



**To: International Association of Emergency Managers**  
**From: Martha Braddock, Policy Advisor**  
**Subject: Results of Senate Appropriations Committee Action on FY 2008  
Budget for Department of Homeland Security (DHS)**  
**Date: June 22, 2007, 1:00 PM**

### **Full Senate Appropriations Markup**

On June 14, the Senate Appropriations Committee marked up the FY 2008 Budget for the Department of Homeland Security. An amendment was offered by Senator Lamar Alexander (D-TN) which would have taken \$80 million from the Emergency Management Performance Grant Program and funding from port security and rail grants to provide funds for the Real ID Act. Chairman Robert Byrd (D-WV) and Senators Lautenberg (D-NJ), Murray (D-WA), and Shelby (R-AL) opposed the amendment and it was withdrawn. The bill was ordered reported.

### **Bill Reported**

On June 18, the bill was reported as an original bill, S. 1644. The Report is S. Report 110-84.

The bill and report are available at [www.iaem.com/committees/governmentaffairs](http://www.iaem.com/committees/governmentaffairs).

The bill has five sections:

- Title I Departmental Management and Operations
- Title II Security, Enforcement and Investigations
- Title III, Protection, Preparedness, Response, and Recovery
- Title IV Research and Development, Training and Services
- Title V General Provisions

### **Highlights of Bill and Report**

This memorandum focuses on the highlights of particular interest to emergency managers in the bill and report, most of which are in Title III.

The page numbers referenced are in the report unless noted as bill numbers.

The report language is extensive and this memo does not include it all. Please refer to the complete report for more detail on items of particular interest.

## **Priorities of the Committee**

The Bill recommends \$37,623,424,000, which is \$2,826,101,000 more than FY 2007 and \$2,250,091,000 than the President's request. The report notes that the President's budget request for the DHS was only 1.7 percent more than the FY 2007 appropriated amount; this bill recommends an increase of 8 percent.

Pages 5 through 7 of the report contain an overview and summary of the bill. The Committee added funds to address known shortfalls as follows:

- Border Security
- Aviation Security
- Preparing for and Responding to Emergencies and Disasters. Report language follows: "According to the Department's Nationwide Plan Review, 61 percent of States and 69 percent of urban areas do not have adequate plans to respond to a catastrophic event as the Nation saw in the wake of Hurricane Katrina. Yet, the President's budget proposes to cut homeland security grants by \$1,190,000,000, including a freeze in funding for Emergency Management Performance Grants [EMPG]. To provide enhanced security for Americans, the Committee provides an increase of \$644,000,000 above fiscal year 2007 and \$1,834,500,000 above the President's request for State and local programs. The Committee approves an increase of \$100,000,000 for EMPG and \$50,000,000 for Regional Catastrophic Preparedness Grants to promote coordinated catastrophic event and mass evacuation planning." The report also referenced need to increase the fire grant program. (p. 6)
- Port Security
- Weapons of Mass Destruction

## **TITLE III Protection, Preparedness, Response and Recovery**

FEDERAL EMERGENCY MANAGEMENT AGENCY (pp-89-107)

Includes a total of \$6,025,770,000.

### **Emergency Management Performance Grants, \$300,000,000 (pp. 101-102)**

- The President requested \$200 million, the appropriated amount in FY 2007.
- Report states:  
"EMPG is an essential source of funding for State and local emergency management. State and local governments currently have productive relationships with the Federal Emergency Management Agency's regional emergency managers that are critical to maintain an all-hazards response capability. The Committee expects these relationships to continue.

The Committee directs FEMA to retain EMPG as a separate grant program and not to combine its funding with any other grant allocation or application process. Not to exceed 3 percent of grant funds may be for administrative expenses.

The Committee recognizes that the Emergency Management Performance Grants Program [EMPG] is the only direct source of all-hazards funding and a vital component of the Nation's preparedness and response capabilities. The Department's report, entitled 'Nationwide Plan Review', demonstrates a clear need to update State and local emergency plans. According to the Department, 61 percent of States and 69 percent of urban areas do not have adequate plans to respond to a catastrophic event. The Committee notes that to be truly prepared, strategic, capabilities-based planning must be linked with operational planning. This will not only produce more effective and realistic operation plans at the State and local levels, but will also help ensure that investments in capabilities are addressing needs gaps in the operation planning process. This clarity and focus on planning is critical to improving the preparedness of the Nation to deal with the wide range of risk. As partners in emergency management, EMPG recipients and FEMA should ensure that Federal investments are maximized across jurisdictional boundaries.

FEMA is directed to issue guidance, developed in coordination with State and local entities, which will modernize the emergency management planning process.”

**Management and Administration** \$678,600,000.

- Of this \$426,020,000 is for operations activities, \$216,580,000 for management activities, \$30,000,000 for Urban Search and Rescue, and \$6,000,000 for Office of National Capital Region Coordination. (p. 90)
- National Cooperation. Directs FEMA and the Department to finalize National Preparedness Goal and National Response Plan. Comments on “the gross lack of urgency displayed by the Department in completing guidance documents for a national strategy.” (p. 91)
- Disaster Plan Guidance for service animals and pets. Notes that PL 109-295 includes a provision “that requires the Department to issue guidance for State and local governments to take into account the needs of individual with service animals and household pets into their local emergency plans before, during and after a disaster. The Committee is dismayed that guidelines are not yet published and directs the Department to issue them without further delay.” (p. 91)
- Federal Agency Emergency Preparedness. Directs FEMA to report by Feb. 5, 2008 on each Federal Agency’s preparedness level to serve as the lead for the designated emergency support function. Report will evaluate assets available, personnel trained and plans developed and exercised. (p. 92)
- Mitigation and Preparedness Incentives. “The Committee notes that, according to the Multihazard Mitigation Council, on average, a dollar spent by FEMA on hazard mitigation saves the Nation \$4 in future costs. The Committee also recognizes that when funding is saved through reduced property damages, lives are also saved. The Committee encourages FEMA to work with qualified organizations to propose incentives for State and local governments to focus on mitigation and preparedness through existing Federal programs.” (p. 92)

- Host Communities. “The Committee recognizes that, during a disaster, communities surrounding the impacted area quickly become hosts to disaster victims for an undetermined amount of time. The Committee directs FEMA to issue guidance to assist communities in planning to shelter and provide for the critical needs of evacuees of a disaster area.” (p. 92)
- Regional Offices. (p. 92)
  - Notes that regional offices serve as the backbone for FEMA's relationship with State and local partners and strengthen regional cooperation.
  - Recognizes that title VI of Public Law 109-295, the Post-Katrina Reform Act of 2006, codifies and expands FEMA's regional offices. Directs FEMA to fulfill the letter and intent of section 507 of the Homeland Security Act of 2002 which creates robust FEMA regional offices. Encourages FEMA to promote regional interoperability by ensuring personnel who understand the technical and administrative issues surrounding interoperability are located in each FEMA regional office. and directs FEMA to work with the Office of Emergency Communications to ensure this important expertise exists.
  - Directs FEMA to analyze the regional all-hazard response capacity for remote areas of US Flag territories in the Pacific Ocean and make recommendations as to how it might be improved.
- Workforce. Notes FEMA is 45 percent below authorized level for FY 2007. Directs FEMA to continue aggressive hiring efforts and to fully utilize the \$30,000,000 transfer from the Disaster Relief Fund [DRF] to hire 250 permanent staff in accordance with Public Law 109-295. The Committee recommendation includes authority to transfer up to \$48,000,000 and 250 positions, for fiscal year 2008, from the DRF to support FEMA's continuing effort to professionalize and expand its permanent disaster workforce. Support for this effort is contingent on its success and positive results in the near future. Directs an aggressive approach to training FEMA employees. (p. 93)
- Federal Preparedness Coordinators. The Committee still has not received a plan for Federal Preparedness Coordinators [FPC] and directs FEMA to not expend funds for FPCs until a plan is received and approved by the Committee. Concerned the FPCs would duplicate efforts carried out by the Preparedness Officers who were transferred into FEMA with the grants program. (p. 93)
- Information and financial systems. Notes National Emergency Management Information System (NEMIS) has components that predate 1998, notes progress in beginning to update some components, encourages FEMA to continue aggressive implementation of ongoing and new projects to ensure that technology is being used as effectively as possible to manage resources and information prior to, during, and after a disaster, includes an increase of \$6,000,000, to be competitively awarded, is provided to complete Documents Management and Records Tracking System [DMARTS]. Expects FEMA to maintain a plan so technology will not become antiquated ineffectual, and directs FEMA to brief the Committee, no later than July 15, 2007, on the status of its information technology, including significant updates

and unfilled gaps. Requires a report by Feb 5, 2008, providing a 5-year plan, including resources needed. (p. 93)

- Disability Coordinator. Expects FEMA and Department to vigorously support the Office, (p. 94)
- Office of National Capital Region (NCR) Coordination. Concerned that planning for evacuation of NCR has not incorporated all pertinent officials from the appropriate local communities and States in the decision making process. Includes bill language requiring inclusion of Governors of West Virginia and Pennsylvania. Directs the Department to include officials from counties and municipalities that contain evacuation routes and tributaries in the planning process. (p. 94)

**State and Local Programs-- \$3,030,500,000.** Request was \$1,696,000,000. (pp. 95-99 of report and pp. 36-40 of bill)

- Defines “unit of local government” for purposes of the grants.
- Expects FEMA to continue all current overtime reimbursement practices. Bill language indicates law enforcement terrorism prevention grants under state grants and under Urban Area Security Initiative (UASI) shall be available for operational costs to include personnel overtime and overtime associated with FEMA certified training.
- Construction. Bill language prohibits use of funds for construction, except for Regional Catastrophic Preparedness, Port Security, Rail and Transit Security and the Buffer Zone Protections Program grants. Bill language allows State Homeland Security Grant Program (SHSGP), Law Enforcement Terrorism Prevention Program (LETPP) and Urban Area Security Initiative (UASI) grants to be used for minor perimeter security projects and minor construction or renovation of necessary guard facilities, fencing and related efforts not to exceed \$1 million as deemed necessary by the Secretary. Communication towers included in jurisdiction’s interoperable communications plan do not constitute construction. (p. 96).
- Supports efforts to evaluate applications based on risk and effectiveness. In areas where risk is very high, Department is to work to ensure applications are produced in manner in which levels of funding reflect levels of risk. (p. 97) Bill language requires GAO report on validity, relevance, reliability, timeliness and availability of the risk factors and used by Secretary in allocation of discretionary grants. Bill also requires Department to provide to GAO within 7 days of enactment the risk methodology and other factors that will be used to allocate funds. (bill, p. 40)
- Measuring capabilities. National Preparedness Goal still not final. Department can not answer interim goal questions “How prepared do we need to be? How prepared are we? How do we prioritize efforts to close the gap? Report notes it is essential that the department move forward in establishing clearly defined measures of preparedness and their effectiveness. (p.98)
- Real ID Act. Concerned President’s budget does not address this unfunded mandate. (p. 98)
- Emergency Medical Services. Committee is concerned EMS is not considered an equal player among the first responder community and encourages the Dept. to require States to include EMS representatives in State planning efforts. (p. 100)

- Interoperable Communications. Directs The Department to report by February 5, 2008 on how it intends to develop and implement a strategic plan to improve communication interoperability. Before grant dollars can be obligated by grantees for interoperable communications equipment jurisdictions must certify to FEMA that they have an implementation plan that includes governance structures; policies; procedures; training; and planned exercises. Directs FEMA to work closely with the Office of Emergency Communications in the National Protection and Programs Directorate to further interoperable communications prior to a disaster. (pp. 100-101)
- Eligibility. Urges Department to work with State and local governments to ensure regional authorities such as port transit, or tribal authorities are given due consideration in distribution of State grants. Encourages Dept. to consider the need for mass evacuation planning and pre-positioning of equipment for mass evacuations in allocating first responder funds. (101)
- **State Grants** (pp. 98-99 of report and pp. 35-36 of bill )
  - **\$525,000,000 for State Homeland Security Grants.** (p. 98)
  - **\$375,000,000 for law enforcement terrorism prevention grants.** (pp. 98-99)
  - Allocated in accordance with Patriot Act.
  - Expects Department to work closely with States on implementation of HSPD-8 to ensure that rigorous analysis is used to determine and assess unmet capabilities of State and local jurisdictions.
  - Bill language provides that applications are to be available to States within 45 days of enactment; States are to submit applications within 90 days of the grant announcement and FEMA is to act within 90 days of receipt of an application. If time frames for departmental actions are missed, funding for the immediate Office of the Deputy Secretary shall be reduced by \$1,000 a day until actions are executed. (Bill p. 36, report p. 97)
  - 80% to be made available by States to local governments within 60 days after receipt of funds and 50% by Puerto Rico to local governments within 60 days.
- **Discretionary Grants** ( pp. 99-100 of report and p. 36-40 of bill)
  - **\$820,000,000 for Urban Area Security Initiative (UASI) grants, \$20,000,000 available to non-profit entities at discretion of Secretary.**
  - **\$50,000,000 for Regional Catastrophic Preparedness Grants.** Funds are provided to connect risk to local planning, further regional collaboration and ensure public education.
  - Transportation and infrastructure grants include:
    - **\$400,000,000 port security**
    - **\$16,000,000 trucking industry**
    - **\$12,000,000 intercity bus security.**
    - **\$400,000,000 for intercity rail passenger transportation**
    - **\$50,000,000 for buffer zone protection**
    - Committee expects Coast Guard, Transportation Security Administration, and National Protection and Programs Directorate to provide operational

subject matter expertise and to be fully engaged in determination of award where appropriate.

- **\$33,000,000 for Metropolitan Medical Response System (MMRS)**
- **\$15,000,000 for Citizens Corps**
- For UASI, Regional Catastrophic Grants and Citizen Corps grants Bill language provides that applications are to be available to States within 45 days of enactment; States are to submit applications within 90 days of the grant announcement and FEMA is to act within 90 days of receipt of an application. If time frames for departmental actions are missed, funding for the immediate Office of the Deputy Secretary shall be reduced by \$1,000 a day until actions are executed. 80% to be made available by States to local governments within 60 days after receipt of funds.
- For the infrastructure protection grants applications are to be available to eligible applicants not later than 75 days after enactment; applicants are to submit applications not later than 45 days after the grant announcement and FEMA is to act not later than 60 days after receipt of an application. If time frames for departmental actions are missed, funding for the immediate Office of the Deputy Secretary shall be reduced by \$1,000 a day until actions are executed
- **\$40,000,000 for Commercial Equipment Direct Assistance Program.** Directs to award only if projects or equipment are consistent with State Homeland Security Strategies and unmet essential capabilities identified in HSPD-8.
- **National Programs \$294,500,000**
  - **\$145,000,000 for existing members of National Domestic Preparedness Consortium,** consistent with FY 2007 allocation; \$5,500,000 for Nobel Training Center.
  - **\$50,000,000 for the National Exercise Program.**
  - **\$14,000,000 for technical assistance.**
  - **\$30,000,000 for demonstration training grants.** Committee expects it to continue as a peer-reviewed competitive grant.
  - **\$31,000,000 for continuing training grants.** Committee is supportive of programs which consistently deliver homeland security curricula in form of executive education programs and accredited Masters Degree Education.
  - **\$19,000,000 for evaluations and assessments.**
- **Firefighter Assistance Grants \$700,000,000. \$400,000,000 above the request. (p. 101)**
  - **\$560,000,000 for Firefighter assistance grants**
  - **\$140,000,000 for firefighter staffing grants.**
  - **\$3,000,000 to implement section 205(c) of PL 108-169** to same applicants as FY 2007 (requested by Sen. Stevens)
  - Continued direct funding to departments, with peer review process and not more than 5 percent for program administration.

### **Radiological Emergency Preparedness Program (REEP) (p. 103)**

- Estimates fee collections to exceed expenditures by \$505,000 in FY 2008
- Concerned that REEP has not integrated its experience and lessons learned with other Dept. components and urges REEP to reach out to FEMA's grant management, infrastructure protection and other stakeholders.

### **United States Fire Administration \$43,000,000 (p. 103)**

### **Disaster Relief Fund (DRF) \$1,700,000,000 (p. 103-104)**

- Bill language transfers \$13,500,000 to IG for audits and investigations
- Permits transfer of \$48,000,000 to FEMA to fund up to 250 permanent staff.
- Directs FEMA to firmly establish measurable thresholds for transparent decision making regarding Federal fiscal expenditures for disaster response.
- Directs FEMA to provide detailed estimate of DRF needs through Sept. 30, 2008 by July 15, 2007 and expects President to seek emergency funds if analysis shows a shortfall.
- Concerned about FEMA's lack of internal controls and directs FEMA to continue to work aggressively to address shortcoming and to work on safeguards.

### **Disaster Assistance Direct Loan Program Account (p. 104)**

- \$875,000 for subsidy and administrative expenses.
- Bill language directs gross obligations not to exceed \$25, 000,000.

### **Flood Map Modernization \$200,000,000 (p. 105-106)**

- Committee has expressed its concern over the years regarding the data input of the program and therefore recognizes, that even in light of FEMA's mid-course correction to clarify data standards, there is still work to do. Additionally, the Committee recognizes that the National Academy of Sciences [NAS] released a report in January 2007 entitled, 'Base Map Inputs for Floodplain Mapping.' The report focuses on the adequacy of imagery and elevation data, the two 'base' layers of floodplain maps, and includes recommendations to advance the program. Finally, the Committee recognizes there will be a need for resources to keep maps up-to-date over the long-term.
- FEMA is directed to report to the Committee, no later than February 5, 2008, regarding the additional needs for a continued Flood Map Modernization program, including additional work that needs to be completed, resources necessary to keep maps up-to-date, potential cost-share with State and local governments, and how FEMA intends to implement the recommendations in the NAS report.
- Gulf State Flood Maps (p. 106). Encourages FEMA to work expeditiously with U. S. Army Corps of Engineers to develop accurate maps in gulf regions damaged by Hurricanes Katrina and Rita and directs to brief no later than Oct. 31, 2007 on progress of accurate flood planning mapping in gulf coast region.

**National Flood Insurance Fund (NFIF)** \$145,000,000 (offset by fee collections) (p. 106)

- \$90,000,000 for flood mitigation for severe repetitive loss properties and repetitive insurance claims properties. (sections 1361A and 1323 of National Flood Insurance Act)

**National Flood Mitigation Fund** \$34,000,000 (p. 106)

- Funds are transferred from the NFIF

**National Pre-Disaster Mitigation Fund** \$120,000,000 (p. 107)

**Emergency Food and Shelter** \$153,000,000 (p. 107)

## **NATIONAL PROTECTION AND PROGRAMS DIRECTORATE**

Total of \$919,099,000

**Management and Administration** \$30,000,000 (p. 82-83)

- Committee is dismayed at how appropriated funds have been used. Budget submission is incomprehensible, information is unattainable, budgeted numbers are suspect, authorities used to executive certain activities are unclear.
- Directs GAO to expand investigation of Preparedness “shared services”.
- Reduces \$16,290,000 from request and withholds \$15,000,000 until Committee received and approved an expenditure plan for all NPPD accounts that has been reviewed by GAO.
- General reduction of 5 percent across NPPD account unless otherwise noted.

**Infrastructure Protection and Information Security (IPIS)** \$527,099,000

- Chemical site security. Includes \$40,000,000, an increase of \$15,000,000 from budget request.
- Interoperable communications. Includes \$24,000,000 for Interoperable Communications Integration and Technical Assistance Services. Committee is concerned that strategic planning has generally not been used to guide investments and no national plan is in place to coordinate investments across States.

**OFFICE OF HEALTH AFFAIRS (OHA)** \$115,000,000 (pp 87-89)

## **TITLE I DEPARTMENTAL MANAGEMENT AND ADMINISTRATION** (pp 10-26)

- Delay of records. Withholds \$15,000,000 from Office of the Secretary and Executive Management until Secretary certifies and reports that the Department has revised its guidance with respect to responding to GAO requests for records and reviews. (p. 14)
- Reorganization Authority. Includes a provision precluding Dept. from using funds to carry out section 872 of PL 107-296, the broad reorganization authority. Authority has been exercised 9 times. Notes survey by Office of Personnel Management ranked

DHS last in job satisfaction, last on results oriented performance, and next to last on leadership and knowledge management. (p. 14)

- Contractors Filling Federal Positions. Concerned about DHS relying on contractors to perform inherently governmental work, such as staffing 60% of intelligence office. Cites public laws prohibiting DHS from using funds appropriated for Federal FTEs to hire contractors unless committee is notified and requirement for GAO to review compliance. Notes DHS stonewalled GAO requests for information and expects this information to be provided expeditiously.
- Quarterly detailee report required.
- Slow pace for Grant Awards. HSGP grants were awarded timely, but infrastructure protection grants were awarded Sept. 29, 2006. Staffing for Adequate Fire and Emergency Response (SAFER) grants also example of slow pace. Notes delay in required guidance. Indicates Department does not stand above the law and can not choose which portions of statute to adhere to. Bill language in Title III includes \$1,000 a day reduction from Immediate Office of Secretary and Deputy for failure to comply with timetables. (p. 15)
- National Operations Center (NOC). Indicates Department intends an interim move of the national Operations Center from Nebraska Avenue Complex to the Transportation Security Operations Center in Herndon, Virginia. Dept. has future plans to co-locate NOC with other DHS operations centers at St. Elizabeth's west campus. Unclear what benefits interim move will provide and requires a detailed briefing to justify.(p. 23)
- Office of Federal Coordinator for Gulf Coast Rebuilding. \$3,000,000. Withholds \$1,000,000 until an expenditure plan for FY 2008 is received articulating how will proactively help the Gulf Coast including supporting Federal agency cooperation, and promoting expedited housing solutions.

## **TITLE V—GENERAL PROVISIONS**

### **Sec. 531. Chemical Facility Security Regulations (Bill p. 65)**

- Amends Section 550 of the Department of Homeland Security Appropriations Act, 2007 (6 U.S.C. 121 note) by adding the following:  
`h) This section shall not preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, or standard of performance with respect to chemical facility security that is more stringent than a regulation, requirement, or standard of performance issued under this section, or otherwise impair any right or jurisdiction of any State with respect to chemical facilities within that State, unless there is an actual conflict between this section and the law of that State

### **Sec. 535 Disaster Assistance for Schools. (Bill p. 67-69)**

- Includes provision to expedite payment to schools for damage caused by Hurricane Katrina or Hurricane Rita.

## **NEXT CONGRESSIONAL ACTIONS**

### Senate Floor Action

As of June 22, 2007, Senate Floor Action had not yet been scheduled.

Any item which has increased funding is a target for a Floor amendment to be reduced to add funds to another program.