

**READY AND RESILIENT?: EXAMINING FEDERAL  
EMERGENCY PREPAREDNESS AND RESPONSE**

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**HEARING**

BEFORE THE

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

OF THE

**COMMITTEE ON HOMELAND SECURITY**

**HOUSE OF REPRESENTATIVES**

**ONE HUNDRED FOURTEENTH CONGRESS**

**FIRST SESSION**

**OCTOBER 22, 2015**

**Serial No. 114-38**

Printed for the use of the Committee on Homeland Security



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

U.S. GOVERNMENT PUBLISHING OFFICE

99-744 PDF

WASHINGTON : 2016

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# CONTENTS

	Page
STATEMENTS	
The Honorable Martha McSally, a Representative in Congress From the State of Arizona, and Chairman, Subcommittee on Emergency Preparedness, Response, and Communications:	
Oral Statement .....	1
Prepared Statement .....	2
The Honorable Bennie G. Thompson, a Representative in Congress From the State of Mississippi, and Ranking Member, Committee on Homeland Security:	
Oral Statement .....	3
Prepared Statement .....	5
WITNESSES	
Mr. W. Craig Fugate, Administrator, Federal Emergency Management Agency, U.S. Department of Homeland Security:	
Oral Statement .....	6
Prepared Statement .....	8
Mr. Bryan Koon, Director, Florida Division of Emergency Management, Testifying on Behalf of The National Emergency Management Association:	
Oral Statement .....	14
Prepared Statement .....	16
Mr. Chris P. Currie, Director, Emergency Management, National Preparedness and Critical Infrastructure Protection, Homeland Security and Justice Team, U.S. Government Accountability Office:	
Oral Statement .....	19
Prepared Statement .....	21
APPENDIX	
Questions From Ranking Member Bennie G. Thompson for W. Craig Fugate ..	49
Questions From Honorable James E. Clyburn for W. Craig Fugate .....	61



## **READY AND RESILIENT?: EXAMINING FEDERAL EMERGENCY PREPAREDNESS AND RESPONSE**

**Thursday, October 22, 2015**

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

The subcommittee met, pursuant to call, at 10:06 a.m., in Room 311, Cannon House Office Building, Hon. Martha McSally [Chairman of the subcommittee] presiding.

Present: Representatives McSally, Walker, Donovan, Thompson, and Watson Coleman.

Also present: Representative Clyburn.

Ms. MCSALLY. The Subcommittee on Emergency Preparedness, Response, and Communications will come to order. Welcome to the other hearing going on on Capitol Hill this morning. The subcommittee is meeting today to examine Federal response capabilities for major disasters. I will now recognize myself for an opening statement.

August 29 marked the 10th anniversary of Hurricane Katrina, the response to which was a failure at all levels of government. The storm took more than 1,800 lives, impacted millions of Gulf Coast residents, and cost an estimated \$108 billion—the most costly disaster in U.S. history.

Ten years later, the Gulf Coast still bears the scars of this disaster. Since Katrina, much has changed in how we manage and respond to disasters. There have been major legislative reforms and improvements made to the emergency preparedness and response enterprise.

The Post-Katrina Emergency Management Reform Act, or PKEMRA, gave FEMA more authority to lean forward and be more proactive as threats emerged.

We have also seen an improvement in the way we collectively look at preparedness, through the development of the National Preparedness System and its associated National Preparedness Goal and Planning Frameworks, including the National response framework, assessment of core capabilities, and planning and exercising to identify and address gaps.

Finally, the way information moves—especially through the use of social media—has changed how we communicate and interact with each other and how we get news and critical information.

In emergencies, we use social media to relay information to first responders, communicate with loved ones, and request assistance. Response organizations, including FEMA and emergency managers Mr. Koon represents, use social media to quickly share public safety information and maintain direct communication with disaster survivors during and after an incident.

As a whole, these changes have resulted in more coordinated and effective responses to more than 1,200 declared disasters in the 10 years since Katrina. Three years ago next week, Hurricane Sandy made landfall on the Eastern Seaboard, including areas represented by several of my colleagues on this subcommittee.

The response to Sandy is in contrast to the failures of Hurricane Katrina. FEMA pre-deployed more than 900 personnel and established incident support bases and Federal staging areas to preposition commodities, generators and communications vehicles. These actions contributed to a more effect response.

Despite these improvements, the response to Hurricane Sandy wasn't without its challenges. For example, issues related to fuel distribution and power restoration impacted responses and recovery efforts.

At the request of this committee, the Government Accountability Office has been evaluating FEMA's response capabilities, particularly in light of authorities provided in PKEMRA. Some of this work is ongoing, but the GAO has issued reports on FEMA's workforce, potentially improper disaster assistance, coordination of emergency support function responsibilities of Federal agencies, and logistics to name a few.

I look forward to hearing from Mr. Currie about GAO's reviews and his suggestions for ways to further improve our Federal response posture.

This Nation faces innumerable threats, including natural disasters, terrorist attacks, emerging infectious diseases, and a porous border. These complex threats pose unique challenges. Administrator Fugate, I look forward to hearing how you are working to continue to improve FEMA so it is a nimble organization, prepared to respond along with Federal, State, local, private, and non-profit partners to the evolving challenges we face.

I also want to commend you for FEMA's recent work responding to the devastating floods in the Carolinas. Our thoughts are with all those who have been impacted.

With that, I welcome our distinguished witnesses here today. I look forward to your testimony, and our discussions on ways we can work together to continue to improve our response capabilities.

The Chair now recognizes the gentleman from Mississippi, Mr. Thompson, for any opening statement he may have.

[The statement of Chairman McSally follows:]

STATEMENT OF CHAIRMAN MARTHA MCSALLY

OCTOBER 22, 2015

August 29 marked the 10th anniversary of Hurricane Katrina, the response to which was a failure at all levels of government. The storm took more than 1,800 lives, impacted millions of Gulf Coast residents, and cost an estimated \$108 billion—the most costly disaster in U.S. history. Ten years later, the Gulf Coast still bears the scars of this disaster.

Since Katrina, much has changed in how we manage and respond to disasters. There have been major legislative reforms and improvements made to the emergency preparedness and response enterprise. The Post-Katrina Emergency Management Reform Act (PKEMRA) gave FEMA more authority to “lean forward” and be more pro-active as threats emerge.

We have also seen improvement in the way we collectively look at preparedness through the development of the National Preparedness System and its associated National Preparedness Goal and Planning Frameworks, including the National Response Framework; assessment of core capabilities; and planning and exercising to identify and address gaps.

Finally, the way information moves, especially through use of social media, has changed how we communicate and interact with each other, and how we get news and critical information. In emergencies, we use social media to relay information to first responders, communicate with loved ones, and request assistance. Response organizations, including FEMA and the emergency managers Mr. Coons represents, use social media to quickly share public safety information and maintain direct communication with disaster survivors during and after an incident.

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Despite these improvements, the response to Hurricane Sandy wasn’t without its challenges. For example, issues related to fuel distribution and power restoration impacted response and recovery efforts.

At the request of this committee, the Government Accountability Office has been evaluating FEMA’s response capabilities, particularly in light of authorities provided in PKEMRA. Some of this work is on-going, but GAO has issued reports on FEMA’s workforce, potentially improper disaster assistance, coordination of Emergency Support Function responsibilities of Federal agencies, and logistics, to name a few. I look forward to hearing from Mr. Currie about GAO’s reviews and his suggestions for ways to further improve our Federal response posture.

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With that, I welcome our distinguished witnesses here today. I look forward to your testimony and our discussion of ways we can work together to continue to improve response capabilities.

Mr. THOMPSON. Thank you very much. Good morning, Madam Chairman. I would like to thank you for holding this hearing to assess Federal preparedness, response, mitigation, and recovery capabilities that have evolved since Hurricane Katrina.

I am pleased that all of the witnesses are able to join us today, particularly Administrator Fugate. Good seeing you again. Yesterday, Secretary Johnson, however, appeared before the full committee for the first time this Congress, and today marks Administrator Fugate’s also first appearance.

Although I am troubled that the committee has not had the opportunity to engage agency principles until almost halfway through the Congress, I am pleased that we are beginning to do so and look forward to additional hearings next year.

I would also like to welcome the assistant Democratic leader, James Clyburn, from South Carolina, to the Committee on Home-

land Security and ask unanimous consent that he be permitted to participate in today's hearing.

Ms. MCSALLY. Without objection.

Mr. THOMPSON. Thank you. Ten years ago, Hurricane Katrina destroyed communities along the Gulf Coast, including my home State of Mississippi. Confusion regarding roles and responsibilities at every level of government, gaps in emergency communication technologies, and lack of effective coordination between Federal and State responders undermined immediate response efforts.

Large contractors from outside the Gulf Coast were brought in to do the work that local businesses not only could do, but needed to do themselves, to rebuild and restore local economies. Recovery activities were slow and dragged out, and too often diverse populations and small local businesses were left out of programs to rebuild their own communities.

Almost immediately, a consensus emerged that the Federal response was woefully inadequate. Congress responded by passing the Post-Katrina Emergency Management Reform Act, which restructured FEMA and our larger emergency response infrastructure.

Three years ago, FEMA's efforts to right the wrongs of Katrina were tested when Hurricane Sandy slammed into the East Coast. The response reflected significant progress in the Federal Government's ability to support State and local disaster response activities and recovery efforts were ultimately bolstered by the Sandy Recovery Improvement Act, which provided for expedited recovery opportunities.

Nevertheless, Federal response and recovery capabilities continue to face serious challenges. For several years, I have raised concern about FEMA's disaster workforce and whether or not they are receiving adequate training.

I understand that FEMA has implemented policies to improve its training and management of the reservist program, but many people have left the reservist workforce in response.

Moreover, a recent GAO report revealed gaps in recruitment of DHS surge force capability and challenges with attrition and costs for FEMA CORE program. These workforce retention issues, coupled with FEMA's morale challenges, will jeopardize FEMA's future disaster response capabilities.

Additionally, I continue to have concerns about FEMA's efforts to ensure that small locally-owned businesses in areas affected by disaster have the opportunities to compete for contracts to rebuild their communities.

According to the GAO, FEMA still cannot determine which companies are indeed local to an area affected by disaster, and pre-Katrina requirements that pre-disaster contracts be positioned to local contracts is not consistently enforced.

FEMA has to work harder to ensure the local small businesses are part of the recovery process, and do more to enforce limitations on noncompetitive disaster contracts.

As I close, Madam Chair, let me say that Director Fugate's tenure there has added stability to the agency. Not without challenges, he is available. There are some differences. We will talk

about some of those differences today. But we have needed, for a long time, a steady hand. He has provided that part of it.

Some of the hiccups are kind of downstream, and we will talk a little bit about those today. But nonetheless, we are a better agency because of the Katrina and Sandy experience. Our goal is to continue to be that agency that Americans can count on in their time of need.

I yield back.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

OCTOBER 22, 2015

Yesterday, Secretary Johnson appeared before the full committee for the first time this Congress and today marks Administrator Fugate's first appearance.

Although I am troubled that the committee has not had the opportunity to engage agency principals until almost half-way through the Congress, I am pleased that we are beginning to do so and look forward to additional hearings next year.

Ten years ago, Hurricane Katrina destroyed communities along the Gulf Coast, including in my home State of Mississippi.

Confusion regarding roles and responsibilities at every level of government, gaps in emergency communications technologies, and lack of effective coordination between Federal and State responders undermined immediate response efforts.

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I understand that FEMA has implemented policies to improve its training and management of the Reservist Program, but many people have left the Reservist Workforce in response.

Moreover, a recent GAO report revealed gaps in recruitment for DHS Surge Force Capacity and challenges with attrition and cost for the FEMA Corps program.

These workforce retention issues, coupled with FEMA's morale challenges, will jeopardize FEMA's future disaster response capabilities.

Additionally, I continue to have concerns about FEMA's efforts to ensure that small, locally-owned businesses in areas affected by disaster have the opportunity to compete for contracts to rebuild their communities.

According to the GAO, FEMA still cannot determine which companies are indeed "local" to an area affected by disaster and PKEMRA's requirements that pre-disaster contracts be transitioned to local contracts is not consistently enforced.

FEMA has to work harder to ensure the local small businesses are part of the recovery process and do more to enforce PKEMRA's limitations on noncompetitive disaster contracting.

Disaster recovery will be more inclusive and cost-effective as a result.

Finally, despite the on-going challenges the FEMA continues to tackle, I would like to take this opportunity to thank Administrator Fugate for his tenacious efforts to improve how FEMA carries out its mission.

Following the failed Federal response to Hurricane Katrina 10 years ago, much of the American public lost confidence in the ability of FEMA and the Federal Government to render aid when it was needed most.

The FEMA-coordinated Federal response to Hurricane Sandy 7 years later—though not perfect—restored much of the confidence lost after Hurricane Katrina. Administrator Fugate, you deserve much of the credit for that.

To that end, I will be interested in learning what efforts you are undertaking now to ensure that FEMA continues down the right path during the next administration.

Ms. MCSALLY. Thank you, Mr. Thompson. Other Members of the subcommittee are reminded that opening statements may be submitted for the record. We are pleased to have a very distinguished panel before us today on this important topic.

Administrator Craig Fugate was confirmed by the U.S. Senate and began his service as administrator of FEMA in May 2009. Prior to coming to FEMA, Administrator Fugate served as director of the Florida Division of Emergency Management. Mr. Fugate began his emergency management career as a volunteer firefighter, paramedic, and a lieutenant with the Alachua—did I say that right?—County fire rescue.

Mr. Bryan Koon has served as the director of the Florida Division of Emergency Management since February 2011. Prior to joining the division, he worked with Wal-Mart Stores, Inc. for 5 years as operations manager and director of emergency management.

Mr. Koon worked at the White House Military Office for 7 years, where he was the watch officer in the President's emergency operations center while on active duty with the U.S. Navy. Go Air Force—no, all right, sorry. Put that in the *Congressional Record*. He then spent 2 years as a training officer for Presidential contingency programs, conducting training and exercising for the White House Military Office, United States Secret Service, Federal Emergency Management Agency, and others.

Mr. Koon is currently serving as the president of the National Emergency Management Association and is testifying in that capacity today.

Mr. Christopher Currie is the director of the GAO's Homeland Security and Justice team, where he leads the agency's work on emergency management and National preparedness issues. In this role, Chris and his team of GAO auditors evaluate Federal efforts and programs to prevent, plan for, and respond to natural and man-made disasters.

Prior to this, he was acting director in GAO's Defense Capabilities and Management team, where he led reviews of DOD programs.

The Chair now recognizes Administrator Fugate for 5 minutes.

**STATEMENT OF HON. W. CRAIG FUGATE, ADMINISTRATOR,  
FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. FUGATE. Well, thank you, Chairman and Members. Congressman Thompson, we go way back when I first started in FEMA.

As we look back at Katrina, there are lot of questions: Well, why did it go wrong, who was at fault? It is easy to point to an individual or to a system and say this failed. I think you have to get

to why we failed. It is an inherent danger we face in dealing with disaster preparedness.

I am seeing it play out even today. That is, we prepare for what we are capable of, and we hope it is never any worse. It is interesting that even after Sandy, where we were barely able to mobilize the resources fast enough to get to the disaster, we are continuing to look at how we reduce our footprint, how do we reduce our overhead, how do we reduce our budget.

I caution people in going, look, this is not a retail delivery system. Disasters don't occur with a schedule, where they are planned or where you know they are going to happen.

There is a certain inherent risk to wanting precision at the expense of being fast. Much of what you are going to find where you find errors at FEMA is not because we are not trying to be good stewards of the taxpayers' dollars. It is that we understand that speed is critical in stabilizing a disaster.

It will not be precise, it is rarely going to be cost-effective as it would be on a day-to-day basis, and it is going to have errors. Now, that is not an excuse, that is just a reality. So we always balance with precision is great, but at what expense to getting to the survivors.

We have driven down our error rate on individual assistance tremendously, but it is still high for the program; more than we want to accept.

But I also know that the more we get that lower, it will mean—and we will see this in South Carolina, where people who don't have a driver's license, who may not know where their Social Security number is, and are applying for assistance and are eligible for that assistance—the system is going to not be able to be as responsive. We are going to have to basically then run that in a less efficient manner to try to help those people.

We run into issues where families don't have deeds because their property got passed down in the family and nobody went to the courthouse and then we can't prove ownership of the home. We use those tools to avoid fraud but, at the same time, we have to balance that against the world we are in. So our challenge is, is when we build for disaster we have to build for what can happen. If we make a decision we are going to build for what we can afford, then the expectation that it scales up doesn't work.

We know that our systems have to be robust on the large end and they have to be built around the people we serve, and the survivors. That environment has all kinds of inherent risk, where you try to put the controls in. But I also caution, the more accuracy, the more precision we try to get, the slower the response will become and the more likely that eligible people may not get the assistance they need in the time frames they need.

The other part of this is that we have learned is, we have to plan for the communities we live in, not what fits our plan. One of the great tragedies we saw that occurred during Katrina was, for many communities that were not basically well-represented, disadvantaged—low-income areas that probably many people didn't go to very often—weren't in the plan.

The reason was, we kept putting them in the annexes. We would look at people with disabilities and go, “Well, you are hard to do so we are going to put an annex in our plan for you.”

“You have pets. Well, that is going to be a problem at the shelter, so we are going to write annex on pets.” “You got frail elderly. Well, they are not easy to take care of so we are going to write an annex for them.”

When I asked the question, when I got to FEMA—is, well, why are putting all these hard-to-do in annexes? Why did we write a plan for easy instead of the communities we live in? The answer was, we had provided as guidance how to plan for, essentially, middle-class people with insurance, with a high school education or better, who were English-proficient, who had a car and generally had resources to take care of themselves.

We didn’t address the most vulnerable part of our community. So the other part of our work is to plan for what can happen, not what we are capable of doing. But the other piece of that is, you plan for the communities you live in, you don’t make the community fit your plan.

If you find yourself putting groups into an annex you fundamentally didn’t get the whole picture of what your job is to do. That means you have to focus not on the easy-to-do, but on what the community requires.

So with that, Madam Chair, I look forward to questions.

We are an imperfect organization dealing with the inherent uncertainties of disaster response, but I can tell you on behalf of the FEMA staff nobody in this organization is shirking from their duties to do the best they can when the bell rings and the country needs us.

[The prepared statement of Mr. Fugate follows:]

PREPARED STATEMENT OF W. CRAIG FUGATE

OCTOBER 22, 2015

INTRODUCTION

Chairman McSally, Ranking Member Payne, and Members of this distinguished subcommittee, my name is Craig Fugate, and I am the administrator of the Department of Homeland Security’s (DHS) Federal Emergency Management Agency (FEMA). Thank you for the opportunity to appear before you today to discuss FEMA’s preparedness and response efforts post-Hurricane Katrina.

As you are aware, this year marked the tenth anniversary of Hurricane Katrina. The wide-spread devastation of Katrina affected millions of people along the central Gulf Coast of the United States, and exposed the Nation’s vulnerabilities in how we prepare for, protect against, respond to, recover from, and mitigate disasters. However, over the last decade, with the support of Congress and the additional authorities provided, including the Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA) and the Sandy Recovery Improvement Act of 2013 (SRIA), FEMA continues to significantly improve the way we respond to disasters so that communities are able to recover as quickly as possible and build back safer and more resilient in the long-term.

There is a shared recognition that FEMA cannot only plan for events we are capable of responding to; rather, we must plan for catastrophic events that will overwhelm capabilities at all levels of the government and private sector and challenge even the most scalable structures and systems. Further, we must constantly enhance preparedness, test systems, and exercise capabilities so we can support the whole community following a catastrophic event. Our systems and capabilities must be designed so that we are able to execute the mission whenever and wherever needed, including in austere conditions.

We continue to work collaboratively with our stakeholders, across the whole community, to ensure our Nation is better prepared for current and future risks. By helping to build the capacity and capabilities of our State, local, Tribal, and territorial partners, we are empowering communities and citizens across the Nation—which, I believe, will have a far greater impact than the Federal Government alone ever will.

In my testimony today, I hope to highlight some of the ways in which our agency is transforming into a better-prepared, more survivor-centric agency that is capable of effectively responding to catastrophic disasters.

#### LEANING FORWARD

##### *Post-Katrina Emergency Management Reform Act (PKEMRA)*

The importance of PKEMRA cannot be overstated, and we are grateful to Congress for the additional authorities this legislation provided FEMA to become an even more effective agency in carrying out its mission. PKEMRA was enacted, at least in part, due to challenges identified during FEMA's response to Hurricane Katrina. As clearly demonstrated before, during, and after Hurricane Katrina, FEMA needed additional, more robust authorities to lean forward as a Federal agency.

PKEMRA provided FEMA clearer guidance on its responsibilities and priorities, and the authorities and tools we needed to become a better partner to our State, local, Tribal, and territorial governments. PKEMRA required several major changes and established FEMA's place within DHS. First, PKEMRA consolidated many of the responsibilities of DHS's Preparedness Directorate under FEMA, returning programs that had been removed, as well as adding significant new authorities and new training, exercise, and grant programs. This has enabled greater Unity of Effort for National preparedness across the entire Department.

Additionally, existing activities were reorganized to form FEMA's Response, Recovery, and Logistics Management Directorates to better focus response and recovery efforts. PKEMRA also provided us the authority to establish a Private Sector Office to better foster cooperation with businesses and non-profit organizations. And notably, PKEMRA allowed FEMA to add a disability coordinator position to expand capacity to address the needs of individuals with access and functional needs.

In addition, in 2008, FEMA led the development of the National Response Framework (NRF), which replaced the National Response Plan of 2004 and the Federal Response Plan of 1992. And as this subcommittee is aware, the NRF was revised in 2013, incorporating, among other things, a focus on the whole community and core capabilities.

PKEMRA also called for the establishment of "a Surge Capacity Force for deployment of individuals to respond to natural disasters, acts of terrorism, and other man-made disasters, including catastrophic incidents." The Surge Capacity Force (SCF) provides the ability to rapidly expand and supplement FEMA's incident workforce with employees from other Federal agencies in a catastrophic event.

The SCF activated for the first time in November 2012, deploying 1,210 Department of Homeland Security (DHS) personnel, including 78 FEMA support staff, to provide assistance to Hurricane Sandy survivors in New York.

The most important measure of the success of the SCF during Sandy response and recovery efforts is the quantity and quality of assistance provided to survivors in the aftermath of Sandy. SCF volunteers were crucial to the success of Federal response and recovery activities. At the height of the deployment, SCF personnel accounted for approximately 35 percent of the community relations teams in New York. These SCF volunteers were often the first source of help and information to reach survivors.

##### *Sandy Recovery Improvement Act of 2013 (SRIA)*

In January 2013, Congress passed, and President Obama signed, the Sandy Recovery Improvement Act, or "SRIA", into law, 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 PKEMRA and builds upon the Robert T. Stafford Emergency Relief and Disaster Assistance Act.

SRIA, and the additional authorities it provides, is aiding recovery efforts associated with recent disasters such as Hurricane Sandy and the floods that impacted the States of Colorado and South Carolina. SRIA's various provisions are intended to improve the efficacy and availability of FEMA disaster assistance, making the most cost-effective use of taxpayer dollars. Most notably, SRIA directs FEMA to provide more objective criteria for evaluating the need for assistance to individuals, to

clarify the threshold for eligibility, and to speed a declaration of a major disaster or emergency under the Stafford Act.

One clear example of SRIA's effective use of taxpayer dollars is the *Public Assistance Permanent Work Alternative Procedure* provision that provides substantially greater flexibility in use of Federal funds for Public Assistance applicants and far less administrative burden and costs for all parties—if applicants accept grants based on fixed, capped estimates. To date, FEMA is funding billions in *Public Assistance Permanent Work Alternative Procedure* projects in States such as New York and Louisiana.

#### PREPARING OUR NATION FOR FUTURE RISKS

The administration remains steadfastly committed to strengthening the security and resilience of the United States by systematically preparing for the threats and hazards that pose the greatest risk to the security of our Nation. In the future, when we respond to events like Hurricane Katrina, Superstorm Sandy, and the floods we've seen this month in South Carolina, it will not just be FEMA on the ground supporting survivors. Our partners from across Government, the private sector and non-governmental organizations are right there with us; every day citizens are right there with us helping their neighbors.

After the changes ushered in following PKEMRA, FEMA—in coordination with its partners across the whole community—developed the National Preparedness System. As we continue to develop and strengthen the National Preparedness System, we recognize this collective effort—that everyone from the individual to the first responder to me—has a role to play in preparing the Nation. With so many people involved and so much at stake, it is important to establish a common goal.

This all-of-Nation approach to preparedness, ushered in by PKEMRA, is re-enforced in Presidential Policy Directive (PPD)–8: National Preparedness. In PPD–8, the President called for greater integration and a shared understanding for addressing threats and hazards across all mission areas—prevention, protection, mitigation, response, and recovery—in order to make the most effective use of the Nation's limited resources and to achieve Unity of Effort. PPD–8 has several parts, some FEMA already completed with its partners and others which are on-going. PPD–8 has five key parts: The National Preparedness Goal, the National Preparedness System, the National Planning Frameworks and Federal Interagency Operational Plans, the National Preparedness Report, and a Campaign to Build and Sustain Preparedness. All five parts are interrelated. The National Preparedness Goal defines the end we wish to achieve in preparedness; the National Preparedness System describes the tools and programs to achieve the Goal; the five National Planning Frameworks and Federal Interagency Operational Plans describe how we deliver and use the capabilities developed through the System; the National Preparedness Report provides the annual progress of how we are doing in achieving the Goal; and lastly the Campaign to Build and Sustain Preparedness focuses on public outreach, community-based and private-sector programs to enhance National resilience, as well as organize National research and development efforts on preparedness.

#### *National Preparedness Goal*

The National Preparedness Goal (the Goal), is the cornerstone of the National Preparedness System. FEMA released the first edition of the Goal in October 2011; and, just this month, FEMA and its partners released the second edition of the Goal. The Goal describes a vision for preparedness Nation-wide and identifies the core capabilities necessary to achieve that vision across the five mission areas.

Our goal itself is succinct and remains unchanged: “A secure and resilient nation with the capabilities required across the whole community to prevent, protect against, mitigate, respond to, and recover from the threats and hazards that pose the greatest risk.”

The second edition of the Goal represents a refresh from the 2011 version and incorporates critical edits identified through real-world events, lessons learned, and continuing implementation of the National Preparedness System. Some noteworthy examples of these edits include the expanded inclusion of cybersecurity considerations, the addition of a new core capability for response (Fire Management and Suppression), and the emphasis to include innovations from science and technology advances. The updated Goal identifies 32 distinct activities, called core capabilities, which are needed to address our greatest risks. The core capabilities serve as preparedness tools and provide a common language for preparedness activities. The National Preparedness Goal defines where we want to be as a Nation. To achieve the goal of a secure and resilient Nation, FEMA and its partners are building the guidance, programs, processes, and systems that support each component of the National Preparedness System.

The National Preparedness System begins with identifying and assessing risk and estimating capability requirements. One of the key programs developed under the System is the Threat and Hazard Identification and Risk Assessment (THIRA). The THIRA process helps communities identify threats and hazards and determine capability targets and resource requirements necessary to address anticipated and unanticipated risks. Our State partners then assess their currently capability levels against their THIRA targets in the State Preparedness Report (SPR). Once each jurisdiction has determined capability targets through the THIRA process, the jurisdiction estimates its current capability levels against those targets in its SPR. The SPR is an annual self-assessment of State preparedness based on the targets set in the THIRAs. PKEMRA requires an SPR from any State or territory receiving Federal preparedness assistance administered by DHS.

Taken together, the THIRA and SPR support the National Preparedness System by helping to identify State and territorial preparedness capability levels and gaps. States, territories, and the Federal Government use this information to help make programmatic decisions to build and sustain capabilities, plan to deliver capabilities, and validate capabilities. States and territories submit their THIRA and SPR annually to FEMA. The summary results are published in the annual National Preparedness Report. Additionally, FEMA shares THIRA and SPR data across the Federal Government and uses the results to guide strategic direction for programs that help States close preparedness capability gaps.

The next component of the National Preparedness System is to build and sustain critical capabilities at all levels. FEMA's preparedness grant programs have contributed significantly to the overall security and preparedness of the Nation. We are more secure and better prepared to prevent, protect against, mitigate, respond to, and recover from the full range of threats and hazards the Nation faces than we have been at any time in our history. As a Nation, we plan better, organize better, equip better, train better, and exercise better, resulting in improved National preparedness and resilience.

Much of this progress has come from leadership at the State and local levels, fueled by FEMA's grant programs. Over the past 12 years, Congress, through the Department of Homeland Security (DHS), has provided State, territorial, local, and Tribal governments with more than \$36 billion. We have enabled States and local communities to build and enhance capabilities by acquiring needed equipment, funding, training opportunities, developing preparedness and response plans, exercising and building relationships across city, county, and State lines.

Although Federal funds represent just a fraction of what has been spent on homeland security across the Nation overall, these funds have helped to shift towards a culture of preparedness in the United States. Response and recovery efforts from Hurricane Sandy and countless other recent events bear witness to the improved capabilities that preparedness grants have supported.

Because grantees must link grant investments to capability gaps or requirements they have identified for the core capabilities as part of the THIRA and SPR, we can measure grantees' implementation of the System and annual progress in meeting the goals they have established for each of the core capabilities in the Goal.

To build leadership and capacity in States and communities, FEMA has continued America's PrepareAthon!, the successful grassroots campaign for action to increase community preparedness and resilience with the second annual National day of action aligned with the culmination of National Preparedness Month in September. Thanks to the National Preparedness Month Congressional co-chairs, including Chairman McSally, Ranking Member Payne, and other Members of this distinguished subcommittee for the continued commitment and leadership of this important educational campaign.

This year, more than 23 million participants throughout the United States and Territories have been registered to take action to prepare for disasters through America's PrepareAthon! and its partners. As part of America's PrepareAthon!, States, Tribes, cities, and counties across the country planned community-wide events bringing together schools, the business community, city government, faith leaders, hospitals, individuals and families, and others to participate in community-wide preparedness drills and activities for hazards that are relevant to their area. America's PrepareAthon! works to build a more resilient Nation by increasing the number of individuals who understand which disasters could happen in their community, know what to do to be safe and mitigate damage, take action to increase their preparedness, and participate in community resilience planning.

In addition, FEMA continues to improve adoption, performance, and accessibility of the Integrated Public Alert and Warning System (IPAWS). IPAWS is a collection of standards and technologies for emergency alert systems. In 2014, FEMA worked with Federal, State, local, territorial, and Tribal alerting authorities to extend the

Integrated Public Alert and Warning System to 49 States, Puerto Rico, and the District of Columbia. Over 400 distinct emergency response entities have become alerting authorities. Since June 2012, the National Weather Service has used the system to distribute more than 11,000 imminent weather threat warnings, notifying citizens of tornados, flash floods, dust storms, and other extreme weather events.

In addition to building and sustaining capabilities, we are working hard to plan for delivering capabilities. FEMA continues to coordinate with partners across the Nation through a unified approach and common terminology to plan for all-threats and hazards and across all mission areas of Prevention, Protection, Mitigation, Response, and Recovery.

#### *National Planning Frameworks*

In 2013, FEMA published the National Planning Frameworks, setting the strategy and doctrine for building, sustaining, and delivering the core capabilities identified in the Goal. By describing the coordinating structures and alignment of key roles and responsibilities for the whole community across all mission areas, the Frameworks foster a shared understanding of our roles and responsibilities from the fire house to the White House. They help us understand how we, as a Nation, coordinate, share information and work together—which ultimately results in a more secure and resilient Nation.

Building on the National Planning Frameworks, FEMA coordinated with its Department and Agency partners, the development of the Federal Interagency Operational Plans (FIOPs) for Prevention, Mitigation, Response, and Recovery mission areas. The FIOPs define how the Federal Government delivers core capabilities for the each mission area. Specifically, each FIOP describes the concept of operations for integrating and synchronizing existing Federal capabilities to support State, local, Tribal, territorial, insular area, and Federal plans, and is supported by Federal Department-level operational plans, where appropriate.

Currently, FEMA is coordinating efforts to refresh the National Planning Frameworks and the FIOPs. The updates account for changes in policy and legislation since they were last published, consistent formatting across all mission areas, critical edits from real-world events, and lessons learned. FEMA is also working with DHS's National Protection and Programs Directorate to finalize the FIOP for the Protection mission area.

#### *National Preparedness Report (NPR)*

The 2015 NPR is the fourth iteration of this annual report. This year's report places particular emphasis on highlighting preparedness progress in implementing the *National Planning* across the five mission areas and 6 overarching findings focused on National-level trends.

The 2015 NPR found that the Nation continues to make progress building preparedness in key core capabilities including: Environmental Response/Health and Safety, Intelligence and Information Sharing, and Operational Coordination. Along with the five core capabilities identified from last year including Interdiction and Disruption, On-scene Security and Protection, Operational Communications, Public and Private Services and Resources, and Public Health and Medical Services, these eight core capabilities represent areas in which the Nation has developed acceptable levels of performance for critical tasks, but which face potential performance declines if not maintained and updated to address new challenges.

Yet challenges remain. The 2015 NPR also identified six core capabilities as areas for improvement. Cybersecurity, Housing, Infrastructure Systems, and Long-term Vulnerability Reduction have remained National areas for improvement for 4 consecutive years, and Economic Recovery reemerged as an area for improvement from the 2012 and 2013 National Preparedness Reports. Access Control and Identity Verification is a newly-identified National area for improvement.

Additionally, the NPR confirmed that recent events, including the epidemic of the Ebola virus, highlighted challenges that remain in addressing non-Stafford Act events—despite the NRF always being in effect. These complex events have taken place over extended periods of time and often across large geographic areas, with uncertainty surrounding the role of existing coordination structures and authorities for multi-agency activity for non-Stafford Act events.

The strengths and areas for improvement in the NPR will be used to inform planning efforts, focus priorities for Federal grants, and enable informed collaboration among stakeholders working together to improve the Nation's preparedness. Continually reviewing and updating the implementation of the National Preparedness System ensures that we continue to improve our capabilities and together become a more resilient Nation.

## TRANSFORMING OUR RESPONSE EFFORTS POST-KATRINA

*Improvements Within FEMA's Incident Management Assistance Teams*

After Hurricane Katrina, Congress required the establishment of “Emergency Support and Response Teams” that would address deficiencies revealed by the Katrina response. In accordance with these requirements and lessons learned from other major incidents, FEMA formally established the Incident Management Assistance Team (IMAT) program in 2009. By 2011, FEMA designated three National and 13 Regional IMATs. Following lessons learned from Hurricane Sandy, FEMA undertook a pilot project to restructure the IMATs. Here, FEMA’s primary goal was to increase team capability by integrating more FEMA programs and interagency partners, and establishing a robust training and performance system. Today, FEMA’s IMATs better reflect the core capabilities required by the National Response and Recovery Frameworks, and include personnel who are accountable for coordinating the Federal response regardless of type of incident.

*Developed Hurricane-Specific Plans in FEMA Regions IV and VI With Our Partners*

In 2014, in coordination with our regional stakeholders, FEMA Region IV—Atlanta, Georgia—completed a hurricane annex to its all-hazards base plan. This plan includes a number of best practices, such as: The publication of a resource phasing plan; identification of staging areas; an introduction of modeling for each State; and linkages to preparedness activities like exercises. In 2013, FEMA Region VI—Denton, Texas—published an all-hazards base plan that focused on a hurricane scenario. Since then, the Region conducts an annual update prior to hurricane season and then exercises the plan in a multi-State tabletop exercise. Region VI also has a dedicated planner for each of its hurricane-prone States to better respond to, and rapidly conduct, crisis action planning for hurricanes or any other threats.

*State, Local, Tribal, and Interagency Integration*

Through the deliberate planning efforts described above, State, local, and Tribal partners have been core team members responsible for providing input and authorship of the catastrophic plans. This can be seen in how each State has an annex in the Region IV and VII (Kansas City, Missouri) plans. These State annexes are developed jointly between FEMA and the State and establish joint priorities between the State and Federal Government and identify all State and Federal assets available to provide response core capabilities as well as many other resources for local and other whole community partners.

At both the National and regional levels, FEMA is working with Tribes to develop more robust plans and annexes that recognize the Tribal role in the whole community continuum of response and recovery. The annex will apply to all Federal departments and agencies working under the NRF in response to incidents requiring Federal coordination, including incidents involving Federally-recognized Tribes whether the Tribe requested and received a Presidential declaration on its own, or chose to be included under a State declaration.

There is now a greater level of understanding of local threat characteristics and how the integrated emergency management response would occur. With a common methodology, response plans identify courses of action that drill down to the county/parish level.

*Creation of FEMA Corps*

Created in 2012, FEMA Corps is a partnership between The Corporation for National and Community Service and FEMA that establishes a new track of up to 1,600 Service Corps Members within AmeriCorps National Civilian Community Corps (NCCC) dedicated to disaster preparedness, response, and recovery. This partnership builds on the historic collaboration between the two agencies and will enhance the Federal Government’s disaster capabilities, increase the reliability and diversity of the disaster workforce, promote an ethic of service, expand education and economic opportunity for young people, and achieve significant cost savings for the American taxpayer. When the program is at full operational capability, and in an average disaster year, we expect to see a savings of approximately \$60 million in a year.

In the wake of Hurricane Sandy, FEMA Corps played an important role in assisting the agency with Preliminary Damage Assessments (PDAs), canvassing door-to-door, delivering supplies, and registering individuals and businesses for Individual Assistance and Public Assistance grants. Their involvement in response and recovery efforts across the country serve not only as a National resource today, but ensure that we are cultivating the next generation of emergency managers capable of supporting our Nation in the future.

## CONCLUSION

The destruction caused by Hurricane Katrina reminds us all that we cannot become complacent. In fact, we can't afford to as there are many communities throughout the Gulf Coast States still recovering from the impacts of Katrina.

There are many lessons learned from Hurricane Katrina, and those lessons continue to help reshape, reform, and restructure our agency. With the support of Congress and our whole community partners, FEMA is leaning forward both in policy and in practice.

I am proud of how our agency has evolved, but I also recognize that we have much more work to do. Thank you again for the opportunity to appear before you today. I am happy to answer any questions that the subcommittee may have.

Ms. MCSALLY. Thank you, Administrator Fugate.

The Chair now recognizes Mr. Koon for 5 minutes.

**STATEMENT OF BRYAN KOON, DIRECTOR, FLORIDA DIVISION OF EMERGENCY MANAGEMENT, TESTIFYING ON BEHALF OF THE NATIONAL EMERGENCY MANAGEMENT ASSOCIATION**

Mr. KOON. Thank you, Chairman McSally, Ranking Member Thompson, and Members of the subcommittee for holding this important hearing today. As director of the Florida Division of Emergency Management and president of the National Emergency Management Association I am pleased to be here to discuss preparedness and response capabilities on a National level.

As you have heard Administrator Fugate say, emergency management is a whole community endeavor involving all levels of government, the private sector, voluntary organizations, and individual citizens. While emergency preparedness and response capabilities are critical on the Federal level, it is important to emphasize that they are only part of the capabilities Nation-wide.

Today, I will focus on leveraging the preparedness and response capabilities that we have in our States and localities, as well as addressing opportunities for continued improvement.

One of the greatest tools this Nation has is the Emergency Management Assistance Compact. Ratified by Congress in 1996, EMAC allows States to share resources amongst themselves during disasters. It has been an overwhelming success and its use continues to grow.

Most recently, 8 States sent 849 personnel to South Carolina to assist with their flood-fighting efforts. These deployments reduce the need for Federal resources and also benefits the home States.

To quote Billy Estep, the Nassau County Emergency Managing Director who deployed to South Carolina as part of the Northeast Florida Incident Management team, "No matter how hard we try or how sophisticated our process we cannot recreate this type of learning in an exercise environment. I feel these opportunities are vital to our preparedness efforts both locally and state-wide."

The capability that the States and locals build to respond to disasters both at home and through EMAC is often funded by the Emergency Management Performance Grant. EMPG is the only source of Federal funding directed to State and local governments for planning, training, exercises, and key professional expertise for all-hazards emergency preparedness.

EMPG is also used for public awareness and outreach campaigns. Each year, Emergency Management agencies conduct thousands of these engagements, reaching over 135 million residents

last year alone. Recipients of this grant continue demonstrating a strong commitment for every dollar of Federal funds invested; at least that much is matched by the recipient.

In the absence of these funds, State and local governments would struggle to maintain the personnel or capabilities necessary to build and sustain an effective emergency management system.

Opportunities for improvement continue to exist. One such area is the National Flood Insurance program. Much attention has been paid to the NFIP over the last several years, and rightly so. Although reforms have been implemented, Americans remain underinsured against the threat posed by flooding, our most prevalent hazard, and the trend line for the number of flood policies Nationwide continues to decline.

Too often, we watch our communities flood, only to hear from residents that they did not have the appropriate coverage. In the absence of insurance, they are reliant upon charitable organizations and Governmental aid that its not designed to make them whole. This delays the recovery of the community and threatens it very existence.

We must redouble our efforts to design a system that helps people evaluate and plan for their individual risk, while simultaneously reducing our collective risk.

Concurrent with improving our insurance coverage is the need for improved mitigation. To truly ensure that we are prepared, we must incentivize and facilitate more resilient communities. This point was made in the GAO's recent report that reviewed Federal efforts during Hurricane Sandy recovery. State and local officials reported that they were able to effectively leverage Federal programs to enhance disaster resilience, but also experienced challenges that could result in missed opportunities.

Challenges in linking recovery and mitigation projects, navigating multiple funding streams, and differing regulations among the programs impact the desire and ability of local communities and homeowners to take advantage of the opportunities afforded by these programs.

The report indicated that the current program works, but is constrained by its structure and implementation. Just as FEMA has designed its response program to be survivor-centric, it should also work to develop mitigation programs that are community-centric and administered in a way to make mitigation a clear and viable solution for the future.

We have made tremendous strides in the Nation's ability to deal with disasters, and are on track for continued improvement.

By investing in and leveraging the capabilities that exist with the individual at the State and local level, the private sector, and through our partnerships with organizations like the American Red Cross and the Salvation Army, we can most effectively determine the gaps that remain and should be filled by FEMA and its Federal partners.

We appreciate the continued support of this subcommittee to the emergency management community, as we work together in forming new policies and procedures aimed at making these disasters less impactful on our communities and constituents.

I thank you for the opportunity to testify today, and welcome any questions you may have.

[The prepared statement of Mr. Koon follows:]

PREPARED STATEMENT OF BRYAN KOON

OCTOBER 22, 2015

INTRODUCTION

Thank you Chairman McSally, Ranking Member Payne, and Members of the subcommittee for holding this important hearing today. As director of the Florida Division of Emergency Management and president of NEMA, which represents the State emergency management directors of the 50 States, territories, and District of Columbia, I am pleased to be here to discuss preparedness and response capabilities on a National level.

As we look back on the tenth anniversary of Hurricane Katrina and anticipate the upcoming third anniversary of Hurricane Sandy, this timely hearing gives us an opportunity to discuss the lessons we have learned and the changes we are working toward for the future.

As you have heard Administrator Fugate say throughout his tenure, emergency management is a “whole community” endeavor. It involves the public sector, the private sector, voluntary organizations, and individual citizens—all of whom are crucial to preparing for disasters and responding to and recovering from them. While emergency preparedness and response capabilities are critical on the Federal level, it is important to emphasize that they are only a part of the capabilities Nationwide. In my testimony this morning, I will focus on leveraging the preparedness and response capabilities that we have in our States and localities. Specifically, I will discuss the importance of the Emergency Management Assistance Compact and the value that the Emergency Management Performance Grant plays in assisting the whole community.

NATIONAL EMERGENCY PREPAREDNESS AND RESPONSE CAPABILITIES

As Hurricane Joaquin moved towards the East Coast, South Carolina closely monitored the storm and its projected tracks. While the Hurricane did not make landfall in South Carolina, moisture from it did. The State received very heavy rainfall for several days. In fact, the official State-wide 24-hour rainfall record was exceeded in several locations. This storm led to historic flooding which caused the tragic deaths of 19 people and State-wide property damage.

President Barack Obama signed a State-wide emergency declaration on October 5, 2015, authorizing Federal aid in anticipation of more rain. However, resources from other States were already at work utilizing the Emergency Management Assistance Compact (EMAC).

EMAC has played an important role in facilitating collaboration among States and enabling them to share resources and capabilities. When States and the U.S. territories joined together and Congress ratified EMAC (Pub. L. 104–321) in 1996, it created a legal and procedural mechanism whereby emergency response resources such as Urban Search and Rescue Teams could quickly move throughout the country to meet disaster needs. All 50 States, the District of Columbia, the U.S. Virgin Islands, Puerto Rico, and Guam are members of EMAC and have committed their emergency resources in helping one another during times of disaster or emergency.

Since its ratification by Congress, EMAC has grown significantly in size, volume, and the types of resources States are able to deploy. For example, over 67,000 personnel from a variety of disciplines deployed through EMAC to the Gulf Coast in response to Hurricanes Katrina and Rita, and 12,279 personnel deployed to Texas and Louisiana during Hurricanes Gustav and Ike. More recent uses of EMAC have included the response for the manhunt in Pennsylvania, severe weather in Mississippi, wildfires in Washington, tropical storms in Hawaii, and the historic snowstorms in Massachusetts.

For the historic flooding in South Carolina, 849 people have been deployed through EMAC to assist with response and recovery efforts. Resources and personnel have been received from 8 States including Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, North Dakota, and Tennessee. In fact, additional States made offers of assistance.

Through EMAC, capabilities and resources such as Incident Management Teams, Damage Assessment Teams, a National Flood Insurance Program Administrator, a Volunteer Agency Liaison, Hazard Mitigation Officers, a Recovery Chief, Public As-

sistance Officers, and Individual Assistance Officers were deployed to South Carolina. EMAC has made it easier for States to assist each other effectively—with the added benefit of lessening the need for Federal resources in the process.

Utilizing EMAC not only benefits the receiving State but also those who are deployed. The County Emergency Management Director, Billy Estep, from Nassau County, Florida said the following upon returning from a mission in South Carolina, “I want to stress the most important lesson learned from this deployment: No matter how hard we try or how sophisticated our process, we cannot recreate this type of learning in an exercise environment. I implore Florida Division of Emergency Management (FDEM) leadership to continue and expand their obvious support for these opportunities, and keep utilization of these teams acutely focused on the all-hazards concepts which made us nimble enough to adapt to our wide-breadth of assigned missions. I feel these opportunities are vital to our preparedness efforts both locally and State-wide.”

#### *Building Capacity with EMPG*

In addition to leveraging EMAC for resources during disaster response, States and locals also build capacity and enhance their capability to respond to disasters when they utilized the Emergency Management Performance Grants (EMPG). EMPG is the only source of Federal funding directed to State and local governments for planning, training, exercises, and key professional expertise for all-hazards emergency preparedness. The money is often used to conduct risk and hazard assessments and support emergency operations centers which are the coordination hubs for all disaster response. The program also provides public education and outreach, enhanced interoperable communications capabilities, and the ability to manage State-wide alerts and warnings.

For example, in fiscal year 2014, EMPG significantly contributed to public awareness and outreach campaign efforts. Local, Tribal, and State emergency management officials conducted 5,886 local and Tribal and 1,295 State-wide citizen and community preparedness outreach campaigns. According to State responses, these outreach programs benefited 135,568,054 residents while locally-specific programs impacted 24,608,092 citizens.

Recipients of this grant continue demonstrating a strong commitment; for every dollar of Federal funds invested, at least that much is matched by both grantees and sub-grantees. In the absence of these funds, State and local governments would struggle to maintain the personnel or capabilities necessary to build and sustain an effective emergency management system. EMPG stands as the beacon of Congressional commitment to ensuring communities and States are more ready to prepare, mitigate, respond, and recover from any number of emergencies and disasters. EMPG does far more, however, than provide funds for planning, training, exercises, and communications. EMPG must continue to be strengthened and maintained through shared investments.

#### CONTINUING TO IMPROVE OUR POLICIES AND PROGRAMS

After Hurricane Katrina, Congress passed the Post-Katrina Emergency Management Reform Act of 2006. This legislation expanded the FEMA mission, creating stronger regions and adding the responsibility of homeland security preparedness.

After Hurricane Sandy, in response to the needs of the State and local governments, Congress once again immediately took action to make serious improvements to the Stafford Act through the Sandy Recovery Improvement Act. This legislation not only helped facilitate a smooth recovery in the Sandy-impacted area, but also forever changes FEMA programs and policies. Some of the provisions of SRIA, such as the debris removal pilot program, have been supported by NEMA for many years.

Just as we reviewed policies and programs after Hurricanes Katrina and Sandy we must continue to review the programs and policies that we use today. The measure of success related to disaster response and recovery lies in the overarching programs which help guide our policies. In order to gauge our success we must continue to review and reform programs such as the National Flood Insurance Program.

Much attention has been paid to the NFIP over the last several years, and rightly so. Reforms have been implemented that are designed to stabilize the program, but the desired outcome is still many years away. In the mean time, however, we as a Nation are still grossly underinsured against the threat posed by flooding, our most prevalent hazard. Time after time we watch as our communities flood, only to hear from residents that they did not have the appropriate coverage. In the absence of insurance, they are reliant upon their own fiscal ability, the generosity of the charitable organizations, and Federal and State aid that is not designed to make them whole. Such situations delay the recovery of a community and threaten its very existence. We as a Nation must redouble our efforts to design a system that

helps people evaluate their individual risk and plan accordingly while simultaneously reducing our collective risk.

The lack of appropriate coverage is not limited to flood; too few Americans truly understand their vulnerability to earthquakes and landslides. The Cascadia Subduction Zone (CSZ) “megathrust” fault is a long dipping fault that stretches from Northern Vancouver Island to Cape Mendocino California. This area creates the largest earthquakes in the world, and has produced magnitude 9.0 or greater earthquakes in the past, and undoubtedly will in the future. New research using land deposits found at the bottom of the ocean points to a 1 in 3 chance of a major earthquake in the Pacific Northwest in the next 50 years. Recovering from a large-scale earthquake in this area would be complicated tremendously by the lack of appropriate insurance coverage, and would result in tremendous costs to government at all levels.

#### DISASTERS: GROWING IN INTENSITY

The historic flooding in South Carolina is just one example of the growing intensity in disasters. The year 2015 has been among the most devastating on record for wildfires in the United States, with more than 9 million acres burned so far this year, according to the National Interagency Fire Center. Over the course of the year, fires have stretched across the western half of the country, and are currently raging in California, Idaho, Montana, North Dakota, Oregon, Wyoming, and Texas.

The number of acres destroyed by fires have been rising significantly, which experts attribute to hotter, drier conditions that make the blazes harder to contain. With such a high volume of fires, floods, and other disasters the need for mitigation efforts is growing increasingly more important. Mitigation activities can take many forms and the use of mitigation programs often differ by region. What does not differ, however, is the return on investment of these programs. FEMA’s mitigation programs have been effective in reducing the property damage, personal and commercial hardship, as well as long-lasting monetary burdens after a disaster.

Mitigation is the first and the last step in a jurisdiction’s overall readiness. And while many communities have the desire to harden their infrastructure, they lack the resources and technical ability necessary to do so. If we are to truly ensure that we are prepared as a Nation, we must increase our efforts to prepare our built environment for future disasters by incentivizing and facilitating mitigation. This point was made in the recent Government Accountability Office (GAO) report, *Hurricane Sandy: An Investment Strategy Could Help the Federal Government Enhance National Resilience for Future Disasters* that reviewed Federal efforts to strengthen disaster resilience during Hurricane Sandy recovery. The report addressed how Federal recovery funds were used to enhance resilience, the extent to which States and localities were able to maximize Federal funding to enhance resilience; and actions that could enhance resilience for future disasters.

State and local officials from the States affected by Hurricane Sandy GAO contacted, reported that they were able to effectively leverage Federal programs to enhance disaster resilience, but also experienced challenges that could result in missed opportunities. The challenges fell into three categories:

- Implementation challenges with PA and HMGP—for example, officials reported that FEMA officials did not always help them pursue opportunities to incorporate mitigation into permanent construction recovery projects;
- Limitations on comprehensive risk reduction approaches in a post-disaster environment—for example, officials reported difficulties with navigating multiple funding streams and various regulations of the different Federal programs funded after Hurricane Sandy; and
- Local ability and willingness to participate—for example, officials reported that some home and business owners were unwilling or unable to bear the required personal cost share for a home-elevation or other mitigation project.

This report indicates that the current program works, but is constrained by its structure and implementation. Just as FEMA has designed its response program to be “survivor-centric”, it should also work to develop mitigation programs that are “community-centric” and administered in a way to make mitigation a clear and viable solution for the future.

#### UNDERSTANDING WHAT WORKS

While we still have work to do in reviewing and implementing policies and programs, FEMA has undertaken efforts to improve many processes and programs. The agency has made many advances in refining their back-office operations such as improving their hiring, management, information technology, and procurement sys-

tems. FEMA has also encouraged the use of current codes and standards in existence for mitigation rather than using cost-benefit analysis formulas.

The Public Assistance Reengineering is an excellent example of FEMA working to improve and maximize existing programs. While it is still too early to determine the effectiveness of the change, we are pleased with the effort and urge that similar reforms be considered by other programs that impact our ability to mitigate, prepare, and recover.

Throughout their strategic plan, FEMA has made it a priority to build capability for catastrophic disasters. They have moved the focus away from being singularly on Stafford Act programs and instead looked at the Nation's resources to recover. Preparing for catastrophic disasters has led FEMA to ensure that all employees are now deployable emergency managers. The agency has started to train each employee, regardless of the department or position, so that they can be deployed as needed.

FEMA has also made it a priority to become an expeditionary organization. The agency has increased and improved engagement across the preparedness, response, recovery, and mitigation missions while also working towards reducing disaster risk Nationally. The agency has focused on providing mitigation programs with a focus on future conditions and not historical averages. The agency has worked to ensure that the whole community uses the best available data and analytic tools to make better risk-informed decisions before, during, and after disasters.

#### CONCLUSION

If we hope to see effective preparedness and response to disasters, we must utilize the capabilities that we have as a Nation and allocate resources to most effectively meet the need. The ability to share resources will only strengthen the Nation's capability as a whole. One of the most valuable partnerships in the whole community is between State emergency management agencies. It's important to acknowledge that increasing the Nation's preparedness and response capabilities doesn't mean increasing FEMA's capabilities. Through programs such as EMAC, which has been invaluable in deploying assets throughout the country and enabling States to support each other more effectively, we are able to reduce the need for Federal resources. When States work with each other and build on the capabilities in their own States it results in strong charitable partners like the American Red Cross, the Salvation Army, or any of the scores of other organizations that are there when Americans need them.

Going forward, we must encourage greater investments as States work with one another to reduce the need for Federal assistance, reduces Federal administrative costs, reduces property damages, and most importantly save lives. We should also continue to support FEMA's grant programs, such as the Emergency Management Performance Grant, funded at a mere \$350 million to be allocated between all States, the District of Columbia, U.S. territories and thousands of local jurisdictions, facilitates strong State and local emergency management agencies that respond to the vast majority of incidents every day in our country. We appreciate the continued support of this subcommittee to the emergency management community as we work together in forming new policies and procedures aimed at making these disasters less impactful on our communities and constituents.

I thank you for the opportunity to testify today and welcome any questions you may have.

Ms. MCSALLY. Thank you, Mr. Koon.

The Chair now recognizes Mr. Currie for 5 minutes.

#### **STATEMENT OF CHRIS P. CURRIE, DIRECTOR, EMERGENCY MANAGEMENT, NATIONAL PREPAREDNESS AND CRITICAL INFRASTRUCTURE PROTECTION, HOMELAND SECURITY AND JUSTICE TEAM, U.S. GOVERNMENT ACCOUNTABILITY OFFICE**

Mr. CURRIE. Thank you, Chairman McSally, Ranking Member Thompson, other Members of the committee. We really appreciate the opportunity to be able to be here and testify.

Before I get into some of our specific work that we have done at GAO in this area, I would like to make a couple broader points.

FEMA is a much different organization than it was in 2005, and has made a lot of progress. I think the proactive preplanning and response to Sandy were evidence of that, and that the Federal Government at large was much better prepared for another catastrophic storm.

However, FEMA and other agencies operate in a different disaster and fiscal environment today. Extreme weather events are now the norm, and Federal disaster spending has exploded. It is not just traditional disaster relief funds from FEMA. Now, many other Federal agencies are contributing more to disaster relief either directly or indirectly.

Over the last decade, we at GAO have reported on progress and challenges, as you mentioned, in numerous areas, including efforts to implement over 300 provisions in the Post-Katrina Act.

Today, I would like to focus on some of our work in three of those areas. The first is National preparedness, the second is response and recovery, and the third is what I would categorize as FEMA management issues.

So let me talk a little bit about preparedness or, just more simply, how capable we are to respond to a disaster. Some of the biggest changes to FEMA in the Post-Katrina Act were in this area. For example, there has been much progress in establishing the coordinating structures, or the emergency support functions, across the Federal Government.

Also, FEMA and other agencies have conducted numerous exercises to test their readiness and identify capability gaps. Challenges still exist in this area, though. Specifically, FEMA doesn't necessarily control other Federal departments' preparedness efforts and resources.

For example, FEMA manages National-level exercises, but we found that other agencies don't always report back on actions they took to close the gaps that are identified during those exercises. So this impacts FEMA's ability to assess overall preparedness.

The second area I would like to talk about is response and recovery. Again, there has been much progress since the problems we remember after Katrina. But more work is still needed.

For example, we have recently evaluated FEMA disaster payments to individuals, which was discussed in the opening statements, after Sandy and compared them to Katrina. Due to better controls that FEMA implemented after Katrina, we found about 2.7 percent of payments at risk of being improper or potentially fraudulent—it doesn't mean that those were all fraudulent—compared to upwards of 22 percent after Katrina.

So this is unbelievably great progress, given the challenge that Mr. Fugate mentioned of getting money out quickly but making sure it is to the right people.

However, there are still improvements and some challenges that exist, such as ability to validate Social Security numbers with the Social Security Administration, and we made some recommendations to address these issues.

I would also like to emphasize our work on mitigation and resilience-building during recoveries. Given the increase in Federal costs and extreme weather, mitigation is one of the few solutions to buy down risk and decrease future cost. Mr. Koon talked about

this in his opening. We have reported recently that resilience-building efforts were a much higher priority in Sandy recovery, and States were able to use a number of the Federal programs to mitigate against future disasters. However, more work is needed to break down the barriers that still exist in mitigation.

For example, States and locals had difficulty navigating multiple fragmented Federal programs, all with rules, regulations, and time frames. These weren't all FEMA programs; these are programs across the menu of Federal agencies.

We also found that the Nation lacks a comprehensive strategic approach to prioritizing our investments in resilience. We made recommendations to begin addressing these issues, but determining how to better invest our resilience dollars won't be easy.

The last area I wanted to discuss is FEMA management. For example, FEMA has taken a number of steps to better manage and control the rising administrative costs. Now, these are the costs of actually providing and managing disaster assistance.

Specifically, in response to our recommendation they developed specific goals, and a plan to better manage and try to reduce these costs.

Also, over the last decade we and others have found continued challenges in FEMA's ability to complete and integrate important strategic workforce planning efforts. We just reported, back in July, that the agency had not completed its plan to identify workforce gaps and lacked data on the cost and performance of certain workforce components. That has been a pretty consistent message across some of our reports over the last 5 to 7 years.

So this completes my prepared remarks. I look forward to the discussion, and any questions.

[The prepared statement of Mr. Currie follows:]

PREPARED STATEMENT OF CHRIS P. CURRIE

OCTOBER 22, 2015

EMERGENCY MANAGEMENT.—FEMA HAS MADE PROGRESS SINCE HURRICANES KATRINA AND SANDY, BUT CHALLENGES REMAIN

GAO-16-90T

Chairman McSally, Ranking Member Payne, and Members of the subcommittee: I appreciate the opportunity to testify today about efforts by the Federal Emergency Management Agency (FEMA), a component of the Department of Homeland Security (DHS), to more efficiently lead the Nation's efforts to prepare for, respond to, and recover from disasters and manage aspects of its operations to support these efforts. We have reported on a broad range of issues and currently have on-going work for this committee related to FEMA's disaster programs and operations. The anniversaries of Hurricanes Katrina and Sandy provide a valuable opportunity to assess FEMA's progress and challenges in National disaster preparedness and response and recovery efforts, as well as its management.

Hurricane Katrina in 2005 was the largest, most destructive natural disaster in our Nation's history. FEMA estimated that Hurricane Katrina caused an estimated \$108 billion in damages. Following the Federal response to Hurricane Katrina in 2005, Congress passed the Post-Katrina Emergency Management Reform Act of 2006 (Post-Katrina Act).<sup>1</sup> The act enhanced FEMA's responsibilities and its autonomy within DHS and contained over 300 provisions that call for DHS or FEMA action to implement requirements or exercise authorities—or to be prepared to do so

<sup>1</sup> 6 U.S.C. §§ 721, 723; 42 U.S.C. § 5144. The Post-Katrina Act was enacted as Title VI of the Department of Homeland Security Appropriations Act, 2007, Pub. L. No. 109-295, 120 Stat. 1355 (2006).

under the appropriate condition. After the Post-Katrina Act was enacted, we conducted reviews and issued multiple reports that discussed a wide variety of these emergency management issues reflecting the Federal Government and FEMA's efforts to implement provisions of the Post-Katrina and improve National disaster preparedness, and response and recovery.<sup>2</sup> A selection of our related reports is attached to my statement. Hurricane Sandy struck the United States in October 2012, causing an estimated \$65 billion in damages, once again testing FEMA and the Federal Government's ability to respond to catastrophic disasters.

The initial response to a disaster is the job of local government's emergency services with help from nearby municipalities, the State and volunteer agencies. In a catastrophic disaster, if the Governor requests, Federal resources can be mobilized through FEMA for search and rescue, electrical power, food, water, shelter, and other basic human needs. The long-term recovery phase of disaster places the most severe financial strain on local or State government and damage to public facilities and infrastructure, often not insured, can overwhelm even a large city. We have recognized the rise in the number—and the increase in severity—of disasters as a key source of Federal fiscal exposure.<sup>3</sup> Similarly, managing fiscal exposure due to climate change has been on our high-risk list since 2013, in part, because of concerns about the increasing costs of disaster response and recovery efforts.<sup>4</sup>

My testimony today discusses progress FEMA has made and challenges that FEMA faces in three areas: (1) National preparedness, (2) disaster response and recovery, and (3) selected FEMA management areas.

This statement is based on our prior work and focuses on reports issued from September 2012 through September 2015. To conduct our prior work, we reviewed relevant Presidential directives, laws, regulations, policies, and strategic plans; surveyed States; and interviewed Federal, State, and industry officials, among others. More information on our scope and methodology can be found in each of the reports cited throughout this statement.

The work upon which this testimony is based was conducted in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

#### NATIONAL PREPAREDNESS

##### *Interagency Emergency Support Capability Assessments*

In December 2014, we reported on the progress the departments that coordinate Federal emergency support functions (ESF)<sup>5</sup> have made in conducting a range of coordination, planning, and capability assessment activities.<sup>6</sup> For example, all 10 ESF coordinators identified at least one nonemergency activity through which they coordinate with their ESFs' primary and support agencies.<sup>7</sup> Further, all 10 ESF coor-

<sup>2</sup>Two reports focused explicitly on the Post-Katrina Act; see GAO, *Actions Taken to Implement the Post-Katrina Emergency Management Reform Act of 2006*, GAO-09-59R, (Washington, DC: Nov. 21, 2008); and GAO, *National Preparedness: Actions Taken by FEMA to Implement Select Provisions of the Post-Katrina Emergency Management Reform Act of 2006*, GAO-14-99R, (Washington, DC: Nov. 26, 2013).

<sup>3</sup>The term fiscal exposure refers to the responsibilities, programs, and activities that may either legally commit the Federal Government to future spending or create the expectation for future spending. See GAO *Fiscal Exposures: Improving Cost Recognition in the Federal Budget*, GAO-14-28 (Washington, DC: Oct. 29, 2013). Also, see GAO's Federal Fiscal Outlook webpage: [http://www.gao.gov/fiscal\\_outlook/federal\\_fiscal\\_outlook/overview#t=3](http://www.gao.gov/fiscal_outlook/federal_fiscal_outlook/overview#t=3).

<sup>4</sup>GAO, *High-Risk Series: An Update*, GAO-15-290 (Washington, DC: Feb. 11, 2015); also [http://www.gao.gov/highrisk/limiting\\_federal\\_government\\_fiscal\\_exposure/why\\_did-study](http://www.gao.gov/highrisk/limiting_federal_government_fiscal_exposure/why_did-study).

<sup>5</sup>Emergency Support Functions (ESFs) are Federal interagency coordinating structures that group capabilities into functional areas most frequently needed in a National response. The ESFs are described in annexes to the National Response Framework (NRF), a guide to how the Nation responds to disasters and emergencies of all types and describes the principles, roles and responsibilities, and coordinating structures for delivering the core capabilities required to save lives, protect property and the environment, stabilize communities, and meet basic human needs following an incident. The NRF includes various annexes, including those on ESFs.

<sup>6</sup>DHS issued the National Preparedness Goal in September 2011 which defines what it means to be prepared for all types of disasters and emergencies. The goal envisions a secure and resilient Nation with the capabilities required to prevent, protect against, mitigate, respond to, and recover from the threats and hazards that pose the greatest risk.

<sup>7</sup>The following 10 ESFs included in our review: Public Works and Engineering; Energy; Public Health and Medical Services; Communications; Information and Planning; Mass Care, Emer-

dinators identified at least one planning document—in addition to the information contained in the NRF’s ESF annexes—that they had developed for their ESFs to further define the roles, responsibilities, policies, and procedures for their ESFs’ coordination and execution.

We found, however, that the ESF Leadership Group and FEMA,<sup>8</sup> as the group’s chair, had not worked with other Federal departments to issue supplemental guidance detailing expectations for the minimum standards for activities and product deliverables necessary to demonstrate ESF preparedness.<sup>9</sup> In the absence of such guidance, we found that ESF coordinators are inconsistently carrying out their emergency response preparedness activities. We also found that, while Federal departments have identified emergency response capability gaps through National-level exercises, real-world incidents, such as Hurricane Sandy and other assessments, the status of Federal interagency implementation of these actions is not comprehensively collected by or reported to DHS or FEMA and, as a result, DHS’s and FEMA’s ability to assess and report on the Nation’s overall preparedness is hampered. Further, we found that FEMA’s plan to lead interagency actions to identify and address capability gaps in the Nation’s preparedness to respond to improvised nuclear device (IND) attacks did not contain detailed program management information—such as specific time frames, milestones, and estimated resources required to close any given capability gap—which is needed to better enable on-going management oversight of gap closure efforts.

In our December 2014 report, we recommended that FEMA—in collaboration with other Federal agencies—(1) issue supplemental guidance to ESF coordinators detailing minimum standards for activities and product deliverables necessary to demonstrate ESF preparedness, develop and (2) issue detailed program management information to better enable management oversight of the DHS IND Strategy’s recommended actions, and (3) regularly report on the status of corrective actions identified through prior National-level exercises and real-world disasters. DHS concurred with our recommendations and FEMA has taken actions in response. For example, in June 2015, FEMA issued guidance for ESF coordinators that details minimum standards for activities and product deliverables necessary to demonstrate ESF preparedness. The ESF Leadership Group established a set of preparedness performance metrics to guide ESF coordination, planning, and capabilities assessment efforts. The ESF Leadership Group-generated metrics set standardized performance targets and preparedness actions across the ESFs. Collectively, the metrics and reporting of these metrics should provide an opportunity to better measure preparedness efforts by assessing if ESF coordination and planning is sufficient, and whether required ESF capabilities are available for disaster response. In addition, FEMA developed a detailed program plan to provide a quantitative analysis of current work and addressing existing capability gaps linked to a project management tracking system to identify specific dates for past, present, and upcoming milestones for its IND Program. We believe that FEMA’s actions in these areas have fully met the intent of these two recommendations. FEMA officials also collected information on the status of National Level Exercise Corrective Actions from 2007–2014, an important step to respond to our other recommendation and we are continuing to monitor FEMA’s efforts in this area, however it has not provided a time frame for its completion.

#### *Disaster Logistics*

We recently reported in September 2015 on FEMA’s progress in working with its Federal partners to implement the National Response Framework (NRF) Emergency Support Function No. 7 (ESF 7) Logistics Annex.<sup>10</sup> We found that FEMA’s efforts reflect leading practices for interagency collaboration and enhance ESF 7 preparedness. For example, FEMA’s Logistics Management Directorate (LMD) has facilitated meetings and established interagency agreements with ESF 7 partners such as the Department of Defense and the General Services Administration, and identified needed quantities of disaster response commodities, such as food, water, and blan-

gency Assistance, Temporary Housing, and Human Services; Logistics; Search and Rescue; External Affairs; and Public Safety and Security.

<sup>8</sup>FEMA chairs the ESF Leadership Group, which is composed of the Federal departments and agencies that are designated as ESF coordinators. The ESF Leadership Group exists to coordinate responsibilities, resolve interagency operational and preparedness issues, and provide planning guidance and oversight for developing interagency response plans and activities.

<sup>9</sup>GAO, *Emergency Preparedness: Opportunities Exist to Strengthen Interagency Assessments and Accountability for Closing Capability Gaps*, GAO–15–20 (Washington, DC: Dec. 4, 2014).

<sup>10</sup>GAO, *Emergency Management: FEMA Collaborates Effectively with Logistics Partners but Could Strengthen Implementation of Its Capabilities Assessment Tool*, GAO–15–781, (Washington, DC: Sep 10, 2015).

kets. Additionally, FEMA tracks the percentage of disaster response commodities delivered by agreed-upon dates, and available through FEMA and its ESF 7 partners. Regarding FEMA's support of its State and local stakeholders, we found that FEMA could strengthen the implementation of its Logistics Capability Assessment Tool (LCAT). For example, FEMA—through LMD and its regional offices—has made progress in offering training and exercises for State and local stakeholders, developing the LCAT, and establishing an implementation program to help State and local stakeholders use the tool to determine their readiness to respond to, disasters. However, we found that, while feedback from States that have used the LCAT has generally been positive, implementation of the program by FEMA's regional offices has been inconsistent; 3 of 10 regional offices no longer promote or support LCAT assessments. Further, LMD did not identify staff resources needed to implement the program, and did not develop program goals, milestones, or measures to assess the effectiveness of implementation efforts.

In our September 2015 report, we recommended that FEMA identify the LMD and regional resources needed to implement the LCAT, and establish and use goals, milestones, and performance measures to report on the LCAT program implementation. DHS concurred with the recommendations and is taking actions to address them. For example, FEMA officials said they intend to work closely with regional staff to identify resources and develop a plan to monitor LCAT performance.

We also reported on the status of FEMA's development of the Logistics Supply Chain Management System (LSCMS) as part of a broader look at 22 acquisition programs at DHS, in April 2015.<sup>11</sup> We reported that, according to FEMA officials, LSCMS can identify when a shipment leaves a warehouse and the location of a shipment after it reaches a FEMA staging area near a disaster location. At the time of our review, LSCMS could not track partner organizations' shipments en route to a FEMA staging area, and lacked automated interfaces with its partners' information systems. We also reported that DHS leadership had not yet approved a baseline establishing the program's cost, schedule, and performance parameters. According to FEMA officials, FEMA's partners and vendors can now receive orders directly from LSCMS and manually input their shipment data directly into a vendor portal, providing FEMA with the ability to track orders and shipments from time and date of shipment to the estimated time of arrival, but not the in-transit real-time location of shipments. They also said that the program baseline was still under consideration by DHS leadership at the time of our review. In addition, DHS's Office of the Inspector General (OIG) issued a report on LSCMS in September 2014.<sup>12</sup> The DHS OIG made 11 recommendations designed to address operational deficiencies that FEMA concurred with, such as identifying resources to ensure effective program management and developing a training program for staff. As of July 2015, FEMA officials report that 5 of the OIG's recommendations have been implemented, and the agency is taking steps to address the remaining 6 recommendations.<sup>13</sup>

Because of our own update on the status of LSCMS development, as well as DHS OIG's review of LSCMS, we did not include a review of LSCMS operations in the scope of our logistics report.

In addition to these completed reviews of preparedness efforts, we currently have work underway for this committee assessing how FEMA's regional coordination efforts support National preparedness. Specifically, we plan to assess and report on FEMA's management of preparedness grants, implementation of the National Incident Management System, and interactions with regional advisory councils later this year.

#### DISASTER RESPONSE AND RECOVERY

##### *Disaster Declarations*

In September 2012, we reported on FEMA's processes for determining whether to recommend major disaster declarations.<sup>14</sup> We found that FEMA primarily relied on a single criterion, the per capita damage indicator, to determine whether to rec-

<sup>11</sup> GAO, *Homeland Security Acquisitions: Major Program Assessments Reveal Actions Needed to Improve Accountability*, GAO-15-171SP (Washington, DC: Apr. 22, 2015). Since this report was focused generally on DHS's major acquisition programs, we made no recommendations specific to LSCMS.

<sup>12</sup> DHS OIG, *FEMA's Logistics Supply Chain Management System May Not Be Effective During a Catastrophic Disaster*, OIG-14-151, Washington, DC: Sept. 22, 2014).

<sup>13</sup> GAO, *Emergency Management: FEMA Collaborates Effectively with Logistics Partners but Could Strengthen Implementation of Its Capabilities Assessment Tool*, GAO-15-781, (Washington, DC: Sept. 10, 2015).

<sup>14</sup> GAO, *Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recover on Its Own*, GAO-12-838, (Washington, DC: Sept. 12, 2012).

ommend to the President that a jurisdiction receive Public Assistance (PA) funding.<sup>15</sup> However, because FEMA's current per capita indicator at the time of our report, set at \$1 in 1986, did not reflect the rise in: (1) Per capita personal income since it was created in 1986 or (2) inflation from 1986 to 1999, the indicator was artificially low.<sup>16</sup> Further, the per capita indicator did not accurately reflect a jurisdiction's capability to respond to or recover from a disaster without Federal assistance. We identified other measures of fiscal capacity, such as total taxable resources, that could be more useful in determining a jurisdiction's ability to pay for damages to public structures. We also reported that FEMA can recommend increasing the usual proportion (75 percent) of costs the Federal Government pays (Federal share) for PA (to 90 percent) when costs get to a certain level. However, FEMA had no specific criteria for assessing requests to raise the Federal share for emergency work to 100 percent, but relied on its professional judgment.

In our September 2012 report, we recommended, among other things, that FEMA develop a methodology to more accurately assess a jurisdiction's capability to respond to and recover from a disaster without Federal assistance, develop criteria for 100 percent cost adjustments, and implement goals for and monitor administrative costs. FEMA concurred with the first two recommendations, but partially concurred with the third, saying it would conduct a review before taking additional action. Since that time, FEMA has submitted a report to Congress outlining various options that the agency could take to assess a jurisdiction's capability to respond to and recover from a disaster. We met with FEMA in April 2015 to discuss its report to Congress. FEMA officials told us that the agency would need to undertake the rule-making process to implement a new methodology that provides a more comprehensive assessment of a jurisdiction's capability to respond and recover from a disaster without Federal assistance. They said that they identified three potential options, which taken individually or in some combination would implement our recommendation by: (1) Adjusting the PA per capita indicator to better reflect current National and State-specific economic conditions; (2) developing an improved methodology for considering factors in addition to the PA per capita indicator; or (3) implementing a State-specific deductible for States to qualify for PA.<sup>17</sup> Although FEMA initially concurred with our recommendation to develop criteria for 100 percent cost adjustments, it has concluded that it will not establish specific criteria or factors to use when evaluating requests for cost share adjustments. FEMA conducted a historical review of the circumstances that previously led to these cost share adjustments, and determined that each circumstance was unique in nature and could not be used to develop criteria or factors for future decision making. Based on FEMA's review and its clarification of the intent to use cost share adjustments during only rare catastrophic events, we agreed that their decision could lead to better stewardship of Federal dollars.

#### *Disaster Assistance Payments To Individuals*

In December 2014, we reported on FEMA's progress in improving its ability to detect improper and potentially fraudulent payments. Specifically, while safeguards were generally not effective after Hurricanes Katrina and Rita, the controls FEMA implemented since then, designed to improve its capacity to verify applicants' eligibility for assistance, have improved the agency's ability to prevent improper or potentially fraudulent Individuals and Households Program (IHP) payments. We reported that as of August 2014, FEMA stated that it had provided over \$1.4 billion in Hurricane Sandy assistance through its IHP—which provides financial awards for home repairs, rental assistance, and other needs—to almost 183,000 survivors. We identified \$39 million or 2.7 percent of that total that was at risk of being improper or fraudulent compared to 10 to 22 percent of similar assistance provided for Hurricanes Katrina and Rita.

However in December 2014, we identified continued challenges in the agency's response to Hurricane Sandy, including weaknesses in the agency's validation of So-

<sup>15</sup>The Public Assistance program provides for debris removal; emergency protective measures; and the repair, replacement, or restoration of disaster-damaged, publicly-owned facilities and the facilities of certain private nonprofit organizations that provide services otherwise performed by a Government agency.

<sup>16</sup>The indicator would have been \$3.57 in 2011 had it been adjusted for increases in per capita income and \$2.07 in 2012 had it been adjusted for inflation from 1986 to 1999, rather than \$1.35.

<sup>17</sup>Department of Homeland Security, Federal Emergency Management Agency, *FEMA's Response to GAO-12-838 Fiscal Year 2015 Report to GAO*, (Washington, DC: Mar. 31, 2015.)

cial Security numbers, among other things.<sup>18</sup> Although FEMA hired contractors to inspect damaged homes to verify the identity and residency of applicants and that reported damage was a result of Hurricane Sandy, we found 2,610 recipients with potentially invalid identifying information who received \$21 million of the \$39 million we calculated as potentially improper or fraudulent. Our analysis included data from the Social Security Administration (SSA) that FEMA does not use, such as SSA's most-complete death records. We also found that FEMA and State governments faced challenges in obtaining the data necessary to help prevent duplicative payments from overlapping sources. In addition, FEMA relied on self-reported data from applicants regarding private home insurance—a factor the agency uses in determining benefits, as Federal law prohibits FEMA from providing assistance for damage covered by private insurance; however that data can be unreliable.

In our December 2014 report, we recommended, among other things, that FEMA collaborate with SSA to obtain additional data, collect data to detect duplicative assistance, and implement an approach to verify whether recipients have private insurance. FEMA concurred with the report's five recommendations and has taken actions to address them. For example, in response to our recommendations, FEMA started working with SSA to determine the feasibility and cost effectiveness of incorporating SSA's identify verification tools and full death file data into its registration process, and expects to make its determination by the end of 2015. FEMA indicated that, depending on the determination, one option would be to enter into a Computer Matching Agreement with SSA.

FEMA has also approved plans to improve the standardization, quality, and accessibility of data across its own disaster assistance programs, which includes efforts to enhance data sharing with State and local partners, that should allow it to more readily identify potentially duplicative assistance. Also, after reviewing various options, FEMA has decided to add an additional question to its application to help confirm self-reported information on whether applicants have private insurance. We are reviewing these actions to determine if they reflect sufficient steps to consider our recommendations fully implemented.

#### *Disaster Recovery and Resilience*

In July 2015 we reported that during the Hurricane Sandy Recovery, 5 Federal programs—the FEMA's Public Assistance (PA) and Hazard Mitigation Grant Program (HMGP), the Federal Transit Administration's Public Transportation Emergency Relief Program, the Department of Housing and Urban Development's Community Development Block Grant-Disaster Recovery, and the U.S. Army Corps of Engineers' Hurricane Sandy program—helped enhance disaster resilience—the ability to prepare and plan for, absorb, recover from, and more successfully adapt to disasters.<sup>19</sup> We found that these programs funded a number of disaster-resilience measures, for example, acquiring and demolishing at-risk properties, elevating flood-prone structures, and erecting physical flood barriers. State and local officials from all 12 States, the District of Columbia, and New York City in the Sandy affected-region reported that they were able to effectively leverage Federal programs to enhance disaster resilience, but also experienced challenges. The challenges included implementation challenges within PA and HMGP, limitations on comprehensive risk reduction approaches in a post-disaster environment, and local ability and willingness to participate in mitigation activities. We found there was no comprehensive, strategic approach to identifying, prioritizing, and implementing investments for disaster resilience, which increased the risk that the Federal Government and non-Federal partners will experience lower returns on investments or lost opportunities to strengthen key critical infrastructure and lifelines. Most Federal funding for hazard mitigation is available after a disaster and there are benefits to investing in resilience post-disaster. Individuals and communities affected by a disaster may be more likely to invest their own resources while recovering. However, we concluded that the emphasis on the post-disaster environment can create a reactionary and fragmented approach where disasters determine when and for what purpose the Federal Government invests in disaster resilience.

In our July 2015 report, we recommended that: (1) FEMA assess the challenges State and local officials report and implement corrective actions as needed and (2) the Mitigation Framework Leadership Group (MitFLG) establish an investment strategy to identify, prioritize, and implement Federal investments in disaster resil-

<sup>18</sup> GAO, *Hurricane Sandy: FEMA Has Improved Disaster Aid Verification but Could Act to Further Limit Improper Assistance*, GAO-15-15, (Washington, DC: Dec. 12, 2014).

<sup>19</sup> GAO, *Hurricane Sandy: An Investment Strategy Could Help the Federal Government Enhance National Resilience for Future Disasters*, GAO-15-515, (Washington, DC: July 30, 2015).

ience.<sup>20</sup> DHS agreed with both recommendations. With respect to the challenges reported by State and local officials, FEMA officials said it would seek input from Federal, Tribal, State, and local stakeholders as part of its efforts to reengineer the PA program, which it believes will address many of the issues raised in the report. In addition, DHS said that FEMA, through its leadership role in the MitFLG would take action to complete an investment strategy by August 2017.

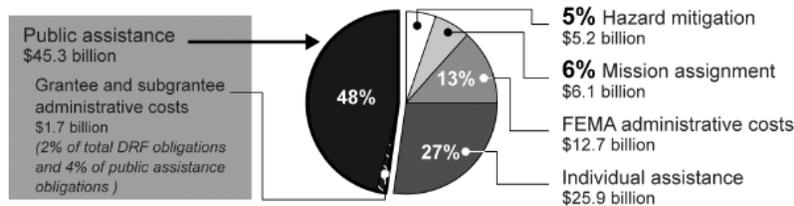
We currently have work underway for this committee assessing several of FEMA's disaster response and recovery programs. For example, we are reviewing FEMA's urban search and rescue program, incident management assistance teams, and evacuation planning, as well as National disaster assistance programs for children and special needs populations. In addition, we are reviewing DHS's National emergency communications programs and efforts to implement the National Disaster Recovery Framework.

#### FEMA'S MANAGEMENT EFFORTS

##### *Administrative Costs for Managing Disaster Assistance*

In December 2014, we reported on FEMA's progress in taking steps to reduce and better control administrative costs—the costs of providing and managing disaster assistance.<sup>21</sup> For example, FEMA issued guidelines intended to better control its administrative costs in November 2010.<sup>22</sup> In addition, FEMA recognized that administrative costs have increased and it has taken steps such as setting a goal in its recent strategic plan to lower these costs, and creating administrative cost targets. Specifically, FEMA established a goal in its Strategic Plan for 2014–2018 to reduce its average annual percentage of administrative costs, as compared with total program costs, by 5 percentage points by the end of 2018. To achieve this goal, FEMA officials developed administrative costs goals for small, medium, and large disasters, and are monitoring performance against the goals. However, FEMA does not require these targets be met, and we found that had FEMA met its targets, administrative costs could have been reduced by hundreds of millions of dollars. We found that FEMA continued to face challenges in tracking and reducing these costs. FEMA's average administrative cost percentages for major disasters during the 10 fiscal years 2004 to 2013 was double the average during the 10 fiscal years 1989 to 1998.<sup>23</sup> Further, we found that FEMA did not track administrative costs by major disaster program, such as Individual or Public Assistance, and had not assessed the costs versus the benefits of tracking such information.

#### Total Disaster Relief Fund (DRF) Obligations for 650 Major Disasters Declared during Fiscal Years 2004-2013 by Federal Emergency Management Agency (FEMA) Cost Category



Source: GAO analysis of FEMA data. | GAO-16-90T

In our December 2014 report, we recommended that FEMA: (1) Develop an integrated plan to better control and reduce its administrative costs for major disasters,

<sup>20</sup>The Mitigation Framework Leadership Group (MitFLG) is an intergovernmental coordinating body that was created to integrate Federal efforts and promote a National cultural shift that incorporates risk management and hazard mitigation in all planning, decision making, and development to the extent practicable. It was established to coordinate mitigation efforts across the Federal Government and to assess the effectiveness of mitigation capabilities as they are developed and deployed across the Nation.

<sup>21</sup>GAO, *Federal Emergency Management Agency: Opportunities Exist to Strengthen Oversight of Administrative Costs for Major Disasters*, GAO-15-65 (Washington, DC: Dec. 17, 2014).

<sup>22</sup>FEMA, *Achieving Efficient JFO Operations: A Guide for Managing Staffing Levels and Administrative Costs* (Washington, DC: November 2010).

<sup>23</sup>FEMA obligated \$12.7 billion from the Disaster Relief Fund (DRF) for its administrative costs from fiscal years 2004 through 2013 that represents 13 percent of the \$95.2 billion obligated from the DRF for the 650 major disasters declared during this time frame.

(2) assess the costs versus the benefits of tracking FEMA administrative costs by the Disaster Relief Fund program, and (3) clarify the agency's guidance and minimum documentation requirements for direct administrative costs. FEMA agreed with the report and its recommendations. As of August 2015, FEMA told us it is developing an integrated plan to control and reduce administrative costs for major disaster declarations. According to FEMA officials, their Disaster Administrative Cost Integrated Project Team has been working over the past several months to analyze FEMA's historic administrative costs, identify cost drivers, document and evaluate the delivery of disaster assistance, and set an improved framework to standardize the way FEMA does business.

FEMA officials previously told us that the plan will describe the steps the agency plans take to reduce administrative costs, milestones for accomplishing the reduction, and clear roles and responsibilities, including the assignment of senior officials/offices responsible for monitoring and measuring performance. FEMA also continues to assess the costs versus the benefits of tracking administrative costs by program. According to FEMA officials, this project requires connecting multiple disparate data sources. FEMA has identified some, but not all of the data which needs to be integrated in order to be able to track administrative costs by program area. FEMA is also evaluating its direct administrative costs pilot program, which applies a standard fixed percentage towards administrative costs. According to FEMA, if successful, results from this program could inform the development of additional guidance or regulatory modification and similar approaches could be applied in future disasters. For current and other past disasters, FEMA told us it plans to provide clarifying guidance. According to FEMA, this information will be incorporated into the Public Assistance unified guidance document that is scheduled to be issued in January 2016.

#### *Workforce Management Efforts*

In July 2015, we reported on FEMA's progress in taking steps to address various long-standing workforce management challenges in completing and integrating its strategic workforce planning efforts we have identified since 2007.<sup>24</sup> We found that FEMA had not yet resolved these challenges and fully addressed our prior workforce-related recommendations. However, according to agency officials, they plan to do so through efforts to develop: (1) A new incident workforce planning model—pending final approval—that will determine the optimal mix of workforce components to include in FEMA's disaster workforce, (2) a new Human Capital Strategic Plan that was to have been finalized in September 2015—that will help ensure it has the optimal workforce to carry out its mission, and (3) an executive-level steering committee to help ensure that these workforce planning efforts are completed and integrated. In addition, we discussed FEMA's continuing, long-standing challenges in implementing an employee credentialing system and addressing employee morale issues.

We also reported that FEMA faces challenges in implementing and managing its two new workforce components, the Surge Capacity Force and the FEMA Corps. (The Surge Capacity Force consists of employees of DHS components who volunteer to deploy to provide support to FEMA in the event of a disaster. The FEMA Corps are temporary National service participants of the National Civilian Community Corps who complete FEMA service projects to complement its disaster-related efforts.) For example, as of January 2015, the Surge Capacity Force was at 26 percent of its staffing target of 15,400 personnel, and FEMA did not have a plan for how it will increase the number of volunteers to meet its goals. We also found that FEMA did not collect full-cost information, including the costs of FEMA Corps background investigations and the costs of the salaries and benefits of Surge Capacity Force volunteers who are paid by DHS components while they are deployed. Further, we concluded that FEMA did not assess all aspects of program performance because it does not have performance measures that correspond to all program goals and that doing so would better enable FEMA to assess whether it was meeting its program goals.

In our July 2015 report, we recommended, among other things, that FEMA develop a plan to increase Surge Capacity Force volunteer recruitment and collect additional cost and performance information for its new workforce components. DHS concurred with the five recommendations in the report and identified related actions the Department is taking to address them, primarily focusing on FEMA's plans to issue a new strategic workforce plan. However, FEMA has not met its September

<sup>24</sup> GAO, *Federal Emergency Management Agency: Additional Planning and Data Collection Could Help Improve Workforce Management Efforts*, GAO-15-437 (Washington, DC: Jul 9, 2015).

milestone for issuing the plan, but told us it expects to issue the plan on October 30, 2015.

*Disaster Contracting Management*

We reported in September 2015 on FEMA's progress in building and managing its contracting workforce and structure to support disasters since enactment of the Post-Katrina Act.<sup>25</sup> We found that the size of FEMA's contracting officer workforce at the end of fiscal year 2014 was more than triple the size of its workforce at the time of Hurricane Katrina, growing from a total of 45 contracting officers in 2005 to 163 contracting officers at the end of fiscal year 2014. FEMA's workforce increases are due in part to the creation of a headquarters staff in 2010 charged with supporting disasters, known as the Disaster Acquisition Response Team (DART). DART has gradually assumed responsibility for administering the majority of FEMA's disaster contract spending, but FEMA does not have a process for how the team will prioritize its work when they are deployed during a busy disaster period. During this period of growth in the size of its contracting officer workforce, FEMA has struggled with attrition at times. We found this turnover in FEMA's contracting officer workforce has had particular impact on smaller regional offices which, with only one or two contracting officers, face gaps in continuity. Further, we found that FEMA's 2011 agreement that establishes headquarters and regional responsibilities in overseeing regional contracting staff poses challenges for FEMA to cohesively manage its contracting workforce. For example, regional contracting officers have a dual reporting chain to both regional supervisors and headquarters supervisors, which heightens the potential for competing interests for the regional contracting officers. Furthermore, FEMA has not updated the agreement to incorporate lessons learned since creating DART, even though the agreement states it will be revisited each year. We also found that FEMA has not fully implemented the four Post-Katrina Act contracting requirements we examined, due in part to incomplete guidance and that inconsistent contract management practices during disaster deployments—such as incomplete contract files and reviews—create oversight challenges.

In our September 2015 report, we made eight recommendations to the FEMA administrator and one recommendation to DHS to help ensure FEMA is prepared to manage the contract administration and oversight requirements of several simultaneous large-scale disasters or a catastrophic event, to improve coordination and communication between headquarters and regional offices with respect to managing and overseeing regional contracting officers, and to improve the implementation of contracting provisions under the Post-Katrina Act. DHS concurred with our recommendations and identified steps FEMA plans to take to address them within the next year. Specifically, FEMA plans to update relevant guidance and policies related to headquarters and regional office roles and responsibilities for managing regional contracting officers and disaster contracting requirements.

We currently have work underway for this committee assessing additional FEMA management areas, including assessing FEMA's management of information technology systems that support disaster response and recovery programs. We plan to report on that work early next year.

Chairman McSally, Ranking Member Payne, and Members of the subcommittee, this completes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

Ms. MCSALLY. Thank you, Mr. Currie. I now recognize myself for 5 minutes for questions.

So this is really for the whole panel at first. The Post-Katrina Emergency Management Reform Act is now almost 10 years old. We have talked about some of the things that we have seen improved from that act, and so the question is are there any additional legislative actions that are required based on what we have learned from the other disasters in the last 10 years? If so, what would those be?

Starting with Administrator Fugate.

Mr. FUGATE. Well, I think it comes back to what I learned when I came to Washington. There are two important things that Con-

<sup>25</sup> GAO, *Disaster Contracting: FEMA Needs to Cohesively Manage Its Workforce and Fully Address Post-Katrina Reforms*, GAO-15-783, (Washington, DC: Sept. 29, 2015).

gress provides, is authorization to do work and appropriations to do that.

But my appropriations is tied more to the Stafford Act. The Homeland Security Act is a much broader document. We have, if you have read, been charged with supporting everything from unaccompanied children, which was not a Stafford Act response, to supporting the Centers for Disease Control with instant management assistance teams; again not a Stafford Act response. Supporting the Gulf Coast oil spill; again, not a Stafford Act response.

The authority is actually in our Homeland Security Act as amended. You gave us no limitations. You said we were all-hazard, we were an agent of the Executive branch, we were the principal emergency manager for advice.

But our funding streams, and our traditional disaster dollars and much of that capability, is actually funded out of the Stafford Act, which does not recognize all those.

So I think, again, through the appropriations language and the authorization language, one of our challenges, I think—and this is to the other Federal agencies—we would prefer not to be the agency they wait until it is bad before they ask for help. But because they often times have to do interagency agreements, or transfer authority for us to do that work, it might be helpful to look at our role as to crisis manager across Federal Government. Are there tools that can lower the bar for other agencies to access or utilize FEMA in that support?

The authorization language you give us gives us that ability. But the funding mechanisms, particularly the Stafford Act, there are not clean linkages. It would be something to consider in carrying out the authorized language what that would look like.

Ms. MCSALLY. Great. Thank you.

Mr. Koon, any perspectives?

Mr. KOON. The language in PKEMRA and SRIA, I think, gives a lot of what we need to make sure that we have the most effective programs across the Nation. I think the complete utilization and implementation of those programs, as well as what Mr. Currie noted, improving the management and other aspects of the organization to help us achieve those outcomes, will probably be the most effective at this point.

So I don't know that, at this point, any additional legislation is necessary. It is simply a matter of making the most effective use of what is out there today.

Ms. MCSALLY. Great.

Mr. Currie.

Mr. CURRIE. Yes, ma'am. We haven't been on record talking about specific suggestions for legislation. But what I would say is kind-of similar to what Mr. Fugate said. I think what we have seen over the last 10 years in this explosion of disaster spending is not just spending by FEMA. It is spending across all departments.

The example I like to use is, the Forest Service now spends almost half of its budget on wildfire suppression. It is way different than it was 6 to 8 years ago. So there has been a growth and an expansion of this.

So I think this is really a whole-of-Government response and approach to preparing for disasters. Because every, almost every,

agency in the Government is getting involved in this. So, you know, looking at it from that perspective may change the way we think about our programs and how we need to prepare.

Ms. MCSALLY. Great. Thank you. Next, I want to talk about mitigation. Several of you talked about it in your opening statement. This is of great importance to emergency managers in my home State of Arizona. We reached out to them asking for their perspectives and inputs on this hearing.

Most of the mitigation funding is provided through Hazardous Mitigation Grant Program after a disaster declaration than before. I mean, obviously mitigation, the whole point is to address it pre-disaster. So how can we more proactively address the mitigation? Some of you touched on it already, but if there are any additional points on mitigation you want to bring up.

Administrator Fugate.

Mr. FUGATE. To be brief, one of our challenges when we do mitigation, and General Accounting Office, and I am sure Director Koon can attest to this, we have to look at cost-benefit analysis and a lot of gyrations to make sure the dollars we are investing give a sufficient return on that. I would much rather use building codes and standards.

What we find in many cases, if we know what the engineering standard is and we can point to a standard, it negates the need to do a lot of other cost-benefit analysis because it is already a code requirement we can build back to.

So where we can identify those codes and standards—even if they are not adopted at the local level—it means, at least for the Federal dollars, we are building back to the science versus what may have been adopted locally. It lowers the bar and workload at the local level to do the cost-benefit analysis to justify it.

Ms. MCSALLY. Great, thanks. Either of the other witnesses.

Mr. KOON. Madam Chairman, I think there are three potential ways we could improve mitigation. One would be, as I mentioned in my oral testimony, to streamline the program to make sure that we can do it as effectively as possible after a disaster using those funds that FEMA provides.

Second, I concur with Administrator Fugate. By using codes and standards and other things, we can tie mitigation into all the other funding streams that go into help the construction of the built environment and community. So that way, we leverage all of the other funds that those communities are using.

Third, I think by tying it into programs that help us reduce insurance cost to future—would ensure that those get consideration as we build our environment.

Ms. MCSALLY. Great. I have another quick question. I know I am a little over here. But in a study done by the Fritz Institute—you mentioned this, Administrator Fugate—looking at perceptions of people that were affected by Katrina, of the 42 percent affected who did not evacuate 44 percent said the reported reason was because they didn't want to leave their pets behind.

I will tell you, I am an animal lover myself and I literally would not leave without my rescue Golden, Boomer, with me. So I get this. I know we passed the Pets Act in 2006. Can you talk about changes that have been made and whether this is still an issue?

Mr. FUGATE. It is still going to be an issue jurisdiction by jurisdiction. Some States have done better than others, but what we clarified was, in our planning and our funding, what would be permitted, what we would reimburse for under protective measures. We make it quite simple. When we tell people to evacuate, we say take your pets with you.

Part of this is getting people to understand, it isn't necessarily about the pets themselves; it is a people issue. If people choose not to evacuate or go into harm's way, it adds to the workload to the responders. Therefore, it is in the public interest to address this. But you cannot bolt it on; it has got to be built in. Because if people don't have anywhere to take the pets they are not going to evacuate.

Ms. MCSALLY. Exactly. Great. Thank you. I am over. I appreciate it. We might have another round here, but I want to give an opportunity for my colleagues here.

So the Chair now recognizes Mr. Thompson, for 5 minutes.

Mr. THOMPSON. Thank you very much, Madam Chairman.

Administrator Fugate, you raised a fundamental issue that we have grappled with on this committee since its inception. That is the split jurisdictions.

Stafford Act authority is over in Transportation Infrastructure Committee and everything else is over here with us. When an emergency occurs, it is the Stafford Act enactment that kind-of pushed things out. But we get all the calls, you know, the Chairperson and all that.

So—and I say that for the committee's edification—that we really have to fix that and some other things. Because right now, DHS testifies before over 100 committees and subcommittees here in Congress, and that is just too broad a brush. In time of an emergency you really need clear direction. In this instance, that is a classic example.

Mr. Fugate, one of the challenges that I am hearing more and more about is whether or not our reserve workforce and other thing is as robust as we need it should a catastrophic occurrence happen. Can you speak to that?

Mr. FUGATE. Short answer is, you are right. We are not there, for a variety of reasons. One is, is changing the requirements of the program. Some people chose that that was not something they were interested in. But another fundamental issue is, these are people who look at this as employment opportunities. When we have very inactive years, as we have had for the last couple of years, they are not State-engaged.

So one of our challenges is—our funding mechanisms, you know, the military reserve—you do 2 weeks every year, and every weekend. For our Reservists, they may not get called up or deployed for over a year if there are no disasters.

So one of our challenges is, how do you get trained people ready to go at a moment's notice, but keep them engaged when you are not dealing with disasters? That is something that has eluded us both a funding issue, but also an engagement issue.

So we continue to work this. But you are absolutely right, our numbers are down. We have changed the program; we are trying to bring that program to a higher level. But without a retention

mechanism, it is always a challenge to train people, keep them engaged, and then not deploy them because there is lack of activity. Which is a good thing, but it also means it is hard to keep an engaged workforce.

Mr. THOMPSON. Well—and I think that, Madam Chairperson, as a military person—you know readiness is always on point. I think at some point, Mr. Administrator, you might have to help us make the case from a financial standpoint that we need to, you know, better to be prepared for the emergency when it happens than not prepared when it happens. Because all of us get the blame in that respect.

So that is a major issue. Obviously, I saw it in Katrina and a little bit in Sandy, but we really need to have the ability to plus-up when something happens.

Mr. Koon, can you speak to the agreements that States have with FEMA that get called upon, and how, whether or not you have seen a difference between States? Is there a uniform agreement, and is that uniform agreement applied all the way down to the local level?

Or, you have good areas, bad areas? I think Congressman Clyburn is going to talk a little bit about his experience, is, when you have, like South Carolina, you have some counties that handle it very well and some counties that don't. What kind of challenge does that set for from an emergency management perspective?

Mr. KOON. Yes, sir, thanks for the question. Any time you have a standing agreement or a prepared agreement ahead of time, whether it is between the State and FEMA, or State contractors between the county and State, or between States like you have with EMAC, it tremendously improves the response and recovery capability of that jurisdiction. Because now you have worked through all of those issues ahead of time and you are ready to execute those at a moment's notice.

You know exactly what resources the other partner is in that situation, you know how to call them into action. You also have, as you noted in your opening statement, the ability to vet those local organizations who are able to support it.

So you are able to do a much better job at preparing for that local economic recovery by, again, considering ahead of time what resources are available in that jurisdiction or in that State that will help benefit the economic recovery.

It can be a challenge at the local level, particularly for those more rural jurisdictions, those small emergency management agencies, who don't have capability to put into place, ahead of time, those kinds of agreements. In those situations we encourage States to work with their locals to develop some standardized template so that they can utilize those.

Because, again, it really does benefit the community when you can put those into place right away. It also helps ensure that you are complying with all of the regulations associated with the Federal dollars that come into place and so that you don't risk audits later on that would deallocate those funds.

Mr. THOMPSON. Thank you.  
I yield back, Madam Chair.

Ms. MCSALLY. The Chair now recognizes Mr. Walker, from North Carolina, for 5 minutes.

Mr. WALKER. Thank you, Madam Chairwoman. I do not have specifically a question today, but I do have a comment that I would like to submit in the record for Administrator Fugate. I wanted to take a moment today and thank FEMA and the men and women working to respond in our specific times of need in North Carolina.

In fact, our Governor, Pat McCrory of North Carolina, has only the best to say about the work FEMA has done in North Carolina following Hurricane Joaquin, and we cannot thank you all enough.

Last, I would like to finish today by recognizing Michael Sprayberry on his appointment to the FEMA National Advisory Council. Mr. Sprayberry is the emergency management director for the North Carolina Department of Public Safety, and I feel the council made an excellent decision to bring him on board. Again, thank you, Administrator, for your work along with the rest of the Members.

I yield back, thank you.

Ms. MCSALLY. The gentleman yields back.

The Chair now recognizes Mrs. Watson Coleman, for 5 minutes, from New Jersey.

Mrs. WATSON COLEMAN. Thank you, Madam Chairman. I would like very much to yield, at this moment, to Mr. Clyburn.

Ms. MCSALLY. Mr. Clyburn.

Mr. CLYBURN. Thank you very much. I thank the gentlelady for yielding. Madam Chair, Ranking Member, I don't know if many people realize this or not, but a little over 10 years ago, when we experienced Katrina and Rita, I was designated by the Speaker of the House to be the Congressional coordinator for our response to Katrina and Rita.

So I spent a lot of time in Louisiana and Mississippi, and I learned a lot, which was added to my own personal experiences with Hugo 26 years ago.

Now, what I have found—in keeping with the question raised by Ranking Member Thompson—is that there seems to be a natural default to State planning. I want to tell you what drives my thought on this.

When I accompanied Secretary Johnson down to South Carolina to listen to the State plans, here is what stuck with me from that hearing, this quote: “We may run out of money before we reach all of the hard-hit areas, but we know where they are.”

Now, that bothered me tremendously and I still wake up every morning thinking about that statement. Because there is no one-stop facility. I think, Mr. Fugate, you mentioned that FEMA's limitations—you may not have mentioned this—if you get turned down by FEMA, then you got to go to the SBA. Then you got to get turned down by SBA for the loan in order to go back to FEMA in order to get the assistance. Now, this is not a good model for a lot of rural communities, a lot of people who are hit the hardest. Especially when they don't have transportation.

Then we set up these recovery centers, and they are not one-stop recovery centers. I could see it. If you go to this table to talk to FEMA, then walk across the gymnasium or auditorium to another table to talk to SBA. In this modern day, with all the computers

and stuff we got, I don't see why this cannot be done, it cannot be a one-stop place for these people, because they give up on the process.

So I am asking, how are these agreements agreed upon; these agreements that you seem to default to, these State agreements, State-by-State agreements? Do we study them or do we evaluate them, or do we just accept what they send to us and then respond to it?

Mr. FUGATE. Congressman, we evaluate them and we actually do threat hazard assessments and a lot of other tools. But when you get to the individual assistance, I am not sure who said they were going to run out of money. It is not FEMA. You fully funded FEMA in the Disaster Relief Fund. There is not an issue on FEMA dollars.

As it goes to the SBA, FEMA, that is actually how the program was designed was it is means tested. If you had insurance, your needs are met; there is no need for a grant. If you can afford an SBA disaster loan, then that is the preferable route. It is only if you don't qualify would you be qualified for a FEMA grant.

Part of what we do in the Government Accountability Office looks at this as there are certain things we know that if you already are getting certain types of assistance you have already met the means test for the grant so we don't have to send you to SBA. But if you have an income and the ability to repay, we have to get the determination from SBA first. It is that information we try to do.

I agree. I mean, I try to get people to look at this, building systems around the survivor. I am just fortunate, sir, you found SBA in the same place we were. Previously, we were often times set up in different locations. But it is—

Mr. CLYBURN. Excuse me. That is not what I said. We didn't. That is the question. The question is: Is it possible to set up one-stop? I remember, when we responded to Katrina and Rita, we brought planeloads of people from Louisiana to South Carolina. When we received them in South Carolina, we put them up in a one-stop facility. We had every agency in that one place on the University of South Carolina's campus, and nobody had to go across town. Everybody could go from desk to desk to desk.

But that is not what is going on in our response to these floods in South Carolina. So my question was: Can you require States, in setting up these plans, to make it convenient for rural, low-income citizens and require that we have the hardest-hit areas responded to in a fashion that is conducive to their life's experiences rather than to focus on the subdivisions?

Mr. FUGATE. It is a tough one because we work through the Governor and the Governor's team. But we have a lot of influence. What you are telling me is causing me even more concern about some of the other things I have heard. That will be addressed, and I will work on that.

But I still find that, again, our systems are based upon the Governor's request, working through the Governor. The Governor has to certify cost-share. So I can't take and bypass the Governor, but I can be a good partner and point out things that we see that we

could do better, and focus more on the most vulnerable communities.

Mr. CLYBURN. Thank you. Thank you, Madam Chair. I appreciate your indulgence, but I just want you to know it was not FEMA that said we may run out of the money. It was not FEMA.

Thank you.

Ms. MCSALLY. It sounds like things we might need to follow up on. I really appreciate it.

Mr. CLYBURN. Absolutely. I yield back.

Ms. MCSALLY. Those are Federal agencies so I think there has got to be a way we can mandate that Federal agencies are at least in one-stop as we work with the States. So thanks for highlighting that.

The Chair now recognizes Mr. Donovan, from New York, for 5 minutes.

Mr. DONOVAN. Thank you, Madam Chair. I would like to thank my colleague from South Carolina. Because I was elected to office 13 months after superstorm Sandy and I had to create a one-stop shopping for the residents of Staten Island and South Brooklyn that were affected by that storm. So I agree with you, sir.

I was always a believer, gentlemen, that Government should have less interference in people's lives. But we are to do certain things. We are to pick up people's garbage, we are to protect our communities with our police and our Nation with our armed forces. We ought to come to our citizens' relief at the time of a disaster.

Over the past weeks, my staff has been collecting stories from constituents who were affected by superstorm Sandy. I represent Staten Island and the southern portion of Brooklyn, and these people are still struggling to recover from the disaster, in part because of the difficulties they have navigating through the complex recovery programs.

We will be sharing these stories with your office, and I hope that together we can work to ensure that similar situations do not occur if and when the next disaster we face comes about.

I would like to tell you about a woman, Carolyn Lauer. She is 72 years old, a constituent of mine, who, like so many others, had invested her life savings in her home and had just managed to pay off her mortgage months before superstorm Sandy struck our community. As a result of Sandy, her home was destroyed.

Following instructions from FEMA she, immediately after the storm, took out an SBA for \$126,000 to pay for the repairs of her home. Now she was grateful for the loan, but shortly afterwards, after she took out that new mortgage grants became available in the type that would repair her home. The fact, though, is she was ineligible because she took out the SBA loan.

She is now 72 years old and burdened with a new mortgage, but was never informed that by taking out the SBA loan she would not be available for the future grants from the Federal Government.

Administrator, I just don't know whose responsibility it is, and I am not saying it was yours or your agency's. But whose responsibility do you believe it should be to inform people that if—as my colleague from South Carolina said—people took out an SBA loan they then would be ineligible for future grants? When their neigh-

bors, who did not take out SBA loans, were eligible for these grants?

Mr. FUGATE. Well, I would have to look into the direct case. It really depends upon on at the point they filed a—the SBA was made available.

During the initial response there was no supplemental funds, there was no additional funds for HUD. So at that point, that probably was the best information we had. Later, when Congress—several months later—passed the Sandy supplemental you provided substantial funding to HUD. I am not sure if these were the funds they are referring to, but HUD funds are—

Mr. DONOVAN. They are, sir.

Mr. FUGATE [continuing]. Available to the State. The States then determined how to administer those funds. In many cases, they looked at those funds to elevate or repair structures that were uninsured.

But at that point, the time line was when the initial application was made FEMA grants were limited to a very small amount of money—about \$33,000—and that is not going to make repairs. The SBA was probably what was available.

Now, if we knew that the supplemental was going to come through and that that would be the decision being made it would have been easier to bring all that together. But I think because of the time lapse, that was part of the challenge. That many of these longer-term recovery funds came in after a lot of the initial assistance was being made.

We roughly saw and distributed about a billion dollars in immediate assistance, whether it was rental assistance or other direct payments, in about the first 35 days. So a lot of things were happening to help people that may have predetermined what would be available as other programs came on later. I think this goes back to your point, also being raised here. We tend to approach disasters—because FEMA's programs don't make people whole—that it is a given.

Mr. DONOVAN. That is correct.

Mr. FUGATE. We are just basically the beginning of that. Other Federal programs which historically have provided that assistance—such as HUD, in rural areas the Farm Service Agency, and others—have programs that States can use in disasters although they are not specifically designed for that on the front end. Then through the appropriation process we usually give them more authority to do that.

But now you are coming in as agencies in pieces. So where we have this on the front end we try to bring everybody together and work with the State on the longer-term recovery of bringing those programs together and looking at gaps. But it is still a challenge.

As we saw with Sandy, because of the length of time from the initial impact before some of these programs kicked in I wouldn't be surprised. But I hope you have given my staff that. We will look into this and see what did happen and what was the cause of it.

Mr. DONOVAN. Yes. The majority of the stories that we have collected have to do with the SBA loans. So we will share those with your staff. I look forward to maybe a time—I know this is a difficult time to speak one-on-one, but maybe at some point in the fu-

ture we could sit down and speak about that. My time is up, Madam Chair.

I yield the rest of it, but hope that we do have a second round of questions.

Ms. MCSALLY. Yes, we will have a second round. Thank you.

The Chair now recognizes Mrs. Watson Coleman for 5 minutes.

Mrs. WATSON COLEMAN. Thank you, Madam Chairman.

I would like to just expound a little on this. I am wondering, if we are giving States, the authority—the Governors—to spend this money, do we set any parameters on how they should be using this money? Should we be thinking about a model of how that money should be addressed when coming into States during and after emergencies?

Mr. FUGATE. I would have to defer to the other programs, HUD and others. Because I know with the supplemental they put in—and, at that time, it was Secretary Donovan—it was putting in some program guidance. But it gives the Governors the flexibility to look at, you know, in many cases doing elevations or buy-outs of structures, or using this to address the gap between uninsured losses and making homes repaired.

Generally, they are doing it under authority of their affordable housing programs. So often times you take existing structures and then you adapt it to the disaster. I think if you are looking at that, it would be going back to, and perhaps Government accountability offices. Because a lot of times these monies are trying to come down through existing programs and adapted for disaster, they often times bring those legacies that don't always fit or communicate across the spectrum.

Mrs. WATSON COLEMAN. I am concerned about the methodology FEMA uses to modify flood insurance maps for my State, which is New Jersey. It is also New York. I mean, it is probably other States, too, in the country.

These maps are an important tool developed to quantify flood risk all around the country, and they are used not only to determine flood insurance premiums—which is an issue for me—but also to guide building codes and mitigation activities. Subsequently, the determinations have significant real-world consequences for families and business owners.

To date, dozens of New Jersey municipalities have appealed these preliminary firms as currently drafted. The fundamental methodological errors including, but not limited to, inadequacies in validation and deficient HUD effects have resulted in erroneous estimates of the 1 percent flood risk elevation by several feet.

So, Administrator, I would like to ask you, when reviewing these appeals are you considering the impact that potentially flawed methodology would have on the preliminary firms for the communities of New Jersey and elsewhere? What are you, what is FEMA, doing to address the issue?

Mr. FUGATE. Well, as you point out these are what we call the “preliminary maps,” and that is part of the process of getting the community feedback on it and looking at additional data.

But the challenge with flood insurance maps are, they are determining an insurance risk and the level of accuracy is corresponding to the level of data. The type of data that would be required to ac-

tually individually pick out houses is mind-boggling. So we tend to look at the area, not—and that is why you are still required to get elevation certificates for each structure.

But technology is changing so we are looking at how do we move from the existing engineering studies that we use to determine the flood and how do we get better data.

In fact, we are partnering, and are joining as part of a new center in Alabama bringing together the National Weather Service and NOAA, the Corps of Engineers, ourselves, and looking at how do we take things like LIDAR and other tools to not increase the cost of the mapmaking, but increase their accuracy to reduce the errors.

But as we have found in many cases, as much as we challenge and go over this we still see substantial flooding outside of the special risk area. So they are not tools that say whether areas will flood or not. They are tools to determine when they would exceed a threshold for mandatory purchase and increased risk for flood insurance.

Mrs. WATSON COLEMAN. So does FEMA offer technical assistance and guidance and—okay, thank you. Another piece of this, and this particularly affects Bound Brook in my district. Bound Brook has been working on a \$130 million flood control project for a number of years. Through the Army Corps of Engineers as well as FEMA and everybody else actively engaged, I took a tour of this just before coming here, last week. They are waiting. Even though they have met these conditions, they are waiting for a certification that will affect their insurance rates. They are being told that they won't get that certification until well into 2016.

Is this an issue that you see in other communities, and is there something that we can do when communities have engaged in these long-term projects and do qualify for better rates in their insurance? Because this is really affecting some of our owners.

Mr. FUGATE. I would have to have staff look into this. I don't have the specifics of this. I know, in general, what we have run into before is when we do get improved projects we have to go back in and do the remapping. It is basically a resource and time issue. So I don't know what the time frames are or what is involved in that. I would have to go back to staff.

But in general, when we do get these we do factor them into the new maps. But if it is something where we have to put it into it, we have to go back and run the models. It is a staff and time issue.

Mrs. WATSON COLEMAN. That is a really important issue because I know FEMA is always busy with the here and now. But this is the after-effect when people have made the decisions and done the things that they have been asked to do. So we need to apply the resources to those so that they are no longer negatively impacted financially with their insurance rates. If that is an issue with a lack of resources with FEMA we need to address that.

Thank you. Thank you very much. Thank you.

Ms. MCSALLY. Absolutely. We are going to do a second round of questions so the Chair now recognizes myself for another 5 minutes for a round of questions.

One question I had, as you were talking about the readiness of individuals not getting, you know, the experience that they need,

is my experience in working at Africa Command in the military is with OFDA, USAID Office of Foreign Disaster Assistance. You know, similar mission but overseas and the support that we provide. But it is the same types of challenges that they are dealing with. Do you have any—how do you interact with OFDA, and is there a way to do some cross-pollination between those that are, you know, available to be workers for FEMA and getting experience if OFDA is deploying overseas?

Mr. FUGATE. Well, I actually got cross-pollinated early in my term. I was detailed to OFDA and USAID in the Haiti response.

Ms. MCSALLY. Yes.

Mr. FUGATE. We sent significant response to Haiti. OFDA is a much more tiny organization, but we do share back and forth. We have communications but it is, again, we actually look within the Department of Homeland Security as part of the surge workforce and continue to work on how we can use DHS employees, which we did in Sandy, to augment the response.

Ms. MCSALLY. I am just thinking. If OFDA is responding to an overseas disaster and they need support, and you have personnel that need the experience, if somehow—I know there are authorities issues because there are stovepipes in agencies—if there was a way to utilize them to get experience. But am I dreaming there?

Mr. FUGATE. I would refer to OFDA. What I heard when I went over it the last time was, they work in an entirely different environment and in an entirely different set of circumstances, and it is not an exact transfer although we do similar things. It worked to the degree that it worked in Haiti, but—

Ms. MCSALLY. Yes.

Mr. FUGATE [continuing]. It would be worthwhile pursuing if USAID was interested. I would be interested in talking.

Ms. MCSALLY. Okay.

Mr. FUGATE. I will reach out and we will see what they think.

Ms. MCSALLY. Yes. I have still got some friends there so maybe we can work out a meeting and see if there is an option.

Next question is related to social media. I mentioned in my opening statement. I know, Mr. Fugate, you are an avid social media—or your organization is—avid social media users. FEMA does a pretty good job, I think, of regularly communicating through various platforms related to what citizens and responders can do before, during, and after emergencies.

We actually had a roundtable with industry representatives from some of the social media companies, discuss new tools—some that they are using, and some that they are trying to develop—that can further enhance capabilities to be resilient in a disaster.

So a question, really, for the whole panel, you know. How has the increased use of social media impacted the way you do business. You know, are we where we need to be, or are there ways that we can use it more robustly?

Mr. FUGATE. Well, I will start and try to be short. I think the big difference is, is you make the mistake with social media that it becomes another press release. You are going to fail. It is actually a two-way conversation. So even in the response going into South Carolina, part of what we do is we listen and respond back

to social media. People oftentimes will highlight areas of concern or where they say, hey, you are not there, or, we haven't seen you.

Ms. MCSALLY. Yes.

Mr. FUGATE. So it is that two-way conversation. But you have to build that on the front end. You have to build your brand so the public knows who you are, that you are trusted, and either follow you or come to you during disasters.

But you also have to make the devices work the way they work. You have to communicate with the tools they are using. Since I have been in the business we have gone from Twitter to half a dozen other things and to, recently, Periscope. So it is always we seem to be following where people are using the devices because our goal is to communicate with them at their level with the information they need.

Ms. MCSALLY. Right, great.

Mr. Koon.

Mr. KOON. I concur with Administrator Fugate. Social media is good for outreach, but it is better as an intelligence-gathering tool for emergency managers to better understand what is happening on the ground. We can use it to head off rumor control. We should not be leading the charge on which tools we are using. We should be following the public and utilizing the tools they are utilizing.

It is also a tremendous way that we can assist—States can assist States, localities can assist localities. In the most recent storm, as Joaquin was headed to the coast, we used our virtual operations support team which is based out of Florida State University. It is a group of students who get together who monitor social media to help understand what is going on in and also push out information to support North Carolina's efforts with regards to that.

That is no cost, no transportation. So that is one way that emergency managers can support emergency managers across the country at little to no additional cost.

Ms. MCSALLY. Great.

Mr. Currie, any input on—

Mr. CURRIE. No, ma'am. Unfortunately, at GAO we just haven't really done any work on that. A very interesting issue, though.

Ms. MCSALLY. Great. Yes. So last point. You know, in the military we often talk about lessons learned, but I always use the word lessons "identified" because we often don't learn them. They become identified, but then if they don't get actually implemented then we see the same mistakes over and over again.

Specifically related to this, we had a hearing in this committee, subcommittee, about the defense support to civil authorities; how the military can support a natural disaster. I know I am really running out of my time here, but Administrator Fugate, do you have any comments on how we saw that improvement related to Sandy? Is there anything else we need to identify and actually learn related to the military support?

Mr. FUGATE. Well, again, I think we have got the right tools in place. With the idea of dual-status commanders so that we can fold Title 10 active-duty and reserves now into a Governor's response without having to set up dueling commands is a huge step forward.

But I will give you the most recent example in the floods in the Carolinas. We recognized early on that this was going to be a rain-

fall event that would produce significant risk of flash flooding, which would then dictate that you are going to need a lot of swift-water rescue and helicopters with hoist capabilities. Even within the Guard, that is finite capability. With the military jurisdictions throughout the area, it was important that we work back through NORTHCOM in anticipating these resources.

Admiral Gortney and his team were able to work back through the DOD establishment and put quite a few resources at our readiness. Basically, we had PJs and choppers ready to go with 2-hour recall. So that system has improved, it is robust. The leadership of DOD—Admiral Gortney and NORTHCOM and FEMA—we worked to shorten the time frames from the time a request may be needed to we have resources to support the State. This isn't about we are getting in front of the TAG. But we want to make sure we have the resources in the pipeline so that the TAG makes the determination they are going to need additional Title 10 or Reserve capabilities, we are not waiting for that, it is ready to plug in.

Ms. MCSALLY. Great.

Mr. FUGATE. But it is much-improved, it is dynamic, it is getting better each time. I think the goal being seamless between the active duty and the Guard will always be, you know, there. But it is getting much better than it has been.

Ms. MCSALLY. Okay, great. My time has expired.

The Chair now recognizes Ranking Member Thompson for 5 minutes.

Mr. THOMPSON. Thank you very much, Madam Chair. Some of us are probably not as adept to social media as we ought to be. What is Periscope?

Mr. FUGATE. Oh, it is a—

Mrs. WATSON COLEMAN. You didn't see that movie?

Mr. FUGATE. It is a—

Mr. THOMPSON. No.

Mr. FUGATE [continuing]. It is an interesting tool that allows you to shoot live video from your phone, while people can send you comments on their Twitter feeds. So if you have a Twitter account and you go to Periscope it is like a live broadcast and they can actually—

Mr. THOMPSON. I understand.

Mr. FUGATE [continuing]. Ask you questions in the middle of it.

Mrs. WATSON COLEMAN. Now you know it.

Mr. THOMPSON. Okay. Now I know.

Mr. FUGATE. I didn't know that 6 months ago, sir, so it is—

Mr. THOMPSON. Okay. One of the things you talked about, some of us represent significantly rural populations. Basically, so much of that population, just like an inner-city population, is at risk when a disaster occurs. To what extent do you require States to address that in a plan?

For instance, I have two cities in my district with public transportation. That is it. I have some counties with no form of transportation. If we have a disaster, then, you know, if you have a vehicle you are fine. But a majority of them do not. So is there any oversight or anything that you require States to put in a plan for those type populations?

Mr. FUGATE. Yes, sir, and it is primarily with the evacuation support and things like that. But I want to go back to this idea that you are presenting, which if you remember we used to do what we called "community relations." We would go in the neighborhoods, we would give them a phone number to call, and that is all we did.

Mr. THOMPSON. Mm-hmm.

Mr. FUGATE. We are not doing that that way anymore. We are going in, and if you haven't registered we are going to register you where we find you. This is, again, why I am very interested in what is happening in South Carolina: Are we missing communities? Because we were up front with the Governor. We will go to where people are, they don't have to come to us.

So what we have found, sir, is that if we are going to put in the resources to put people on the ground to go door-to-door and say here is how you register with FEMA, why don't we just register you where we find you so that if you don't have transportation you are not having to come find us?

We know that particularly in the rural areas, those communities that aren't on everybody's radar every day are easy to miss. So we also work with our GIS folks that when we go into these areas—because we start looking at the maps and going are there any houses in an area that nobody is talking about. Can we get a team out there and just go door-to-door?

So that is what my expectations are. That we will go to where the people are. If that is not happening I need to know that to fix it. But we have gotten out of this making them find us. I want to go to them and, as much as possible, that first contact get them in the system. Then use these recovery centers if we need follow-up. But I would much rather set it up where I can get to where people are.

Mr. THOMPSON. Mr. Currie, have you all looked at this?

Mr. CURRIE. Not this issue specifically. But one thing that comes to mind is the threat and hazard reduction analysis that each State has to do in order to get preparedness grant funding. So I would expect that a State with large rural populations would look at that as part of its preparedness in that process and figure out that that is an area of risk. That is something we are going to have to address in a large disaster and something we need to prepare better for.

Mr. THOMPSON. Mr. Koon.

Mr. KOON. Mr. Thompson, we have used this in Florida in our disasters, and it has two-fold benefits. First of all, it is more survivor-centric and meets the needs of those citizens where they are. It also meets some of the issues that Mr. Currie has addressed with regards to administrative costs. It costs a tremendous amount of fixed dollars to run a disaster recovery center. If it is in a rural area with limited traffic you are wasting money.

So it is much better to go out there and talk to the folks where they are. So I have seen it work very effectively in previous disasters in Florida.

Mr. THOMPSON. Thank you.

I yield back.

Ms. MCSALLY. Thank you. The gentleman yields back.

The Chair now recognizes Mr. Donovan for 5 minutes.

Mr. DONOVAN. Thank you, Madam Chair. As a follow-up, I just want to clarify something with the administrator. I know that Congress took 3 months to pass the supplemental appropriation. But the Federal rules from 2011 preclude SBA loan recipients from receiving HUD-funded grants. What my constituents don't understand is why they weren't given that information originally and advised that if they applied for a loan they would be precluded.

Had they known that applying for the loan may have precluded them from those future grants, they may have made different decisions. I have other questions I wanted to ask you, but I just wanted to clarify that point. That that was the majority of the constituent concerns that my office had received.

Mr. FUGATE. I understand. Again, since we didn't have the HUD program, there wasn't anything that we knew was coming for certainty. I actually have to work back through with SBA. Because we would not inform them of that because they are actually getting an SBA loan.

So I want to make sure that in our communications—because when we refer people to SBA we are not now running the SBA program. But I think that your point is, are we making sure that as we tell people what programs are available what the caveats are is also part of that process. So I will take that back and look at how we make sure that as people are coming into our program, and if they are being referred to SBA, that we include that in that messaging.

Mr. DONOVAN. Thank you very much, sir. The Army Corps is in the process right now of building a seawall on the eastern portion of Staten Island. That mitigating factor, which will help reduce the risk of floods, will help to lower people's insurance premiums. But at what point, sir, do people actually see the reduction?

I don't know how far into the construction of the seawall will they be able to start seeing reductions in their premiums.

Mr. FUGATE. The process would be, if we know this is being built and the jurisdiction has asked for their revision of their maps even though projects aren't completed, that we know they are funded we can actually look at what you want to do this as you go through your next insurance cycle—if you are going to do any adjustments, is look at what those improvements are, map that improvement, and then provide the guidance to the write-your-owns as they come up on the next rate cycle.

But we have taken projects that had not been completed and begun that process, knowing that within the window of time it is going to be completed and we need to start the mapping. Because we will already have what the engineering impacts of that will be.

So, again, I will ask staff to see where we are at on that, if we have had that request, and how much have we begun on that. We will report back.

Mr. DONOVAN. Wonderful, thank you. Before my time runs out, my final question really has to do with the folks—a lot of the folks in our area live in attached homes, apartment buildings. Sometimes they are attached on one side as a semi-attached, sometimes they are in the row of townhouses that are attached on all sides. They are unable to elevate their homes, as may be required by the

new restrictions after superstorm Sandy. They need some mitigation relief from their premiums, as well.

I know recently a plan had come out—a document came out—from FEMA describing what some of these things that these families can do to mitigate, aside from elevating their homes. But what wasn't attached to that was like the actuarial report of saying that if you do these other things that we recommend here are the reductions that you will receive. Is that something that would come out subsequent to the report being issued?

Mr. FUGATE. I would have to ask staff. Again, I know that what we have recommended is reducing their impacts. I don't know if that would change their rate substantially. I wouldn't want to commit, saying if you do this it equals X, because I think that is something we have to go back and look at. How much do we actually reduce the risk of payouts versus we may do a better job of not flooding parts of the contents but we may still have a claim to be filed? So I would have to ask staff to look at that and see what that looks like.

Mr. DONOVAN. Wonderful. Maybe at some point, when we get to do the face-to-face, you and I maybe we could go over some of those things. I thank you very much, all of you gentlemen, for coming today.

Ms. MCSALLY. The gentleman yields back.

The Chair now recognizes Mr. Clyburn for 5 minutes.

Mr. CLYBURN. Thank you very much, Madam Chair. Madam Chair, I subscribe to your theory that seems to be based upon one of my favorite writers, George Santayana, who once wrote if we fail to learn the lessons of our history we are bound to repeat them. It seems as if we are repeating some of the should-have-been-learned lessons from Katrina and Rita.

I always mention Rita because, really, Rita did most of the damage over in Mississippi and we seem to forget that. I am particularly interested in whether or not if—I will keep my fingers crossed—I am successful in persuading enough Members of the Congress to do an emergency supplemental for these 32 counties in my State. We only have 46; two-thirds of the State was affected by the storm. We had 19 losses, 19 fatal loss of life. We had over 60,000 homes destroyed.

Now, there is no way in the world these people are going to be adequately addressed under current appropriations. We are going to have to have some kind of a supplemental to get them back on their feet.

Now, the question is if we are successful down the road, as we were with Sandy, is there some way for Congress to deal with this issue of the SBA loans? Whether or not these SBA loans—those people who may have gotten them—under current law they would not be eligible for supplemental participation in the supplemental. Now, there is something fundamentally unfair about that. It seems to be almost inhuman. Is it possible for us to address that issue?

Mr. FUGATE. Congressman, my recommendation would be to work back with SBA and, potentially, the other agencies that would require supplemental, such as—and I would imagine you are talking about maybe HUD and Community Block—development

grant dollars, Federal aid, highway, Farm Service Agency, USDA disaster loans, crop damages and stuff.

Mr. CLYBURN. Absolutely.

Mr. FUGATE. That you ask them what are the errors or the issues about what you are permitted by law to do that is counterintuitive in this case, and is there drafting language that could clear the decks. Because if they have a requirement that says they cannot—it is usually a duplication of Federal benefits—is—

Mr. CLYBURN. Right.

Mr. FUGATE [continuing]. The issue is, do they have solutions that you could incorporate into a supplemental that would address these things so that, in some cases, you want to get SBA loans out there. Because this may take a while and they could make repairs. But could they not then seek a reimbursement when they get a qualifying grant and pay the loan off?

But it is the fundamental issue of duplication of benefits, and I think if you ask the agencies what they would need to minimize that or perhaps help navigate those areas, that would be the approach I would take.

Mr. CLYBURN. Well, thank you very much for that. But I think a lot of times, with us—this is my first elected office. I have been here 23 years, but I ran a State agency for about 18 years, and a county agency for 4 years before that. So I know a little something about making these administrative decisions.

Sometimes, often times, we confuse the words “duplicate” and “supplement.” Now, when you are supplementing you aren’t duplicating. But for some strange reason, we always want to lay that supplement on top of the previous to make it a duplication rather than a supplemental.

So I think that these fine lines have got to be dealt with. It is too easy to toss people aside by confusing those two. I am like Mr. Donovan: One of my constituents had just rebuilt after a fire completely destroyed the home.

They rebuilt from the fire, and within 30 days the whole home was wiped out because of the loan. Now, when you rebuild after a fire there are some loans or some mortgages being assumed. So that family is now destroyed for all intents and purposes, for life. They will never regain their footing.

The way we are looking at some of these rules and regulations now, they are just out in the cold, they are not going to be able to participate.

So I am very, very concerned about that, and I would hope that as we go forward with this—because these lives that were lost, these 19 lives, they were not resisting leaving. They were swept away in fast-moving waters. Some of them swept out of their automobiles. Just driving along and got swept out of their automobiles, and they are found miles away from their automobile.

So there are things here that I really believe we need to pay some close attention to. Because in spite of how we may argue this issue, I am a firm believer that we are going to have more of these disasters going forward. When you are having a 500-year event every 10 years, it says something that we need to be concerned about.

Mr. FUGATE. Congressman, I—

Mr. CLYBURN. Thank you, and I yield back.

Mr. FUGATE [continuing]. I agree with the issue about duplication of benefits. I ran into this myself where we had provided individual assistance. But because of delays in administering and getting policy paid out with the National Flood Insurance program, they often times got loans from the Community Block Development Grant dollars and then we were able to get the other issues settled.

So we made a decision—I had this discretion—that we would determine that because of the severity of impacts that duplication of benefits was not necessarily going to apply if you were getting individual assistance and flood insurance because the losses were so great. We would do it case-by-case.

So perhaps that is also giving either the Secretary or the administrator of those programs that judgment so they can do it case-by-case.

Sometimes you do blanket, you get unintended consequences. But there is always that hardship that if you give the administrator that discretion or the Secretary that discretion I think you get to some of those hardship cases that otherwise we don't have a good response for.

Mr. DONOVAN. If the gentleman would yield just for 30 seconds, we had a case where the people wanted to pay back the SBA loan so that they would benefit from the HUD grants and they weren't permitted to pay back the loan that they received. So you talk about an injustice, sir, you are absolutely right.

Thank you.

Ms. MCSALLY. Well, I appreciate both my colleagues here raising this issue, and I would like to further have us look into whether this is an interpretation of law or whether we need a clarification in the law, and then work with the relevant other committees to see if we can address that. So thanks for highlighting that important issue.

Mr. CLYBURN. Thank you very much.

Ms. MCSALLY. I want to thank the witnesses for your valuable testimony today, and also the Members for their thoughtful questions. The Members of the subcommittee may have some additional questions for the witnesses. We will ask you respond to those in writing. Pursuant to committee rule 7(e), the hearing records will be held open for 10 days.

Without objection, the subcommittee stands adjourned.

[Whereupon, at 11:27 a.m., the subcommittee was adjourned.]



## APPENDIX

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QUESTIONS FROM RANKING MEMBER BENNIE G. THOMPSON FOR W. CRAIG FUGATE

*Question 1a.* As we witness the disaster unfolding in South Carolina, we are reminded that many counties have not experienced a major disaster in over 20 years.

What support do local governments and other grant recipients receive to help them navigate the sometimes byzantine Federal programs, requirements, and regulations?

*Question 1b.* What can potential recipients do to maximize their ability to get a grant and use grant dollars effectively?

*Answer. Interagency Disaster Recovery Coordination/NDRF.*—Since publication of the National Disaster Recovery Framework (NDRF) in 2011, Federal agency partners have made considerable progress in assisting State, local, Tribal, and territorial governments to understand and access the numerous Federal resources and programs that may be able to support disaster recovery efforts. The role of the Federal Disaster Recovery Coordinator (FDRC), the field leadership position instituted by the NDRF, during disasters such as South Carolina is to support State and local governments understand the various Federal assistance that could be available, both within and outside of that which is provided under the Stafford Act. For example, in South Carolina the FDRC facilitated an advisory group to take a holistic look at what Federal programs may be available to support the restoration of the public and private dams that were impacted from the storms. This was not a single program approach, such as using FEMA's Public Assistance program, but rather required the whole Federal family to come together with the State to identify where programs could work together to maximize the recovery funding available.

In South Carolina, the FDRC is convening several Federal Recovery Support Functions (RSF), including the Community Planning and Capacity Building (CPCB) RSF. CPCB coordinates and facilitates among Federal and non-Federal partners the planning, capacity, and resilience building support needed by local or Tribal governments in large or unique events. Coordination and partner support is tailored to the needs of disaster-impacted States, territories, Tribes, and local governments through an information sharing, assessment, and strategy coordination process. Examples of coordinated support activities may include:

- Education, Peer-to-Peer Forums, and Workshops give local leaders and recovery planners an opportunity to ask questions and benefit from the recovery planning lessons learned by others.
- Recovery Planning is often needed by communities to begin an organized process; CPCB Federal partners, as well as universities and NGOs, can pool resources to support communities with planning technical assistance, staffing resources, and funding.
- Community Engagement after a disaster can be fraught with challenges, including resident displacement; CPCB partners can advise or support communities with reaching and involving all stakeholders in recovery planning.
- Tools, Guidance, Training and other just-in-time materials are available through the Community Recovery Management Toolkit (<http://www.fema.gov/national-disaster-recovery-framework/community-recovery-management-toolkit>) and other partner resources.

*Disaster Assistance Reengineering Effort (DARE)/DisasterAssistance.gov*

Looking to the future, FEMA is undertaking a multi-year initiative to modernize the *DisasterAssistance.gov* portal through the Disaster Assistance Reengineering Effort (DARE). This initiative will significantly reduce annual operating costs, minimize impact of future budget reductions and lower the cost of entry for incorporating new audiences for the portal, such as community leaders and local or Tribal officials.

The *DisasterAssistance.gov* portal provides disaster survivors with information, support, services, and a means to access and apply for disaster assistance through joint data-sharing efforts between Federal, Tribal, State, local, and private-sector partners. On December 31, 2008, DAIP launched a website called *DisasterAssistance.gov*. The site allows you to:

- Find disaster assistance that meets your personal needs.
- Learn about more than 70 forms of assistance from 17 Federal agencies.
- Apply for disaster assistance and reduce the number of forms you have to fill out.
- Check the status of your application.
- Find a FEMA Disaster Recovery Center (DRC) near you.
- Find a hotel or a new place to live.
- Find programs to help with food and nutrition needs.
- Change the address for your Social Security, VA, or other Federal benefits.

Learn about Small Business Administration (SBA) loans for homeowners, renters, and businesses.

#### PA

During the Public Assistance Program grant delivery process, FEMA works in partnership with States and Tribes, as the official grant recipients, to provide an applicant (i.e. community) with the resources necessary to navigate the Federal grant process. Specifically in South Carolina, in the beginning phases of the disaster recovery process, the State acted as a liaison between FEMA and applicants and was responsible for providing applicants with specific information on State regulations, documentation, reporting requirements, and technical assistance.

Generally, after the President approves an emergency or major disaster declaration, the State will host a meeting with applicants to present an overview of the Public Assistance Program, address application procedures, administrative requirements and general program eligibility criteria. After a community has applied and is determined to be eligible for FEMA funding, FEMA will hold a Kickoff meeting, which is attended by the State and the applicant. During the meeting, FEMA offers technical expertise to help the applicant understand and fulfill the Public Assistance Program requirements, the roles and responsibilities of the stakeholders involved, and program delivery time lines.

Each community that wishes to receive Public Assistance funding must fill out a Request for Public Assistance. It is the applicant's responsibility to submit the Request for Public Assistance, identify damaged facilities, support all necessary documentation, assist FEMA with the project formulation, and review all scopes of work to determine accuracy. Applicants can maximize their ability to obtain and effectively use grant dollars by supplying all required documentation and ensuring they follow any set condition of the grant. FEMA works with communities on every step of this process to make it clear that we help them through this process.

#### IA

On an on-going basis, FEMA Regional staff partner with our State, local, Tribal, territorial, and community stakeholders during steady-state operations to help them understand our programs, requirements, and regulations in advance of disasters.

Following a Presidentially-declared disaster, at the request of the State, FEMA, along with our other whole-community partners, staff Disaster Recovery Centers and Mobile Disaster Recovery Centers. These Recovery Centers serve as a one-stop location where disaster survivors can be walked through FEMA's programs and the process to apply for disaster assistance. In addition, our Disaster Survivor Assistance (DSA) teams provide in-person, tailored outreach in the field to register survivors for disaster assistance, provide guidance on the registration process, and provide an overview of the assistance available through FEMA.

DSA teams also verify previously-submitted information; provide basic information about the status of the application, information on other assistance for which the survivor may be eligible, and next steps for completing an unfinished application. The teams also do direct outreach to State and local officials, as well as to faith-based organizations and communities. This outreach allows DSA teams to identify disproportionately-impacted communities, populations with Limited English Proficiency requirements, low literacy, access and functional needs, and work with our whole-community partners to address immediate emergency needs, explain our programs, and answer specific questions about FEMA disaster assistance.

Following the completion of their registration, each applicant is mailed a copy of *Help After a Disaster*, which provides a program overview, information about next steps in the application process, information on documents applicants may need to provide, appeals information, and the applicant registration number an applicant

should reference when contacting FEMA. The booklet also addresses Frequently Asked Questions about Individuals and Households Programs about assistance. Applicants may also contact the FEMA helpline to discuss their specific case and ask questions about the eligible uses of disaster assistance.

*Question 2a.* Administrator Fugate, GAO has questioned FEMA's ability to effectively respond to a catastrophic disaster. In the past, you talked about "catastrophic events that will overwhelm capabilities at all levels of the government . . . and challenge even the most scalable structures and systems."

Please expand on those challenges and how you believe the Government can overcome those challenges.

*Question 2b.* While planning is important, the ability to execute the plan is more important. Can FEMA execute?

Answer. FEMA and our partners have built robust processes and systems to implement the concepts described in our plans. Our regional all-hazards, scenario, and location-specific plans are routinely executed in response to threats from potential incidents. For example, FEMA executed the draft of the Nuclear and Radiological Incident Annex to the Response and Recovery Federal Interagency Operational Plans (FIOPs) during the Southern Exposure and Marble Challenge exercises in 2015. The draft was used as the basis for the U.S. Government's Crisis Action Plan, drove resource allocation and priorities for the Federal Government, and created Unity of Effort between the local, State, Federal, and private-sector response and recovery entities. FEMA has also executed the plan for a Nuclear Power Plant Accident with the Nuclear Regulatory Commission, Department of Energy, Environmental Protection Agency, and the Department of Defense alongside the State of South Carolina during the Southern Exposure exercise.

In the past year, we have executed plans for both Guam and Hawaii in response to tropical cyclones. These plans were developed and executed in partnership not just with the Federal Interagency Working Group, but with the impacted State and territory. As Hurricane Joaquin moved up the East Coast this year, emergency managers across the Atlantic seaboard adapted our Regional Hurricane Annexes and used planning factors and decision support tools built around those plans to forecast and deploy resources ahead of a storm that could have impacted any State on the Atlantic Coast.

During major exercises, FEMA has executed plans for a Southern California Earthquake in partnership with local governments and the State of California. FEMA has also executed the plan for a Nuclear Power Plant Accident with the Nuclear Regulatory Commission, Department of Energy, Environmental Protection Agency, and Department of Defense (DoD) alongside the State of South Carolina.

FEMA has built a robust process for the development of meaningful and useful plans, by incorporating lessons learned from exercises and real-world events into the development and update of our plans. We continue to focus on the rapid and adaptable execution of these plans. For example, we are currently building decision support models based on common planning factors to drive rapid decision making and resource deployment. The agency is partnering with DoD to capture data that is required for movement coordination of known resources to facilitate their multi-modal transport by any carrier and streamlining our process for displaying and executing tasks during an incident.

*Question 3.* The Post Katrina Emergency Management Reform Act (PKEMRA) included provisions to ensure that small, local businesses are included in the response and recovery processes. According to GAO, FEMA's progress in implementing PKEMRA's mandates regarding noncompetitive contracts and local business contracting is mixed. What is FEMA doing to improve guidance for contract officers so that PKEMRA's mandates can be better implemented?

Answer. The Federal Emergency Management Agency (FEMA) trains all of its contracting officers through an annual Disaster Contracting webinar, which covers the PKEMRA mandate of including local businesses in the response and recovery processes. The webinar includes items such as the requirement to use local vendors during disasters, the need to document the use of a non-local vendor solution, and the process for transitioning work from a non-local vendor to a local vendor or documenting why the transition did not occur. Also, FEMA is in the process of revising its Emergency and Contingency Contracting Desk Guide to further address this requirement. These resources are made available through the FEMA SharePoint Site. In addition, we recently revised the Disaster Contracting course content to expand on this requirement. This course is offered to all contracting officers, but is mandatory for those having Incident Management (IM) titles. Finally, as part of FEMA's Qualification System (FQS), FEMA has established a specific IM title within its Acquisition Cadre, called Acquisition Business Specialists. These trained individuals are responsible for assisting contracting officers by conducting outreach to local ven-

dors, determining local vendor capabilities, educating vendors on requirements and opportunities for doing business with FEMA and/or the Federal Government. Having this critical function as part of the FQS IM organizational structure improves the contracting officer's ability to increase competition and acquire goods and services from local businesses.

*Question 4.* Administrator Fugate, FEMA is a very different organization than it was 8 years ago. How is FEMA preparing now to ensure that the improvements you have initiated are continued after your tenure?

Answer. The agency has matured over the past 8 years, fully embracing our mission statement "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 first Strategic Plan under my tenure moved the agency in a new direction and promoted a whole-community inclusive approach to emergency management, acknowledging the important roles played by a wide range of community partners, and allowing for a more flexible and agile FEMA. The 2014–2018 FEMA Strategic Plan builds on that progress, and institutionalized the whole community in ways that will position FEMA and its partners to improve outcomes for disaster survivors and enhance the Nation's preparedness for and resilience to future disasters.

The Strategic Plan highlights five priorities that help to ensure the improvements initiated in my tenure continue throughout the agency. These priorities include:

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
5. Strengthen FEMA's organizational foundation.

Be survivor-centric in mission and program delivery: FEMA must recognize and adapt to the needs of the people we serve. Hurricane Sandy highlighted that a number of FEMA's programs and processes were designed for ease of administration rather than making survivors' experience as easy as possible. Individuals and communities face overwhelming challenges in the aftermath of a disaster, and they should not need an instruction manual to access and navigate FEMA programs. Our culture is changing to improve the ways that we anticipate and adapt to survivors' needs, maximizing the speed, efficiency, and ease of use of our programs and services for individuals and communities.

Become an expeditionary organization: We have worked tirelessly to transform the total FEMA workforce into a more professional and deployable organization. Under the theme, "every employee is an emergency manager," FEMA is harnessing the dedication and expertise of every employee. Through the development of the FEMA Qualification System, FEMA gives employees the opportunity to demonstrate and document their knowledge and skills in specific incident management positions. The qualification system standardizes the qualifications for positions across the agency so that an employee who is qualified to perform in a given disaster position in one FEMA region will be prepared to perform in the same position in another region. This maturation of our workforce has transformed the agency to ensure that all employees, from our full-time employees to Reservists, are trained and qualified emergency managers, making us more expeditionary.

Posture and build capability for catastrophic disasters: The greatest challenge in emergency management lies in preparing for a catastrophic disaster during which the impacts are so severe that existing plans, coordination structures, communications, and capabilities are insufficient and depleted quickly. To be successful, FEMA has a culture that works to unshackle ingenuity to devise novel solutions. FEMA cannot plan only for events we are capable of responding to; we must plan for catastrophic events that will overwhelm capabilities at all levels and challenge even the most scalable structures and systems. Although we have made progress in improving upon our capabilities, we must constantly enhance preparedness, test systems, and exercise capabilities so we can support the whole community following a catastrophic event—and this must continue after my tenure. Our systems and capabilities must be designed so that those executing the mission can do so wherever needed, including in austere conditions. The agency recognizes that any Government-centric response to a catastrophic incident will fail, so we're continuing to work with local, State, Tribal, and territorial leaders to engage the whole community and to harness and enhance the capabilities of communities and citizens.

Enable disaster risk reduction Nationally: FEMA has taken significant steps to improve and increase disaster risk reduction throughout the Nation. The FEMA-led interagency Mitigation Leadership Group (MitFLG) developed a Federal Flood Risk Management Standard (FFRMS) to ensure Federally-funded projects are built to account for accurate flood risk. In addition, the agency promotes increased risk-in-

formed action at all levels of society. FEMA will continue working with whole-community partners to identify and address gaps in risk management understanding and actions across the Nation—targeting both technical and non-technical audiences and meeting the diverse risk information needs of the public and private sectors (e.g., homeowners, engineers, developers, insurers, urban planners, and emergency managers). The agency has pushed the Nation forward on disaster risk reduction, but much work remains to ensure our Nation is truly resilient.

Strengthen FEMA’s organizational foundation: FEMA has advanced in its governance processes to ensure that our organization supports FEMA’s mission. The agency established the Human Capital Governance Board and renewed the Information Technology Governance Board to move forward on these critical areas. FEMA has also invested in improving its linkages among planning, programming, budgeting and execution to ensure strategy-driven resource decisions are conducted across the agency. Overall, this has improved our internal processes and will help ensure that the improvements are institutionalized as we continue to mature our organization.

The agency looks significantly different than 8 years ago, and the transformation to be survivor-centric and expeditionary while focused on preparing for catastrophic disasters and reducing disaster risk has been institutionalized across the organization.

*Question 5.* The Individual and Households Programs has experienced notable challenges with respect to improper payments, due at least in part to workforce training deficiencies. How is FEMA training its new CORPS members and other disaster workforce employees to reduce the risk of improper disaster payments, and ultimately future recoupment proceedings?

Answer. Robust and thorough training for new and existing staff members is a priority for the Individual Assistance (IA) program and Individuals and Households Program (IHP). To provide the technical and professional training necessary for FEMA agents to administer the IHP, the following programs are in place:

- *New Hire Training.*—Each new agent receives 12+ weeks of training in IHP, including aspects of the program such as registration intake; helpline inquiry and assistance; and manual processing procedures. At the end of the initial training program, supervisors provide on-going coaching and mentoring to agents as they interact with survivors and process their cases.
- *Refresher Training.*—Agents attend refresher classes to review the highlights of their initial IHP training, as well as to ensure that any updates in policy/processing guidance are understood and being applied. In addition, briefings are held throughout the year each time new policy/processing guidance or disaster-specific guidance is implemented.
- *Quality Reviews.*—In order to maintain accuracy of skills and knowledge, the IHP Quality Control department regularly reviews case files and highlights subject matter or processes that are problematic for agents. Using these reviews, custom refresher training and reviews are developed for agents in order to emphasize key points and review essential processes.
- *Testing/Evaluation Process.*—The Training Section has implemented a pre- and post-test process for each IHP course, in order to measure the understanding of the agents and effectiveness of the training materials for the program. Updates/improvements to training materials can immediately be developed, should agent scores reflect a lack of understanding in relation to any of the processing procedures.
- *Specialized Processing Unit.*—In order to minimize the opportunity for improper payments, IA and IHP recently implemented a specialized processing unit that will isolate agents processing those parts of the IHP that are most technically challenging. This Specialized Processing Unit was recently launched after completion of a dedicated 4-day training program for agents that reviewed and tested proficiency in the processing of Continuous Temporary Housing Assistance (CTHA), an element of the program with a high degree of processing complexity. Additional specialized training programs will be developed based on on-going monitoring of quality control reports and supervisor evaluations of agents.

In addition, since 2005, FEMA has added controls to the assistance delivery system that safeguard against waste, fraud, and abuse and significantly reduce the percentage of improper payments.

*Question 6a.* The results of the 2015 DHS Federal Employee Viewpoint Survey once again spotlight the issue of low morale at the Department.

Given the expense of hiring and training new employees—both full time and the disaster workforce—and the loss of institutional knowledge when you lose an existing employee, how is low morale affecting FEMA’s ability to retain employees across your entire workforce?

*Question 6b.* How is FEMA addressing retention issues?

Answer. Improving employee engagement and retaining high-quality employees is a priority for FEMA. Based on the Federal Employee Viewpoint Survey you referenced, FEMA recently commenced a series of studies and programs designed to identify and address the root causes of employee concerns.

FEMA's historical trends in this survey identified potential areas where FEMA could increase employee engagement and satisfaction. FEMA leadership opted to focus on three critical areas for possible improvement: Effective leadership, employee development, and performance-based rewards and advancement.

FEMA organized a series of employee focus groups to identify the root causes of negative employee perceptions. After analyzing the identified root causes of the problem, FEMA launched a series of initiatives to improve engagement and retention. FEMA began a new workforce management initiative to improve the process for completing personnel actions and increase communications between employees and supervisors. Deputy Administrator Joseph Nimmich created the "Ask Us!" program to provide a two-way communications tool between senior leaders and employees. This Q&A session during SES meetings allows employees of all levels to ask questions directly to leadership.

In addition to the formal performance management system, employees are allowed to informally recognize contributions of their colleagues through the "You Rock!" program. Additional focus and training will be placed on the leadership and communication skills of first- and second-level supervisors to better enable them to relay individual and organizational performance goals and metrics.

*Question 7a.* FEMA has acknowledged certain challenges with respect to staffing, particularly with respect to the disaster workforce.

Have disaster workforce shortages affected FEMA's ability to respond to any recent disasters, such as the South Carolina floods?

*Question 7b.* In the event the staffing levels become an issue, what plans does FEMA have in place to ensure that FEMA can meet its mission?

Answer. Current staffing shortfalls have not impacted FEMA's ability to respond to any recent disasters. At present, over 2,500 FEMA employees are supporting 22 active disasters, and the agency continues to deploy its Reservist workforce, FEMA Corps members, and full-time employees to meet the needs of communities in a timely and effective manner.

Disaster workforce staffing in South Carolina did, however, reveal improvements needed for select cadres in the recruitment and retention of our intermittent Reservist workforce. FEMA is working to refine its hiring and training plans for all cadres for the next fiscal year to ensure it maintains a high level of readiness for a variety of events and scenarios. Building and retaining a professional, trained, and experienced surge workforce, is critical to the agency's ability to conduct its response, recovery, and mitigation missions, and we must strive to dedicate additional resources to this effort.

As articulated in FEMA Strategic Priority 2.2, FEMA continues to improve its Reservist program and its "Every Employee is an Emergency Manager" policy by maximizing the contributions of the agency's full-time staff to disaster operations. In the last few weeks, the Office of Response and Recovery assigned over 500 full-time employees from across the agency's Incident Management titles within the Individual Assistance and Disaster Survivor Assistance Cadres. These employees augment the agency's current capability to provide critical support to survivors directly impacted by disasters, ensuring they have access to the full range of FEMA programs from their homes and communities. FEMA is also working with DHS HQ to grow the size of its Surge Capacity Force and develop a more flexible concept of operations for the program. Finally, the agency continues to improve its planning efforts for disasters by developing time-phased force packages to ensure the right personnel arrive at the right time to meet the needs of survivors.

*Question 8a.* In an effort to improve how FEMA responds to and assists in disaster recovery, the agency is currently undergoing an IT modernization process, including updating the procurement policies. FEMA has completed a security and resiliency review in 2014, but it's yet to be released.

What is the status on the security and resiliency review?

Answer. FEMA's 2014 IT Resiliency and Security Review was conducted between January and September 2014 and covered all 10 Regions, all HQ Programs, and offices. Should a detailed brief be required, FEMA can host a SECRET Classified briefing regarding the resiliency outcomes.

*Question 8b.* How does the report's release impact the agency's progress moving forward with IT modernization?

Answer. The IT Resiliency and Security Review set the baseline for a stabilized state of IT mission support, and re-emphasized the need for a more optimized state as defined in an "actionable" Target Architecture. The inventory and sequencing of

investments/initiatives in the initial version of the FEMA IT Modernization Plan is based partially on the collection and “road-mapping” of initiatives that were identified from the Review. The aggregation and prioritization of recommendations from the 2014 Resiliency Review resulted in the initiatives that comprise the first year of FEMA’s IT Modernization, Fiscal Year 2016.

The Cyber Security and IT Resiliency Review Teams heard the same issues from each Region and Program regarding needs for improvement. Every in-briefing interview with the Regional Administrators and Program Directors cited many of the same needs, requirements, and recommendations. Final Cyber Security and IT Resiliency Reports were provided at the conclusion at each visit and captured themes for each Region and Program. The Regional and Program Office reviews yielded a substantial number of recommendations for improving FEMA’s use of IT and enhancing cybersecurity. Making FEMA resilient and secure requires both cybersecurity improvements and better use of IT across the emergency management process. The team found many of the same issues across the agency, which include (but are not limited to) immature security planning, poor configuration management segregation of duties issues, and access control. Over 1,000 review items were consolidated into 7 imperatives to reform the current state of FEMA IT. Four of the imperatives address improvements in cybersecurity and IT management practices. Three imperatives highlight specific improvements in the application of technology to FEMA needs related to grants and financial systems, human resources management and collaboration. The 7 major imperatives are:

1. *Ensure a reliable & dependable FEMA in all events.*—FEMA must have a proactive IT Cyber Security posture that ensures that FEMA is 100% operational during all phases of the National preparedness cycle as well as the “Last Agency Standing” in a disaster, no matter how large or broad the effects are of that disaster.
2. *Create an IT environment that addresses both region and headquarters’ needs.*—FEMA IT transformation will only be successful in reducing FEMA IT costs and risks if the remaining or new systems both fulfill HQ needs and facilitate regional operations and business processes without requiring workarounds.
3. *Rebuild IT for Continuity of Operations.*—FEMA must rebuild, validate, and exercise IT capabilities needed to support devolution and continuity of operations plans.
4. *Replace obsolete IT with cost-effective and trustworthy solutions.*—FEMA’s dependency on obsolete systems and their associated resource burden degrades its ability to execute its mission and invest in modernization and performance improvements.
5. *Integrate grants and financial management.*—FEMA grant and financial systems are incapable of providing end-to-end visibility and management capabilities required to minimize potential and serial disaster loss.
6. *Deploy a comprehensive Human Resource management information system.*—FEMA disaster management capabilities are negatively affected by human resources information systems data and transaction processing shortcomings.
7. *Employ a modern collaboration environment for FEMA and its partners.*—Although Regions operate under a unique set of environmental conditions, they all require modern approaches for collaboration, data sharing, and engagement with State, Tribal, territorial, and local partners.

The 2014 Cyber Security and IT Resiliency Review also stabilized FEMA’s IT portfolio through a structured process of assessing each system’s compliance with Security requirements, issuance of full or conditional Authorizations to Operate (ATOs) and identification of Plan of Actions and Milestones (POAMs) with supporting business cases to address security shortcomings. Systems with significant weaknesses, redundancies or obsolescence were shut down.

*Question 9.* With respect to FEMA’s efforts to improve disaster aid verification, the agency agreed with GAO’s recommendation and developed a Corrective Action Plan. Please provide any additional updates to those recommendations, and whether or not FEMA envisions continuing to adhere to the time line.

*Answer.* This response is in reference to the GAO-15-15 Internal Controls in FEMA’s Individuals and Households Program (IHP).

*Recommendation 1: Collaborate with SSA to assess the cost and feasibility of checking used SSNs that were ineligible or belonged to likely deceased individuals, document the results of this assessment, and if determined to be cost-beneficial take steps to implement a partnership to use SSA data.*

FEMA’s Disaster Assistance Improvement Program (DAIP) has had discussions with representatives from Social Security Administration (SSA) regarding the possibility of conducting an assessment of recent disaster survivor registrations that were

filed with social security numbers (SSNs) that were ineligible or belonged to likely deceased individuals. DAIP engaged the SSA in May 2015, to begin planning the assessment process for the purpose of determining whether integrating SSA’s Enumeration Verification System and death file data will provide additional checks and balances against potential fraud by disaster assistance applicants. One of the options to address the intent of this recommendation, depending on the outcome of these discussions, may be to enter into a Computer Matching Agreement (CMA) with the SSA.

If the assessment determines that use of the SSA data would improve the FEMA data validation process to help reduce fraud, waste, and abuse, the resulting proposed sharing relationship between FEMA and SSA would fall under this requirement, and in this circumstance, would require development of a CMA. DAIP continues to target December 31, 2015 for completion of this assessment and determination.

*Recommendation 2: Assess the cost and feasibility of addressing limitations in FEMA’s control identifying duplicate information in applications in high-risk data fields—such as SSN, bank-account information, address, and phone number—that may currently allow individuals or households to improperly receive multiple payments, and if determined to be cost effective take steps to address the system design limitation.*

FEMA’s DAIP is evaluating the cost and feasibility of incorporating new controls in the registration intake process for identifying and flagging duplicate information in high-risk data fields for the purpose of reducing multiple payments to individuals or households. FEMA is on target to complete this analysis by December 31, 2015.

Outside the requirements of this recommendation, DAIP has begun to re-engineer the registration intake capability as part of its system modernization plan. Any new controls identified from the above analysis for the purpose of flagging potentially duplicate records to reduce multiple payments will be incorporated into the re-engineering effort, which will result in a new system to be deployed in calendar year 2017.

*Recommendation 3: As part of updates to the legacy systems, redesign the compliance flag in the IHP system to clearly identify and document applicants’ compliance with NFIP requirements at the time when assistance for flood-related damage was provided through IHP.*

FEMA has worked with the developers to ensure that as additional checks are run during the life-cycle for a disaster survivor’s application processing, the system will record changes so they are easily viewed and queried to show the appropriate status for each phase of the assistance process. FEMA has finalized requirements and obtained a cost estimate. A single Change Request (CR) was made to the National Emergency Management Information System (NEMIS) Individual Assistance database to add an audit table for the National Flood Insurance Reform Act (NFIRA) and National Flood Insurance Program (NFIP). This audit table will allow those with access rights to NEMIS data, including the U.S. Government Accountability Office (GAO), to obtain all NFIRA/NFIP compliance for an applicant throughout the process, no matter how many times the compliance flag changes. NEMIS will still display the current compliance flag, but an audit table with compliance data will be available to the GAO and individuals with access rights to NEMIS. This CR was approved for the next NEMIS release, and FEMA provided its requirements to the developers. FEMA is on target to complete these changes to NEMIS by May 31, 2016. Interim milestones are included below. Everything remains on target.

Interim Milestones	Estimated Completion Dates
Begin requirements gathering process .....	Completed.
Baseline requirements & Obtain Cost Estimate from development contractor.	Completed.
Requirements definition with development contractor	Completed.
Complete development & testing .....	12/31/2015.
Information Technology (IT) Independent Verification & Validation Testing & Deployment Approvals.	03/31/2016.
Production Deployment (this change would coincide with our large NEMIS release, scheduled between March and May each year).	05/31/2016.

*Recommendation 4: As part of its committee that is implementing enhanced data-sharing between Public Assistance and Individual Assistance programs, establish data-reporting requirements for States, including specific fields needed and a stand-*

ard process for comparing information across programs, including IHP and STEP, to better position FEMA to evaluate such pilot programs and to help prevent potential duplicative payments.

On December 5, 2014, FEMA established an enterprise Data Governance Board co-chaired by FEMA’s Deputy Administrator and the Chief Information Officer (CIO) to provide executive oversight of initiatives to enhance data sharing, including between Public Assistance and Individual Assistance. The Board is focused on developing current and target data architectures, which will help to normalize data across programs, and improve the quality and accessibility of enterprise data. Data governance will allow for the comparison of information across programs, including the Individuals and Households Program (IHP) and Sheltering and Temporary Essential Power (STEP), to better position FEMA to evaluate such pilot programs and to help prevent potential duplicative payments.

As part of this effort, the Data Governance Board has set up a Data Stewardship program that creates positions such as Data Stewards who will be responsible for working with the program experts to standardize and clarify data fields across the agency. For example, FEMA identified that the term “state” could refer to a location, a program status, or an event. Various types of data have been grouped into “Data Families” to better organize the standardization process, such as location, finance, programs, authorities, incidents. The first step FEMA will take is to standardize the fields for location-based data.

Further, in accordance with the FEMA Strategic Plan, emphasizing Office of Management and Budget (OMB) guidance on requirements and business case development, the Office of the Chief Information Officer (OCIO) plans to implement a technical solution in partnership with FEMA’s Public Assistance program and the Recovery Analytics Division. The technical solution is contained within the OCIO Enterprise Architecture and was approved by the aforementioned Data Governance Board as well as the Information Technology Governance Board (ITGB) in September 2015. The ITGB is an executive body that oversees agency-wide information technology investment and strategy and is also co-chaired by FEMA’s Deputy Administrator and the CIO. The OCIO Enterprise Architecture will feature web services to provide data to FEMA’s partners including State, local, and Tribal governments.

Interim Milestones	Estimated Completion Dates
IT Governance approval of target infrastructure and data domain of the FEMA enterprise architecture.	Completed.
DHS policy and technical solution resolution and approval for implementation of target design.	Completed.
Completion of logical design of infrastructure and data domains for implementation and completion of proof of concept test with external partner using simulated data.	12/31/15.
FEMA Cyber Security assessment and approval of target infrastructure and data domain design.	02/29/2016.
Completion of Data Center infrastructure and data domain enhancements in Development Environment.	05/31/2016.
Completion of all testing of Data Center infrastructure and data domain enhancements in Test Environment.	05/31/2016–09/30/2016.
Deployment of target data sharing capability in Production Environment.	09/30/2016.

*Recommendation 5: Evaluate options, including costs and feasibility, to identify an approach for verifying the accuracy of self-reported information FEMA receives on whether applicants have private homeowners insurance. Such options could include posting additional questions to applicants, sharing data with Federal agencies to identify Federally-backed mortgages, or developing a data-sharing approach with private insurance companies.*

FEMA has evaluated options for posing additional questions to applicants and sharing data with Federal agencies to identify Federally-backed mortgages.

FEMA conducted an analysis that included re-evaluating opportunities to collect clarifying information on self-reported insurance at the time of registration. Auditors reviewed the 563 cases identified by the GAO as having received FEMA assistance for damage to a property that had a Federally-backed mortgage that required homeowners insurance (HOI).

Based on the case review, FEMA determined that it is cost beneficial to add a question at registration intake asking if a homeowner applicant has a mortgage. FEMA determined that 424 of the 563 cases with Federally-backed mortgages received \$794,122 in assistance for home repairs or personal property losses typically covered by HOI. Estimated costs for implementing a question at registration intake are approximately \$25,000. As the cost for adding a question is less than the amount of Federal assistance provided without such a question, it is cost-beneficial to add this question.

In addition, FEMA attempted to assess requirements for data sharing with Federal mortgage agencies and discussed the approach with Fannie Mae and Freddie Mac representatives. Based on the analysis, these entities maintain information regarding each mortgage's lender, but not insurance provider, coverage, or status. Therefore, FEMA would still need to request additional information from the applicant regarding insurance policy coverage as the potential data-sharing arrangement alone would not provide definitive information to avoid potential duplication with insurance benefits.

During registration intake, FEMA currently asks homeowners if they have insurance. FEMA plans to add a question during the next registration intake re-engineering effort (scheduled for release in calendar year 2017) that asks homeowners, "Do you have a mortgage for the damaged residence?" If the applicant reports having a mortgage but no insurance, FEMA will obtain additional information from the applicant prior to providing forms of assistance typically covered by insurance. Adding this new question will provide an additional control that improves the methodology to confirm the existence or absence of insurance. FEMA considers the risk of duplication of benefits mitigated, and on August 27, 2015, FEMA requested that the GAO close this recommendation.

*Question 10.* Challenges still remain with respect to certain core capabilities in the National Preparedness Report. How does FEMA plan to address the consistently lowest-ranked capabilities, particularly with respect to recovery capabilities and disaster housing?

*Answer.* The Federal Emergency Management Agency (FEMA) believes that States, territories, urban areas, and Tribes should determine their priorities for closing their capability gaps through the implementation of the National Preparedness System (NPS). The National Preparedness Goal (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 to build, sustain, and deliver the core capabilities in order to achieve the Goal. States, Tribes, territories, and urban areas should use the NPS to determine priorities for closing their capability gaps.

FEMA requires grantees to implement the NPS and tracks their progress in both fulfilling the components of the System and in closing capability gaps. As part of this requirement, States, territories, major urban areas, and Tribes receiving funds from the Homeland Security Grant Program or Tribal Homeland Security Grant Program, update Threat and Hazard Identification and Risk Assessments (THIRAs) annually and submit them to FEMA. Once a jurisdiction has determined their capability targets through the THIRA process, the jurisdiction assesses its current capability levels against those targets. States and territories submit these capability assessments annually through the State Preparedness Report (SPR). Taken together, the THIRA and the SPR identify capability needs and gaps. These products allow the Nation to look holistically across all capabilities and whole-community partners to gauge areas of strength and areas for improvement. FEMA requires States to use a set of tools, including the THIRA, SPR, and grant funding Investment Justifications that help States assess improvements in first-responder capabilities and State-wide preparedness. FEMA then uses the data from these assessments to drive the strategic direction of its planning, training, exercise support, and technical assistance programs to ensure they are helping communities build and sustain their capabilities.

FEMA has several guidance products and training programs devoted to increasing State, local, Tribal, and territorial understanding of developing and applying recovery core capabilities in a coordinated effort. The eight recovery core capabilities include planning; public information and warning; operational coordination; economic recovery; health and social services; housing; infrastructure systems; and natural and cultural resources. Two examples include, *The Effective Coordination of Recovery Resources for State, Tribal, Territorial and Local Incidents* published in January 2015 (available on FEMA.gov at <https://www.fema.gov/media-library/assets/documents/101940>) and the E89 NDRF Regional Leadership Workshop are two examples.

The National Preparedness Report highlights that the area of housing lacks sufficiently-trained Federal personnel to assist in large-scale incidents. Furthermore, States and territories have insufficient training options that address housing processes and programs. Additional challenges continue to impede progress, including coordination of transitions in authority from response to long-term recovery; funding variability caused by supplemental disaster appropriations; timing of available housing options; and limited State resources to execute disaster-housing operations. The 2016 National Preparedness Report will explore whole-community actions currently underway to achieve progress in the core capabilities repeatedly identified as National areas for improvement.

The Federal Recovery Support Functions (RSFs) improve Federal planning and preparation in the 8 core capability functional areas. The 6 RSFs, including the Housing RSF led by the Department of Housing and Urban Development, have been planning, training, and exercising together since 2011. The Recovery Support Function Leadership Group (RSFLG) conducted its first core capability readiness assessment in 2015. This process provides an initial baseline on the full range of capabilities Federal departments and agencies have to support the State and local recovery efforts. Future development of Federal support capabilities will be easier to plan and monitor against the 2015 findings.

FEMA has taken steps to improve coordination and ensure that survivors affected by disasters return to safe, secure, and functional housing options as soon as possible following a declared disaster. Our efforts are focused on providing tools that support individual recovery; improving the disaster registration process; collaborating with our whole-community partners to ensure immediate mass care needs are addressed; reducing improper payments; addressing the needs of disproportionately-impacted communities; and better supporting State and local officials to identify the housing options that best meet needs, and streamlining disaster assistance delivery.

*Question 11a.* The data that State and local jurisdictions use to identify capability gaps for the THIRA and State Preparedness Report is also used to help close preparedness capability gaps.

Can FEMA use this data to determine whether grant investments either mitigate threats improve National preparedness?

*Question 11b.* Since grant investments must be linked to capability gaps or requirements, how does FEMA track how those gaps are being closed with appropriate grant investments?

Answer. FEMA uses the data from the THIRA and SPR process to determine whether proposed grant investments will build capabilities needed to close identified capability gaps. States and territories receiving HSGP grants are required to prioritize funding to address these gaps. Grant applicants submit an Investment Justification (IJ) that details the activities, in the form of projects, which the applicants will conduct during the 3-year period of performance. Applicants are required to align each project to one of the core capabilities in the National Preparedness Goal and identify the National Incident Management System typed-assets that support the capability. Applicants also identify if the investment will be used to sustain or build greater capacity within the capability.

To ensure that HSGP applicants are directing their investments to the appropriate capabilities and associated Planning, Organization, Equipment, Training, and Exercise resource elements, FEMA evaluates how well their IJs align to their most recent SPR.

The 2015 IJ-SPR alignment review indicated that 97 percent of applicant IJ projects were directed towards investments that increase capability for high-priority core capabilities with low capability levels.

The THIRA and SPR allow the Nation to look holistically across all capabilities and align grant investments to mitigate threats and improve National preparedness.

*Question 12.* FEMA stated in its most recent Strategic Goal that it seeks to reduce administrative costs associated with disasters by 5% by 2018. However, there is no formal guidance or hardline requirements detailing how this goal should be achieved. What progress has FEMA had in developing a plan to track and monitor administrative costs associated with disasters?

Answer. The plan is in the final stages of the agency's concurrence process. The agency expects to send the plan to the GAO no later than December 4.

*Question 13a.* Earlier this year, the National Advisory Council recommended that you appoint a technical expert to advise on the unique needs of children during a disaster. I understand FEMA concurred with that recommendation.

Please describe the activities this technical expert undertakes to help ensure the unique needs of children are incorporated in disaster plans.

*Question 13b.* To what extent does the technical expert coordinate activities with relevant interagency partners, such as the Department of Education and the Department of Health and Human Services?

Answer. FEMA concurred with the National Advisory Council recommendation. In July 2015, FEMA established the position of a National Advisor on Children and Disasters within the Office of External Affairs. This individual is responsible for leading the agency's efforts to ensure that children's disaster-related needs continue to be integrated and implemented into all disaster planning, preparedness, response, and recovery efforts initiated at the Federal level. In this role, the Children's Advisor works hand-in-hand with subject-matter experts throughout FEMA, and collaborates closely with Federal, State, local, Tribal, non-Governmental partners, and pediatric experts across the Nation.

The National Advisor on Children and Disasters previously worked in unison with the former National Commission on Children and Disasters (Commission), Department of Education, Department of Health and Human Services, Department of Justice, non-governmental organizations, and many other external partners and pediatric stakeholders to establish resources and tools within FEMA to address the Commission's recommendations, while supporting all external efforts wherever applicable.

One example depicting how the National Advisor ensures that children's disaster-related needs are incorporated into disaster plans would be the Post Disaster Reunification of Children: A Nation-wide Approach, recently cited in Save the Children's 2015 Report Card. The development of this guidance was led by FEMA's former Child Coordinator (current National Advisor) and the National Center for Missing & Exploited Children, with participation from the Federal family; the States of Arizona, Louisiana, Missouri, New York, and Nevada; the American Red Cross, external stakeholders, and pediatric experts from across the Nation. Each of these National partners continue to work together in order to socialize elements of this document with their respective stakeholders.

FEMA's efforts continue to evolve, and we recognize the importance of implementing children's disaster-related needs into our program delivery and training. The coordination with our Federal and external partners and identification of cross-cutting programs to support children in the affected communities and States throughout their short- and long-term recovery is vital to FEMA's program delivery and the disaster services provided for children. This has proven to be incredibly evident, especially during disaster operations in Joplin, Missouri; New Jersey; and Moore, Oklahoma. Therefore, FEMA is committed to institutionalizing newly-established resources and tools throughout agency, and to further integrate disaster services and resources to meet the needs of children in disasters throughout the Nation.

*Question 14.* GAO has reported that FEMA employees do not always highlight all of the grant options—like the Hazard Mitigation Grant Program—to potential grant recipients. What is FEMA doing to ensure that potential recipients have all of the information they need about grants they may be eligible for?

Answer. FEMA offers three Hazard Mitigation Assistance (HMA) programs to support States, Tribal governments, and local communities in implementing cost-effective, long-term hazard mitigation measures. The HMA programs are the Hazard Mitigation Grant Program, the Pre-Disaster Mitigation program, and the Flood Mitigation Assistance program.

FEMA continues to work with our State, territory, and Tribal partners through training and workshops to ensure that all mitigation grant programs and their corresponding policies, guidance, tools, and job aids are understood and available to all interested parties. In fiscal year 2015 FEMA provided:

- 47 training courses which consisted of over 680 Federal, State, and local officials on HMA programs and HMA tools.
- On-line HMA training for over 330 Federal, State, and local officials.
- Updated HMA Guidance with 23 associated job aids which further streamlines the HMA programs. The job aids provide detailed information on a number of program-related issues including Tribes as HMGP applicants, procurement and the HMGP declaration process. FEMA also issued several other job aids prior to the end of the fiscal year for Climate Resilient Mitigation Activities.
- 3 webinars regarding the updated HMA Guidance that includes all of FEMA's mitigation grant programs allowing over 600 Federal, State, and local officials to learn the changes to program guidance.
- Numerous emails to the 46,000 mitigation [www.govdelivery.com](http://www.govdelivery.com) subscribers concerning HMA grant program information including mitigation best practices, mitigation success stories and opportunities for grants.
- Direct technical assistance to States, territories, and Federally-recognized Tribes from FEMA Regional Office staff.

- 2 cost-estimating webinars which allowed 60 Federal and State officials to learn more about cost estimating for HMA grants.
- An Updated HMA Program Digest which provides an easy to use reference for common HMA program terms.
- Detailed responses to questions for over 200 calls and 230 emails received on FEMA's benefit cost analysis helpline.
- Responses to over 850 emails and calls to the HMA helpline from State and local officials and private citizens requesting information on HMA programs.
- State Mitigation Program consultations (State mitigation plans) with States began in fiscal year 2015 to foster better coordination between State and FEMA staff concerning mitigation grants and mitigation planning.

QUESTIONS FROM HONORABLE JAMES E. CLYBURN FOR W. CRAIG FUGATE

*Question 1.* Mr. Fugate, in your testimony, you mentioned that in the Individuals and Households Program, many individuals will only qualify for a FEMA grant if they do not qualify for an SBA loan. For those falling into that category, the process therefore requires three successive applications before aid is granted. Is there a way that upon individuals' first applications to FEMA, their ineligibility for a loan could be determined, and the grant processed upon the initial application?

As I mentioned, having to complete three different applications before receiving aid is a cumbersome process that many of my constituents are having trouble completing. Especially in rural areas, where many residents are still grappling with how to rebuild after the floods, this has been the greatest concern I have heard from my constituents and is a real hindrance to South Carolina's recovery from this disaster.

Answer. The Individuals and Households Program (IHP) consists of two components, Housing Assistance and Other Needs Assistance (ONA). Under IHP, an applicant does not have to first apply to SBA, before being determined eligible for housing assistance, which includes Home Repair, Rental Assistance and/or Temporary Lodging.

However, certain categories of ONA are what is known as "SBA dependent" or "non-SBA dependent." Under section 408 of the Stafford Act, ONA includes medical, dental, funeral, childcare, personal property, and transportation assistance, and assistance for other expenses. Because applicants may be eligible to receive low-interest, long-term loans from SBA to help with personal property, transportation, and moving and storage assistance, these categories of assistance are known as SBA dependent and under 44 C.F.R. § 206.119, unless FEMA determines at registration that the individual or household will be unable to pass SBA's income test, the applicant must first apply to SBA for a loan before requesting assistance from FEMA. If approved, SBA loans eliminate the need for ONA grants and thus avoid the issue of duplication of benefits to applicants. If FEMA is able to determine at registration intake that an individual's income falls below SBA's threshold, they are immediately considered for any SBA-dependent ONA they've applied for. For the non-SBA dependent ONA categories of medical, dental, funeral, and child care assistance, the applicant is immediately processed for FEMA assistance.

*Question 2a.* Mr. Fugate, we have discussed my concerns with FEMA's deference to State policy decisions. While appropriate in many cases, I truly believe that by not doing independent analysis of significant policy decisions, FEMA, in some instances, is not providing the best results.

Under your authorizing statutes, does FEMA have the authority to make independent decisions in implementing relief programs if you judge it in the best interest of Federal policy? If so, have you ever used such authority on a particular decision?

*Question 2b.* Finally, when funds are provided through supplemental appropriations after the fact for disaster recovery, can FEMA and other agencies administering them make decisions independent of Governors on how relief programs are implemented and aid is distributed?

Answer. FEMA is not monolithic, but works in daily partnership with its Federal, State, local, and Tribal stakeholders per the requirements of the National Incident Management System and the National Preparedness System.

Yes, FEMA is charged with implementing the Stafford Act disaster relief programs authorized under a declaration, particularly the Individual Assistance (IA) Program, see 44 C.F.R. 206.110(c): "FEMA shall determine the appropriate types of housing assistance to be provided . . .", and the Public Assistance (PA) Program, See 44 C.F.R. 206.226(e): ". . . The Regional Administrator may require cost effective hazard mitigation measures not required by applicable standards." and (g): "[t]he Regional Administrator may approve funding for and require restoration of a destroyed facility at a new location . . .". FEMA, through the Federal Coordi-

nating Officer is also responsible for coordinating relief including the activities of State, Tribal, and local governments and it is responsible for establishing the Joint Field Office although it will consult with the State/Tribe regarding location as this affects the ability of the State/Tribe to co-locate personnel with FEMA. FEMA works with the State/Tribe and local governments regarding establishment of Disaster Recovery Centers to ensure adequate coverage, although location and duration is ultimately FEMA's decision to make.

As an example, FEMA routinely determines whether to implement a direct housing program to provide temporary housing units under the IA Individuals and Households Program (IHP). While input from the State/Tribe is considered, the determination is solely FEMA's to make to ensure that applicants' disaster-related temporary housing needs are appropriately addressed.

Generally, how a disaster relief program is implemented and aid is distributed is under the Federal Agency's purview. Depending on the underlying authority, the Federal Agency may be able to promote or limit assistance based on policy considerations although the State/Tribe may have some say within limits depending on the particular program. For example, under IHP Other Needs Assistance (ONA), which is cost-shared and which may be administered by the State/Tribe, the State/Tribe under its administrative plan can determine whether certain types of personal property may be eligible (chain saw reimbursement for example) or the amount of assistance for certain categories of eligible expenses such as for funerals or vehicle replacement.

