Goal across all five mission areas identified in Presidential Policy Directive 8: Prevention, Protection, Mitigation, Response, and Recovery.

Overall, the 2013 National Preparedness Report found the Nation continues to make progress enhancing its preparedness, including continued improvements within the areas of national strength identified in the 2012 National Preparedness Report. Furthermore, the National Preparedness Report confirms that these areas continue to align with investments made by whole

community partners through federal preparedness grant assistance programs. Specific examples in the State and local community can be found below.

#### **Homeland Security Grant Program/State Homeland Security Program**

##### ***Oklahoma Regional Response System and the response to the May 20<sup>th</sup>, 2013 Moore tornado***

The Oklahoma Regional Response System was developed by the Oklahoma Office of Homeland Security and currently consists of 113 specialized resources located throughout the state of Oklahoma. More than \$35 million in DHS grant funding has been allocated to this project. The system is comprised of different levels of specialized units capable of responding to chemical, biological, radioactive, nuclear and explosive incidents, agriculture emergencies, technical rescue incidents and natural disasters. The Regional Response System units are standardized across the state and contain interoperable communications devices providing for more effective and efficient training, exercising and response.

The Regional Emergency Medical Services System program was developed in support of the Homeland Security Regional Response System by providing Emergency Medical Services equipment, personnel, and transportation capabilities during major events or disasters. There are currently 33 units strategically placed throughout the state.

These systems have repeatedly demonstrated their enormous value and impact statewide, most notably during the devastating tornadoes which occurred on May 20, 2013 in Moore and the surrounding Oklahoma City area. These assets, along with the Urban Search and Rescue equipment purchased through the State Homeland Security Grant Program and Urban Area Security Initiative program were utilized with a high level of success during the Moore response.

The state of Oklahoma Office of Homeland Security also has invested grant funding in a statewide 800 MHz trunked communications system which is utilized by public safety agencies throughout the state. The impact of this investment is apparent on a daily basis and most notably during the response to the Moore, Oklahoma tornado. The true communications success during the Moore tornado response was in the functionality of the 800 MHz infrastructure along with the support of Communications Unit Leaders and Communications Technicians.

#### **Homeland Security Grant Program/Urban Area Security Initiative**

##### ***Boston Urban Area***

A key impact on the response to the Boston Marathon bombing was the ability to come together in a shared response. The Boston Urban Area Working Group effectively utilized FEMA Urban Area Security Initiative grant funding to build and sustain their homeland security capabilities that were instrumental in their response efforts, including:

- A patient tracking system which is used every day. During a Multi-Casualty Incident, such as the Boston Marathon Bombing, the patient tracking system has a “surge capacity” which allows

Emergency Medical Services Incident Commanders to effectively track patients, their conditions and where they are transported.

- All of the Explosive Ordnance Disposal Equipment used in the aftermath of the Boston Marathon, including bomb robots, personal protective equipment, bomb vehicles, cameras, disrupters, and detection equipment.
- Fifteen (15) explosive scent detecting canines purchased by the Boston Police Department. These specialized dogs and their handlers performed searches in the aftermath of the Marathon Bombing and search for suspects in order to detect additional explosive devices.
- The Massachusetts State Police Helicopter's Forward Looking Infrared Imaging System, which was able to see the heat signature of suspect #2 as he hid beneath a tarp on a boat and was instrumental in his capture.
- Boston Urban Shield Full Scale Exercises held in 2011 and 2012. These were multi-disciplinary, multi-jurisdictional exercises which tested the Metropolitan Boston Homeland Security Region's ability to protect against, respond to, and recover from a terrorist attack. First responders including police, firefighters, Emergency Medical Services, and hospital personnel participated in these exercises and learned valuable lessons concerning interoperable communications, interagency collaboration and incident management system which they were able to use during the response to the Boston Marathon bombing.

#### **Port Security Grant Program**

Since Fiscal Year 2002, the Port Security Grant Program has awarded more than \$2.9 billion to support port security. In Fiscal Year 2013, the Port Security Grant Program provided more than \$93 million to 271 recipients within 81 port areas across the United States and its territories. In Fiscal Year 2014, we will award \$100 million through a competitive review process. Examples of successful grant-funded project include:

##### ***Los Angeles***

In Los Angeles-Long Beach, the Marine Exchange of Los Angeles/Long Beach Harbor used Port Security Grant Program funding to turn their maritime facility into a secure, operational training center. The Exchange installed cameras, fixed lighting/solar-generated electrical systems, and installed an interoperability hub which improved communications and made it easier to share information with other law enforcement and governmental agencies. This facility is now an asset not just to the port but for the greater Los Angeles-Long Beach region.

##### ***Delaware***

The Port of Wilmington, Delaware enhanced its maritime domain awareness by using Port Security Grant Program funding for command and control stations; video and communications equipment; information technology; lighting; and other security upgrades. These improvements have enabled the port to share critical information with the Delaware Information and Analysis Center, Delaware's fusion center. By partnering with the Center, the port is now connected with local, regional, state and federal partners. This connection allows officials to better identify and prevent, and inform Delaware's law enforcement, private sector, and local authorities about, any

and all threats to the security of Delaware and the region.

#### **Transit Security Grant Program**

##### ***Port Authority of New York and New Jersey***

Funding through the Transit Security Grant Program to the Port Authority of New York and New

Jersey for Fiscal Year 2007 through Fiscal Year 2013 totaling more than \$148 million. Projects have included infrastructure and technology upgrades as well as funding for directed patrols during higher risk events. The American Recovery and Reinvestment Act funding through the Transit Security Grant Program funded over \$48 million for Port Authority of New York and New Jersey capital projects to update security infrastructure. DHS recognizes the critical importance of New York City and will continue to support the City's security initiatives and ensure allowable grant costs reflect the needs of New York City, as appropriate.

#### **Assistance to Firefighters Grant Program**

##### ***Hoboken Fire Department, Hoboken, New Jersey***

During the first 12 hours of Hurricane Sandy's storm surge, five of the Hoboken Fire Department's existing apparatus were damaged by salt water and no longer worked. To continue responding to emergency calls, the department used an older spare vehicle and borrowed fire trucks from neighboring departments. The new Assistance to Firefighters Grant funded fire engine pumper was delivered on October 31, 2012, several days after Hurricane Sandy struck the area. Chief Richard Blohm reported that the new truck "literally saved our lives."

Hoboken firefighters were working in water, sometimes hip-deep, mixed with raw sewage and petroleum fuel. The protective gear being worn by the firefighters was contaminated by this exposure. Because the existing gear was more than 10 years old, the department recently had used their Assistance to Firefighters Grant award to purchase 108 sets of new protective gear, consisting of protective coats, pants, suspender, boots, and hoods. Thanks to the grant, the firefighters were able to change out of the contaminated gear and put on the new gear to help increase their personal health and safety.

Two consecutive Staffing for Adequate Fire & Emergency Response grants have helped the Hoboken Fire Department to hire and train new firefighters. During Hurricane Sandy and its aftermath, Hoboken firefighters were working 24/7 to fight structure fires and conduct rescues. Having trained firefighters, enabled it to be more effective in protecting the community during this crisis.

5. Some of the 19 programs contained in the NPGP proposal currently have a cost share requirement; however the proposed NPGP does not require a stakeholder contribution. How many preparedness grants in the National Preparedness Grants Program proposal currently require a cost share as a standalone program? What is the cost savings to the taxpayer when a grantee is required to contribute

some of their own funds to receive grant funding? Has FEMA considered requiring a stakeholder contribution for the proposed NPGP?

**Response:** Of the programs to be consolidated under the proposed National Preparedness Grant Program the following contain a cost share:

- Port Security Grant Program (PSGP)
- Emergency Operations Center (EOC) – No longer a funded standalone program.
- Freight Rail Security Grant Program (FRSGP) – No longer a funded standalone program.
- Intercity Bus Security Grant Program (IBSGP) – No longer a funded standalone program.
- Interoperable Emergency Communications Grant (IECGP) – For equipment purchases only. No longer a funded standalone program.
- Non-Profit Security Grant Program (NSGP) – Optional cost share in 2010 and 2011. Cost share eliminated in 2012.
- Regional Catastrophic Preparedness Grant Program (RCPGP) – No longer a funded standalone program.

Federal grants supplement, rather than supplant, state and local spending. There is therefore no “cost savings” to the taxpayer when cost share requirement are used. In cases where cost share requirements are waived, on a project-by-project basis in the Port Security Grant Program, for example, the federal investment does not increase, the grantee is simply required to carry out the project at the lower level of funding.

FEMA recognizes also that federal grant dollars represent a small fraction of the investments state and local governments are making in most capabilities funded through the preparedness grant portfolio.

6. The National Preparedness Grants Program would greatly broaden the definition of unit of local government which will include non-state, non-territorial and non-Tribal entities such as port authorities, transit agencies, private sector and non-profit organizations. Does FEMA anticipate by doing so, this will open the grants up to even more applicants than before? How will FEMA monitor the States to ensure the money is going to an eligible local government under the broad definition?

**Response:** The National Preparedness Grant Program consolidates several grant programs, including the Transit Security Grant Program, the Port Security Grant Program, and the Non-profit Security Grant Program, eliminating direct funding for port areas, transit agencies, and non-profit facilities. The expanded definition of “local unit of government” combines all of the current eligible applicants from the various preparedness programs into one overarching local eligibility and ensures that those agencies are eligible for the local pass-through. The new definition is meant to be more inclusive of areas that may have increased risks and capability gaps.

FEMA is committed to being responsible stewards of taxpayer dollars and ensuring that all federal grant dollars that we disburse are used as intended – to strengthen our resilience against all hazards and make our communities safer places to live. FEMA has greatly enhanced the way



we monitor grants and holds grantees accountable for meeting their oversight requirements. FEMA will continue to work closely with states and territories to help them strengthen their sub-grantee oversight, and FEMA continues to improve our own monitoring efforts in through the FEMA regional offices.

7. The NPGP proposal relies heavily on Threat and Hazard Identification Risk Assessments to track how states are buying down risk over time by making certain expenditures. The THIRAs we have seen in the past are very general documents and seem to do little to actually prioritize grant spending since the states can identify whatever threats they want to identify. Is FEMA planning on reviewing and assessing how useful their THIRA approach has been in the past and making any changes to the assessment process?

**Response:** FEMA's philosophy is that local jurisdictions and the states are best positioned to assess their own risks, and to allocate funding—both grant funds and local funds—accordingly. Conducting risk and capability assessments helps jurisdictions to systematically identify their capabilities and shortfalls. To support the localities and states in assessing risks, FEMA released Comprehensive Preparedness Guide (CPG) 201: Threat and Hazard Identification and Risk Assessment (THIRA) Guide in 2012. In August 2013, FEMA refined the THIRA methodology through the release of CPG 201, Second Edition. The Second Edition expands the THIRA process to include an estimation of resources needed to meet the capability targets. The THIRA process now assists communities to answer questions such as “What are my current and future risks?” and “What level of service do I need to address my risks?”; and addresses what specific capabilities are needed, such as teams of specialized resources. This consistent methodology for determining risks enables a jurisdiction to establish capability targets based on its own threats and hazards. The jurisdiction subsequently estimates its current capability levels against those targets in its annual State Preparedness Report (SPR). Grantees are encouraged to regularly update their homeland security strategies to reflect the goals identified through the THIRA and SPR processes, and their progress against those goals.

Grantees address documented capability requirements and gaps in their grant applications. As stated in the FY2014 Funding Opportunity Announcements, the Department of Homeland Security expects grantees to prioritize grant funding to address the gaps identified through their annual THIRA and SPR. These assessments identify the jurisdictions' capability targets and current ability to meet those targets. Grantees should prioritize grant funds to increase capability for high-priority core capabilities with low capability.

8. Last year, you indicated in response to a question for the record from the March Hurricane Sandy hearing held by this Committee that FEMA's Office of Response and Recovery would conduct a review of the factors FEMA uses to evaluate when determining a state's ability to respond to a disaster. Has FEMA completed this review? If not, what steps remain and what is the estimated completion date? Will FEMA provide a report to the Senate Homeland Security and Governmental Affairs Committee?

**Response:** FEMA is still reviewing the Public Assistance declaration factors used to provide a recommendation to the President. A final report on the outcome of the review will be provided to the U.S. Government Accountability Office (GAO) consistent with the requirements of the report. FEMA will provide a copy to the Senate Homeland Security and Governmental Affairs Committee.

9. The Stafford Act is written to provide federal assistance when state and local capabilities were overwhelmed. Do you believe that all disasters that have been declared in recent years are instances when state and local capabilities have been overwhelmed?

**Response:** Pursuant to Section 401 of the Stafford Act, a major disaster declaration shall be based on a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. FEMA evaluates a number of factors when determining whether a disaster is beyond the capacity of state, territory, tribal, and affected local governments to respond and recover, including the amount and type of damage; the impact on the infrastructure of the affected areas or critical facilities; imminent threats to public health and safety; impacts to essential government services and functions; dispersion or concentration of damage; level of insurance coverage in place for homeowners and public facilities; assistance available from other sources (federal, state, territory, tribal, and local governments and voluntary organizations); state, territory, tribal, and local resource commitments from previous, undeclared events; and frequency of disaster events over recent period of time. FEMA evaluates all declaration requests using these factors regardless of the size of the disaster. For each request, FEMA conducts a thorough evaluation of these factors, as well as any other relevant circumstances that may be unique to each specific disaster, to ensure that each declared major disaster meets the requirements of the Stafford Act and FEMA's implementing regulations. We continue to urge the whole community, including state, local, tribal and territorial governments and the private sector, to increase their awareness and plan and prepare for disasters.

10. The federally declared disaster, Northridge Earthquake, which occurred in January 1994, has not been closed out twenty years later. Other costly catastrophic disasters, such as Hurricanes Katrina and Rita have not been closed out almost nine years later. In fact, there are projects in Louisiana with obligated funds that have not started and not even a dollar has been drawn down. What is FEMA doing to ensure these disasters are being closed out timely and any unspent funds can be returned to the DRF and put to better use? Has FEMA implemented policies and procedures on setting a timeline for future disaster closeout?

**Response:** In 2011 Administrator Fugate issued the Disaster Closeout Initiative (DCI) Directive to closeout aged DRs, EMs and FMAGs and each year disasters that meet the established criteria are added to the scope of this focused effort. Funding levels are monitored and de-obligated as soon as excess funds are identified for all disaster obligations regardless of age. In 2012 FEMA established a disaster closeout team (DCT) that has been working closely with all regions to assist in the closure of grants to states. Quarterly progress reports are reviewed from each state and regularly scheduled conference calls are held with each region to address particular issues that are delaying closure of an event, such as appeals or OIG audits. Northridge Earthquake disaster is on target to close by the end of FY14. FEMA is working closely with the State of Louisiana and has developed a strategy to analyze ongoing operations in an effort to assess the remaining workload, identify any remaining projects that could be considered for entry into the Public Assistance Alternative Procedures Pilot, and any possible appeal or arbitration scenarios, and any additional factors that could contribute to effecting the current projected completion timeline. Since 2011 FEMA has closed 474 disasters.

**Post-Hearing Questions for the Record  
Submitted to the Honorable W. Craig Fugate  
From Senator Rand Paul  
“The Federal Emergency Management Agency’s  
Budget Submission for Fiscal Year 2015”  
March 13, 2014**

1. Relative to the several other component agencies at the Department of Homeland Security, FEMA’s budget receives the largest proposed increase for FY2015. Do you believe that FEMA’s role has expanded accordingly? Is FEMA’s current statement of mission sufficiently focused?

**Response:** FEMA’s budget increase is driven by an increase to the ‘Major Disasters’ (cap adjusted) portion of the Disaster Relief Fund (DRF). This increase results from the state, local, and tribal recovery costs from prior catastrophic disasters such as Superstorm Sandy, Hurricanes Katrina/Rita/Wilma, and Hurricane Ike. This increase does not fund any expanded roles for FEMA. We believe that FEMA’s mission to support our citizens and first responders to ensure that as a nation we work together to build, sustain and improve our capability to prepare for, protect against, respond to, recover from and mitigate all hazards is sufficiently focused.