

BRUCE BAUGHMAN
PRESIDENT, NATIONAL EMERGENCY MANAGEMENT ASSOCIATION
AND DIRECTOR, ALABAMA STATE EMERGENCY MANAGEMENT AGENCY

TESTIMONY
BEFORE THE

SENATE APPROPRIATIONS SUBCOMMITTEE ON HOMELAND SECURITY

ON

ARE WE PREPARED?

THE UNITED STATES SENATE

SEPTEMBER 7, 2006

Introduction

Thank you Chairman Gregg, Ranking Member Byrd, and distinguished members of the Committee for allowing me the opportunity to provide you with a statement for the record on our nation's preparedness. I am Bruce Baughman, the Director of the Alabama Emergency Management Agency. In my statement, I am representing the National Emergency Management Association (NEMA), whose members are the state directors of emergency management in the states, territories, and the District of Columbia. Currently, I am the President of NEMA and prior to my appointment in Alabama, I served in various positions at the Federal Emergency Management Agency (FEMA) for almost thirty years. This includes service as the Director of the now dissolved Office for National Preparedness and as Director of Operations on over 100 disasters including Oklahoma City, the Pentagon, and World Trade Center in 2001. I also worked on the development of the initial Federal Response Plan, which is the precursor to the new National Response Plan, and the U.S. Government Interagency Domestic Terrorism Concept of Operation Plan (CONPlan) during my tenure at FEMA. I bring over 32 years of experience in emergency management and I understand how emergency management is intended to work.

I very much appreciate the opportunity to testify before your Committee today. This is the first time in five years that state and local emergency management leaders have been invited to publicly testify before the Appropriations Committee and we welcome this as a chance to share with you the preparedness priorities of state and local governments. There are several key areas that I wish to discuss with you today that need to be resolved in order to secure our preparedness:

1. Addressing the funding gaps that exist for State and local emergency management;
2. Strengthening and empowering FEMA through strong reform and clear organizational structures; and
3. Developing an outlet for consistent and timely input to federal partners on federal policy and interpretation on emergency management issues.

Before I begin discussing those subjects, I want to note the efforts that Under Secretary Foresman and Under Secretary Paulison have made sure to work together to ensure that preparedness is closely

linked with response and recovery within the Department of Homeland Security. However, we must continue to look at ways to prevent separation of emergency management functions and join preparedness with response, recovery, and mitigation to re-link the cycle of emergency management.

Funding for Emergency Management – A National Priority Issue

One of the most important and critical components for strengthening our national preparedness and response to disasters is federal funding. While multi-billion dollar investments have been made in securing our homeland and preparing for acts of terrorism, funding for natural hazard preparedness has suffered. The current FY 2007 proposed funding level for the Emergency Management Performance Grant (EMPG) is only \$170 million, though the Senate approved amount is \$220 million. After modest increases, EMPG's growth rate has not kept pace with inflation or increased federal requirements. Some of these mandates include: updating state and local plans to reflect the new National Response Plan, adoption of and training on the new National Incident Management System (NIMS), requirements to implement the National Preparedness Goal and Target Capabilities List, updates of emergency evacuation plans, and participation in National Plan Reviews as mandated by Congress. This year, of all years, the Administration is proposing to cut EMPG by \$13.1 million, despite the \$260 million shortfall identified by NEMA in a 2004 study. NEMA just completed the 2006 NEMA Biennial Report, which will be published at the end of September, and new survey numbers are available. Now, the shortfall has reached \$287 million, which means another 10.3 percent more is needed for the program.

While the House of Representatives proposed to address this year's EMPG funds with a \$3 million increase over the FY 2006 level, significant resources must be allocated to this vital program to ensure our nation's preparedness levels and we believe that the Senate approved amount makes a serious down payment to address the shortfall. NEMA is appreciative of Congress' recognition of the EMPG program, but this year we respectfully ask that Congress aggressively address the programs shortfalls with any additional funding possible.

Natural disasters are certain and often anticipated. While federal support to state and local governments is critical in disasters, we must be investing more resources to improve state and local capability. All disasters are local. Improving local emergency management capability will decrease the need for a comprehensive federal response. The federal government, by its nature, is bureaucratic and cumbersome. Every state must be able to plan for disasters as well as build and sustain the capability to respond. EMPG is the only source of funding to assist state and local governments with planning and preparedness/readiness activities associated with natural disasters. EMPG is the backbone of the nation's all-hazards emergency management system and the only source of direct federal funding to state and local governments for emergency management capacity building. EMPG is used for personnel, planning, training, and exercises at both the state and local levels. EMPG is primarily used to support state and local emergency management personnel who are responsible for writing plans, conducting training, exercises and corrective action, educating the public on disaster readiness and maintaining the nation's emergency response system. EMPG is being used to help states create and update plans for receiving and distribution plans for commodities and ice after a disaster, debris removal plans, and plans for receiving or evacuating people – all of these critical issues identified in the aftermath of Hurricane Katrina.

The state and local government partnership with the federal government to ensure preparedness, dates back to the civil defense era of the 1950s, yet increased responsibilities over the last decade have fallen on state and local governments without increased EMPG funding. NEMA completed a Quick Response Survey in March 2006 to assess the impacts of the proposed cut to the EMPG program. Of the 42 states responding, 90 percent of the states will have to cut staff ranging from one person to more than 50 positions. If the cut is included in the budget: 20 states will have to cut between 1-10 positions; 10 states will have to cut between 11-30 positions; 4 will have to cut between 31-50 positions; and 4 will have to cut more than 50 positions. In the same Quick Response Survey, 83 percent of responding states report that the majority of EMPG funds go to local grants, so the impact of the cut would be greatest on local governments.

State and Local Match

EMPG is the only program in the Preparedness account within the Department of Homeland Security that requires a match at the state and local level. The match is evidence of the commitment by state and local governments to address the urgent need for all-hazards emergency planning, to include terrorism. EMPG requires a match of 50 percent from the state or local governments. According to the NEMA 2004 Biennial Report, budgets for state emergency management agencies nationally were reduced by an average of 23 percent in fiscal year 2004, yet at the same time states were continuing to over match the federal government's commitment to national security protection through EMPG by \$96 million in FY04, which is a 80 percent state and 20 percent federal contribution.

Appropriate Support Needed to Strengthen Program

Clearly, Congress wants to understand what is being built with these investments, especially in tight fiscal conditions. The 2006 Quick Response Survey found that if states were to each receive an additional \$1 million in EMPG funding for FY 2007, states would use the following percentages for the following activities: 88 percent of states responding would use the funding to update plans including evacuation, sheltering, emergency operations, catastrophic disasters and others; 83 percent would provide more training opportunities for state and local emergency preparedness and response; 88 percent would provide additional preparedness grants to local jurisdictions; 69 percent would conduct more state and local exercises; and 61 percent would use funding for state and local NIMS compliance.

All-Hazards Approach

The federal government must continue its commitment to ensuring national security through all-hazard preparedness. Without adequate numbers of state and local personnel to operate the all-hazards emergency management system, the infrastructure used to prevent, prepare for, respond to, and recover from all disasters will collapse. Unfortunately, Hurricanes Katrina and Rita illustrated the need for adequate emergency management systems from the ground up. Instead of making unbalanced investments towards terrorism preparedness, we must maintain an all-hazards approach and shore up the foundation of our response system for all disasters regardless of cause. We strongly encourage Congress to ensure predictable and adequate funding levels for the EMPG in FY 2007 and beyond.

Mutual Aid

Mutual aid is another key area that is supported by EMPG funds. The mutual aid assistance provided during 2005 vividly exposes the interdependencies of the nation's emergency management system. For Hurricanes Katrina and Rita, the Emergency Management Assistance Compact (EMAC) has

currently fulfilled over 2,174 missions with 49 states, the District of Columbia, the U.S. Virgin Islands and Puerto Rico providing assistance in the form of 65,919 civilian and military personnel and equipment assets to support the impacted states. The estimated costs of this assistance may exceed \$829 million. Many of the civilians sent to provide assistance were supported by the EMPG program. The nature of the nation's mutual aid system demonstrates the need for all states to have appropriate capabilities to respond to disasters of all types and sizes. EMPG allows states and local governments to build this capacity both for their own use and to share through EMAC. The increased reliance on mutual aid due to catastrophic disasters means additional resources are needed to continue to build and enhance the nation's mutual aid system through EMAC.

NEMA is the administrator of the Emergency Management Assistance Compact (EMAC). The state-to-state mutual aid system, referenced as a key achievement and best practice to be built upon in many of the reports on Hurricane Katrina, is not a perfect system and strives to achieve continuous improvement. NEMA's members are proud of the success of the system and support initiatives to bolster operational response and elevate awareness of how EMAC works.

In 2006 after Hurricane Katrina and Rita operations slowed, NEMA began the After Action Review for the 2005 Hurricane Season. In January, key state staff that were deployed or assisting from their home state as part of requests from impacted states were brought together in a focus group to begin identification of issues. In March, state and local staff deployed including representatives of a variety of national emergency response organizations including the National Sheriffs' Association, the International Association of Fire Chiefs, and many others, participated in a meeting to further cultivate the issues that went well and the issues for improvement for the 2006 season. The final After-Action Report is anticipated later this year, however NEMA has already identified issues for immediate action including: revision and adaptation of the Requisition A to an online format; development of outreach programs to share information on EMAC with state and local government agencies and national organizations representing various emergency response disciplines; integrating EMAC into state training exercises; enhancing EMAC's resource tracking system; updates to the EMAC protocols and guidelines to implement lessons learned; and development of additional training materials and development of a cadre of trained EMAC personnel to deliver the EMAC field courses aimed at educating both state and local level emergency responders on the EMAC system.

While EMAC is a state-to-state compact, FEMA funded the program in 2003 with \$2.1 million because of the national interests in mutual aid. The EMAC grant will end on November 30, 2006 and no additional funds have been committed at this time. We call on this Committee to urge DHS/FEMA to continue to fund EMAC, especially to implement the lessons learned from Hurricane Katrina.

Interoperability Remains a Problem

Hurricane Katrina revealed that the issue of interoperability – the ability of various emergency responders to talk to each other through both voice and data systems – still has not been resolved. Over a five-year period, DHS invested an estimated \$11 billion in grants to improve communications systems. Larger cities were able to take advantage of Urban Area Security Initiative Program (UASI) grants to enhance their systems. However, less populous states or those with smaller to mid-size communities that didn't qualify for these programs, faced a distinct disadvantage.

Comprehensive interoperable communication is expensive and requires long-term financial investments. According to the 2006 NEMA Biennial Report, States estimate that it will require more than \$7 billion to either achieve state-wide interoperability or reach levels required in each state's homeland security strategy. Of those states providing a dollar figure, this total averages in excess of \$160 million per state.

Emergency Operation Centers

During emergencies and disasters, emergency operations centers (EOCs) serve as the nerve center for state and local coordination. Federal agencies as well use these facilities as a central point for communication during response and recovery phases. After the 2001 terrorist attacks, Congress provided some funding to states to update their EOCs. However, it only allowed for limited planning and a needs-assessment.

States continue to require more monies to enhance state primary and alternate EOCs. New data in the 2006 NEMA Biennial Report, it is estimated that almost \$393 million would be needed to build, retrofit and upgrade the facilities. For local EOCs, that number increases to \$1.1 billion, for a total of almost \$1.5 billion. This includes the costs to upgrade equipment and software, train personnel, and conduct operations during emergency and non-emergency situations.

Ensuring Appropriate Reform for FEMA

Unfortunately, the Administration, Congress, and all of us have stood by and watched as FEMA has become a shell of its former self. We are at the same point as the nation was after Hurricane Andrew in 1992, questioning organizational structures, leadership, the roles of federal, state, and local government, and even citizen preparedness.

No federal agency is more qualified structurally and statutorily than FEMA to help our nation respond to and recover from disasters. FEMA has the direct relationships with state and local governments because of the grant programs and the disaster relief programs authorized through the Stafford Act. FEMA is the **only** federal agency authorized under the Robert T. Stafford Disaster Relief and Emergency Relief Act (42 U.S.C. 5121 et seq.) to carry out duties on behalf of the President. The 1978 Reorganization Plan 3, which created FEMA, also gives FEMA the responsibility for all of the functions of emergency preparedness and response. The plan states:

“This reorganization rests on several fundamental principles. First, Federal authorities to anticipate, prepare for, and respond to major civil emergencies should be supervised by one official responsible to the President and given attention by other officials at the highest levels. The new agency would be in this position.”

FEMA is and should be the agency of choice to coordinate the functions of the federal government in response to disasters, regardless of their cause.

FEMA has the ability to tap into the emergency responder community to build relationships through training and exercises. FEMA also has the skills to work cooperatively with state and local elected and appointed officials to work towards comprehensive recovery. FEMA has the coordinating function in the federal government and should have the ability to tap all the resources at the federal level to respond to a disaster. However, all these areas need to be strengthened with an all-hazards focus to ensure that federal, state, and local governments are building relationships before a disaster and understand how to work together cohesively. Leadership is not a matter of one person in the agency,

but requires systematic understanding and vision on how to assist state and local governments to undertake the recovery process.

The time to stop the cycle of degradation of emergency management functions by reorganization after reorganization is now and we must systematically improve our nation's emergency response system through verified lessons learned and not reactionary decisions. We hope that as we surpass the one year Anniversary of Hurricane Katrina and the coming close of the 109th Congress that action will be taken to strengthen FEMA that is thoughtful and immediate, but not merely action for the sake of action. NEMA must play a significant role in any compromise that is sought on FEMA reorganization.

Clarity in the Role of the Federal Coordinating Officer

The Federal Coordinating Officer (FCO) must have the authority in the field to carry out the responsibilities of the position. The FCO's authority and responsibilities are clearly delineated in the Robert T. Stafford Disaster Relief and Emergency Relief Act (41 U.S.C. 5143 Section 302). The statute outlines the functions and appointment of the FCO and the NRP must follow the Stafford Act authorities that empower the FCO to serve on behalf of the President in a declared disaster area;

NEMA strongly supports eliminating the role of the Principle Federal Official (PFO). In NEMA's view, the position is duplicative. NEMA opposed the creation of this position in the drafting process for the NRP. Initially, the PFO was included in the NRP to address an incident prior to a formal disaster or emergency declaration. The PFO role adds additional bureaucracy and confusion to any disaster. The PFO position should be eliminated, consistent with the Senate report on Hurricane Katrina.

FEMA Director Criteria and Roles

In any organization, leadership is a critical ingredient for success. However, when we are talking about FEMA, several reforms must be made to ensure that the FEMA Director is successful. Regardless of where FEMA is located, NEMA recommends that the FEMA Director has a direct reporting relationship to the President of the United States. The relationship could be structured like that of the Chairman of the Joint Chiefs of Staff reporting to the President in times of war or crisis. Criteria and a recommended knowledge base should be established for the FEMA Director position, to include:

- Emergency management or similar related career at the federal, state or local government level;
- Executive level management experience, governmental administration and budgeting;
- Understanding of fundamental principles of population protection, disaster preparedness, mitigation, response and recovery, and command and control;
- Understanding of the legislative process; and
- Demonstrated leadership including the ability to exert authority and execute decisions in crisis situations.

The President should continue to nominate and the Senate should continue to confirm the Director of FEMA, but more Congressional consideration and scrutiny should be given to the nomination to ensure the appointed official meets established criteria. Further, a fixed term appointment for not less than five years should be considered, so the nomination is not political. This would be similar to the model for the FBI Director. Finally, a vetting process should be established that includes a role for input by emergency management constituency groups similar to the American Bar Association role in

judicial nominations. In order to attract candidates who can meet these criteria, salary levels must be adjusted, as the Second Stage Review changes made modifications reducing the FEMA Director salary.

Most importantly, consideration needs to also be given to the connectivity between FEMA and the Preparedness Directorate within DHS, since all FEMA's preparedness functions were moved out into this new Directorate. When the Second Stage Review proposal was announced, NEMA articulated grave concern in a July 27, 2005 letter to the Department of Homeland Security regarding the Second Stage Review (2SR) creating a Preparedness Directorate that would be primarily focused on terrorism. The letter to Congress highlighted the lack of the Department's focus on natural-hazards preparedness and the inability to connect response and recovery operations to preparedness functions, as any unnecessary separation of these functions could result in a disjointed response and adversely impact the effectiveness of Departmental operations. Nevertheless, we are working to find ways to connect the new Preparedness Directorate with FEMA. Yet, confusion exists with the proposed National Preparedness Integration Program/Preparedness Task Force and regional preparedness officers roles in the FEMA regional offices. States are dealing with FEMA, the Preparedness Directorate, FEMA Regional Offices, Federal Preparedness Officers, and Protective Security Advisors, and it is all very confusing and we don't know who is in charge.

In recent months, some of states that face regular hurricanes have looks at reorganizing their own functions within the state to ensure the proximity of emergency management functions to the Governor. Both Florida and Louisiana have made structural changes to their emergency management divisions to have the state emergency manager report directly to the Governor. It is my belief that federal structures should mirror this organizational reporting chain and states should also take this into consideration for their own composition.

Further, I personally believe that true all-hazards grants related to preparing for, responding to, and recovering from disasters belong back within FEMA in order to ensure the programmatic mission of the organization and maintenance of relationships at the state and local levels. Restoring these grants will also ensure that FEMA can effectively measure state and local government capabilities so they better understand where the federal government needs to play a role.

Roles of Federal, State, and Local Governments

Preparedness is a continuum that must include buy-in from federal, state, and local governments, and the private sector. A larger role must be developed for state and local governments to provide input on preparedness issues. In the past year, Congressional requirements with no funding were placed on DHS and state and local governments to complete the National Plan Reviews. Further, changes were made to the National Response Plan that did not even consult state and local governments who are players and have critical roles in a national plan. We have been told that we will have the opportunity to provide input later in the fall when DHS undertakes a full rewrite; however we remain concerned that our input will not be taken seriously. Finally, policy directives coming from DHS are often coming with very little advance notice, or with a very short time for state and local governments to provide input, this making it impossible to impact the process or provide meaningful input if there is disagreement with the policy decisions. We strongly urge this Committee and the Congress to look at strong stakeholder input vehicles that allow for the state and local governments who have to abide by new requirements to honestly be consulted in a serious way.

The federal government must never become a first responder, but should remain focused on providing stronger funding for preparedness, emergency response, maintaining capabilities, and extraordinary resources that can be drawn on in a catastrophic event. The federal role is a support and coordination function that assists with resources, expertise, and response capabilities when state and local governments are overwhelmed or do not have the resources to respond. Federal efforts should only augment state and local operations and never supersede the authorities given to the Governor in the Stafford Act.

State and local governments should develop the capabilities to respond through strong emergency operations plans and tying the use of federal funds to established standards. For example, in Alabama as we allocate EMPG funding locally, we require local governments to tie their funding to building performance capabilities in the Emergency Management Accreditation Program and if local governments don't perform with the funds given, we don't continue the funding streams and implement corrective actions. With this approach, we are looking broadly at the risks we face and not just at the last disaster. State and local governments must have the capacity to develop their own plans and execute these plans when it comes to distribution of resources and emergency supplies. State and local governments understand the unique needs of their communities and the threats they face. One of the things we ask our locals to do with EMPG funding is to create plans for receiving and distribution of ice, water, food, and other commodities from the federal government in the event of a disaster. In addition, emergency contracts should continue to be permitted, since state and local governments know who best can meet their needs after a disaster.

Issues for Federal Improvement

While the House, Senate, and the White House have completed reports outlining the Lessons Learned and recommendations for improvement for federal response to disasters, I feel it is important to articulate the issues that I saw as most important in those reports and the Federal government's response to these issues relative to Hurricane Katrina.

1. Federal Logistics Planning

One thing that impacted states learned during Hurricane Katrina is that the federal supply system did not and could not meet the state and local burn rates for commodities such as food, water, ice and other immediate needs. Recognizing this shortfall, the federal government has undertaken a massive effort to repair this system. My concern is that states recognized this federal failure and have undertaken many efforts on their own to fix these logistical shortfalls. While this work is taking place at the national level, there is no clear understanding of what to expect from the federal government and how it will be integrated into state and local logistical plans.

2. Regional Hurricane Exercises

In the spring, DHS/FEMA announced their sponsorship of regional hurricane exercises to prepare the upcoming season. While this would appear to be a tremendous opportunity, the manner in which the Federal government proposed to complete these exercises limited participation and could have adverse effects on a comprehensive objective assessment of our nation's capability. First, the Federal government proposed hosting these exercises in Atlanta or Miami with key state and local officials traveling to these central locations for tabletop exercises. We should "train as we would fight" with state and local governments activating and operating Emergency Operations Centers (EOCs) just as we

would do in a real event. This approach would allow all of the state and local government representatives to test continuity of operations plans (COOP), communications systems, message flow and equipment and commodity tracking and other critical components of our response system. While we understand the need to test these vital systems, the last thing state and local governments need less than two weeks from the start of hurricane season is to travel out of state for the purpose of conducting a hurricane exercise in a cosmetic environment and under unrealistic conditions that do not reflect or test true capabilities.

3. FIRST Teams

This spring, some of my fellow state emergency managers had the opportunity to participate in a briefing in Baltimore, MD on new FEMA FIRST Teams. These teams, first on the ground during a disaster to provide the Secretary of Homeland Security with situational awareness, have the potential to provide improved coordination and unity of effort, similar to what led to the successes during Katrina in Mississippi. The concept is good but the pre-deployment coordination and reporting protocol raises some issues. Teams should never be deployed directly to a local jurisdiction; rather deployment should be requested and coordinated by the State EOC based on a state's operational capability and magnitude of the event. The teams should also work with existing ERT-A and ERT-N as part of the unified command system, and never outside that system. We recommended that through existing video teleconference capabilities that deployment of these teams be discussed and coordinated well before deployment and only at the state's request.

The plan also calls for federal law enforcement officers to be on the ground before the FIRST teams and that these officers would report back to the Secretary directly. States expressed their non-support for this initiative. While these individuals could be a valuable asset to the first team concept, operating outside the unified command concept (local, state, federal-PFO, FCO, Emergency Response Teams, and National Response Plan), as it is proposed will undermine the unified command structure and breed an environment of mistrust between local, state and federal partners.

State representatives also urged FEMA to integrate the FIRST teams and any associated element of this concept into the existing unified command structure. Any other approach will only undermine the local-state-federal partnership and mutual respect and trust that is critical to the success in any joint effort.

CONCLUSION

We appreciate Congress' increased attention and focus on disaster preparedness, response, recovery, and mitigation efforts. We ask that Congress look at ways to immediately influx the system with resources and innovation in order to face the challenges of the day. We cannot afford to repeat history and turn around to face the very same issues we faced with Hurricane Andrew as we did with Hurricane Katrina in 2006, or in the next decade. We must face these issues now and resolve ourselves to ensure that Federal, State and local governments have adequate funding for baseline emergency preparedness so exercises and training can ensure that plans and systems are effective before a disaster. I thank you for the opportunity to testify on behalf of NEMA.